

SoFi Acquires Zenbanx and Gains Ability to Expand Personal Finance Services By Colette Gulick, J.D. Candidate 2018 | February 15, 2017

Social Finance, Inc., also known as SoFi, [announced](#) that it is acquiring mobile-banking start-up Zenbanx. SoFi is a San Francisco-based start-up that was founded in 2011 and initially offered student loan refinancing services to “graduates of elite universities.” Since its inception, SoFi has branched out beyond student loan refinancing and expanded its involvement in the personal finance industry by moving into the realm of personal loans, wealth management, mortgages, and life insurance. SoFi currently has a customer base of about 225,000 members. Zenbanx Holding Ltd. is a Delaware-based company that provides mobile banking services to its customers with features allowing customers to hold an [account with up to nine currencies](#), access cash via ATMs, and perform international money transfers. SoFi’s acquisition of Zenbanx is expected to be complete by the end of this month.

SoFi’s acquisition of Zenbanx will enable it to [branch out further](#) in the personal finance industry and provide its “members” with a wider variety of services such as checking, credit card offering, and international money transfers. SoFi has been limited in its personal finance operations due to its inability to offer services of a traditional bank, like credit card products and the ability to deposit and transfer money. The acquisition of Zenbanx provides SoFi with the opportunity to offer fundamental personal finance functions and appeal to a larger customer base.

SoFi CEO and co-founder Michael Cagney thinks that Zenbanx is a “[natural fit](#)” for SoFi. The offering of these new financial products could lead to SoFi’s current customer base increasing their interaction with SoFi by opting for the new products. New customers may also be attracted to SoFi due to the availability of more traditional banking services. Additionally, the acquisition allows SoFi to extend its presence outside the United States through “[the ability to send remittances through Zenbanx](#)” and by gaining Zenbanx’s Toronto office.