BANKRATE INC
Form SC 14D9/A
August 24, 2009

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SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

AMENDMENT NO. 4
SCHEDULE 14D-9
(RULE 14d-101)
Solicitation/Recommendation Statement Under
Section 14(d)(4) of the Securities Exchange Act of 1934

Bankrate, Inc.
(Name of Subject Company)

Bankrate, Inc.
(Name of Person(s) Filing Statement)

Common Stock, Par Value $0.01 Per Share
(Title of Class of Securities)

06646V108
(CUSIP Number of Class of Securities)

Edward J. DiMaria
11760 U.S. Highway One, Suite 200
North Palm Beach, Florida 33408
(561) 630-2400
(Name, Address and Telephone Number of Person Authorized to Receive Notice and Communications on Behalf of the Person(s) Filing Statement)

With copies to:

Lawrence S. Makow, Esq.
David E. Shapiro, Esq.

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019
(212) 403-1000

o Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

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ITEM 1. *SUBJECT COMPANY INFORMATION.*

(a) Name and Address.

The name of the subject company to which this Solicitation/Recommendation Statement on Schedule 14D-9 (this Schedule 14D-9) relates is Bankrate, Inc., a Florida corporation (the Company or Bankrate). The address of the principal executive offices of the Company is 11760 U.S. Highway One, Suite 200, North Palm Beach, Florida 33408, and its telephone number is (561) 630-2400.

(b) Class of Securities.

The title of the class of equity securities to which this Schedule 14D-9 relates is the common stock, par value $0.01 per share, of the Company (the Shares, each a Share, and the holders of such Shares Shareholders). As of the close of business on August 19, 2009, there were 100,000,000 Shares authorized, of which 19,223,794 were outstanding (including restricted shares).

ITEM 2. *IDENTITY AND BACKGROUND OF FILING PERSON.*

(a) Name and Address of Person Filing this Statement.

The name, address and telephone number of the Company, which is the person filing this Schedule 14D-9, are set forth in Item 1(a) above.

(b) Tender Offer of BEN Merger Sub, Inc.

This Schedule 14D-9 relates to the tender offer (the Tender Offer or Offer) by BEN Merger Sub, Inc., a Florida corporation (Merger Sub) and a wholly owned subsidiary of BEN Holdings, Inc., a Delaware corporation (Parent), an indirect wholly owned subsidiary of Ben Holding S.à.r.l., which is beneficially owned by Apax US VII, L.P. (Apax US VII Fund), Apax Europe VII-A, L.P., Apax Europe VII-B, L.P. and Apax Europe VII-1, L.P. (Apax Europe VII Funds, and together with Apax US VII Fund, the Sponsor Funds) to purchase all of Bankrate s outstanding Shares for $28.50 per Share, payable net to the seller in cash without interest thereon, less any applicable withholding taxes (the Offer Price), upon the terms and subject to the conditions set forth in Merger Sub s Offer to Purchase dated July 28, 2009 (as amended or supplemented from time to time, the Offer to Purchase) and in the related Letter of Transmittal (as amended or supplemented from time to time, the Letter of Transmittal), copies of which are filed as Exhibits (a)(1) and (a)(2) hereto, respectively, and are incorporated herein by reference. The Tender Offer is described in a Tender Offer Statement on Schedule TO (as amended or supplemented from time to time, the Schedule TO), which was filed by Merger Sub with the U.S. Securities and Exchange Commission (the SEC) on July 28, 2009. Apax Partners, L.P. is (i) an advisor to Apax US VII Fund under an investment advisory agreement with Apax US VII Fund, and (ii) an advisor to Apax Partners LLP, which is an advisor to Apax Partners Europe Managers Limited, the discretionary investment manager to the Apax Europe VII Funds, under separate investment advisory contracts (Apax Partners, L.P., in such capacities described in the foregoing clauses (i) and (ii), is referred to as Apax).

The Tender Offer is being made pursuant to an Agreement and Plan of Merger dated as of July 22, 2009, among the Company, Parent and Merger Sub (the Merger Agreement). The Merger Agreement provides, among other things, that after consummation of the Tender Offer, Merger Sub will merge with and into the Company (the Merger), with the Company continuing as the surviving corporation and a wholly owned subsidiary of Parent (Surviving Corporation). At the effective time of the Merger, each outstanding Share (other than Shares owned by Parent, Merger Sub,

Bankrate and its subsidiaries, and certain shares owned by certain of Bankrate s officers and directors (as further described herein) and Shares with respect to which dissenters rights are properly demanded and perfected) will be converted into the right to receive the Offer Price. A copy of the Merger Agreement is filed as Exhibit (e)(1) to this Schedule 14D-9 and is incorporated herein by reference.

The Schedule TO states that the address of Merger Sub is 601 Lexington Avenue, 53rd Floor, New York, New York 10022, and Merger Sub s telephone number thereat is (212) 753-6300.

ITEM 3. *PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.*

(a) Arrangements with Directors and Executive Officers of the Company.

In considering the recommendation of Bankrate s board of directors (the Board) to tender Bankrate shares in the Offer, shareholders should be aware that Bankrate s executive officers and certain directors have agreements or arrangements that may provide them with interests that may differ from, or be in addition to, those of shareholders generally. The Board was aware of these agreements and arrangements during its deliberations of the merits of the Merger Agreement and in determining to make the recommendation set forth in the Schedule 14D-9.

Director and Officer Indemnification and Insurance

All present rights of directors and officers of Bankrate to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the effective time of the Merger in connection with such person serving as a director or officer, whether asserted or claimed at or after the effective time of the Merger will continue after the Merger. Parent and the Surviving Corporation will maintain all exculpation, indemnification and advancement of expenses provisions of Bankrate that exist immediately prior to the effective time of the Merger, and will not for a period of six years after the Merger amend, repeal, or modify these provisions in any manner that would adversely affect the rights of any individuals who were current or former directors, officers or employees of Bankrate at the effective time of the Merger.

From and after the Board Appointment Date (as defined below), Parent and the Surviving Corporation will, to the fullest extent permitted under law, indemnify and advance funds to each current and former director or officer of Bankrate for any action arising out of, relating to or in connection with any act or omission occurring or alleged to have occurred before or after the Board Appointment Date in connection with such person serving as a director or officer.

For six years following the Board Appointment Date, Parent will maintain or substitute directors and officers liability insurance on terms no less favorable than those under Bankrate s current policy, subject to a maximum limit on annual premiums equal to 250% of the last annual premium paid by Bankrate prior to the date of the Merger Agreement with respect to matters arising on or before the Board Appointment Date. In lieu of the foregoing, Bankrate may purchase a six-year prepaid tail policy prior to the Board Appointment Date providing benefits substantially equivalent to those provided under Bankrate s current policy with respect to matters arising on or before the Board Appointment Date.

Effect of the Offer and the Merger Agreement on Stock Options and Restricted Shares Granted under Bankrate s Stock Incentive Plans and Stock held by Directors and Executive Officers

As set forth below, executive officers and non-employee directors who are party to a Support Agreement have committed to invest certain amounts into Parent. It is expected that these investments will be satisfied either (1) with amounts that would otherwise be payable with respect to their Bankrate equity holdings described below or (2) by the surrender of certain of their Bankrate equity holdings for Parent securities before the effective time of the Merger.

Options

The Merger Agreement provides that, except as may otherwise be agreed between Parent and an individual option holder who is party to a Support Agreement, each outstanding option to acquire Bankrate s shares granted under Bankrate s equity compensation plans, including those held by Bankrate s executive officers and non-employee

directors, that is outstanding immediately prior to the Acceptance Time will automatically fully vest (if not already vested) and will, with respect to the Support Executives, each of whom has entered into a Support Agreement, upon the completion of the Merger, and with respect to Bankrate s other executive officers and directors, upon the Acceptance Time, convert into the right to receive an amount in cash, without interest, equal to (i) $28.50 less the exercise price of the applicable option, multiplied by (ii) the aggregate number of Bankrate shares into which the applicable option was exercisable immediately prior to the completion of the Merger or the Acceptance Time, as applicable. Bankrate or the surviving corporation will pay the holders of Bankrate options the cash payments (less required withholding taxes) in respect of their options within ten business days following the Acceptance Time. If the exercise price of any option is equal to or greater than $28.50, it will be cancelled without

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any cash payment being made to the holder of such option. As of the date hereof, Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Ricciardelli, Zanca, DeFranco, Morse, O Block, Martin, Pinola and Poliner, hold 880,000, 130,000, 25,000, 45,000, 150,000, 40,000, 107,500, 12,500, 85,000, 85,000, 62,500, 30,000 and 85,000 options to purchase Bankrate shares, respectively. Based on their Bankrate options held as of the date hereof, and assuming the Offer was completed on August 26, 2009, upon completion of the Offer the number of unvested options to purchase Bankrate shares held by each of Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Ricciardelli, Zanca, DeFranco, Morse, O Block, Martin, Pinola, and Poliner that would vest upon completion of the Offer are 0, 25,000, 0, 1,563, 48,751, 13,542, 1,563, 1,563, 10,000, 10,000, 10,000, 10,000 and 10,000, respectively. These unvested options each have an exercise price greater than $28.50 and would be cancelled without any cash payment upon completion of the Offer. Based on their Bankrate options held as of the date hereof, upon completion of the Offer and completion of the Merger, Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Ricciardelli, Zanca, DeFranco, Morse, O Block, Martin, Pinola, and Poliner would receive a cash payment in an amount equal to $17,201,200, $0, $256,000, $591,500, $0, $0, $1,937,050, $0, $1,007,900, $1,007,900, $420,425, $0, and $1,007,900 with respect to all of their Bankrate options, less any applicable withholding taxes.

Restricted Shares

The Merger Agreement also provides that, except as may otherwise be agreed between Parent and an individual holder of restricted shares that is party to a Support Agreement, all Bankrate restricted shares outstanding immediately prior to the Acceptance Time will vest in full and, subject to the ultimate vesting of the restricted shares, the holder of the Bankrate shares (other than holders subject to the Support Agreements) will have the right to tender (or direct Bankrate to tender) his or her restricted shares into the Offer (net of any Bankrate shares withheld to satisfy employment and income tax obligations). Parent has not reached any agreement respecting restricted shares with any directors or executive officers of Bankrate other than the Support Executives. To the extent that any restricted shares that vest upon completion of the Offer are not tendered, they will be converted into the right to receive an amount in cash, without interest, equal to $28.50 per share upon the effective time of the Merger, except as otherwise agreed between Parent and an individual holder of restricted shares that is a party to a Support Agreement. Each of the Support Executives have agreed not to tender any of their Bankrate shares into the Offer, which with respect to the executive officers includes any Bankrate restricted shares. Based on their Bankrate restricted shares held as of the date hereof and assuming the Offer was completed on August 26, 2009, upon completion of the Offer, the number of Bankrate restricted shares held by each of Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Ricciardelli, Zanca and DeFranco that would vest immediately prior to completion of the Offer are 34,166, 82,500, 17,000, 47,500, 47,500, 16,833, 17,000 and 0, respectively, and Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Ricciardelli, Zanca and DeFranco would receive a cash payment, as of completion of the Offer or the Merger, as applicable, in an amount equal to $973,731, $2,351,250, $484,500, $1,353,750, $1,353,750, $479,740.50, $484,500 and $0, respectively, with respect to their restricted shares, less any applicable withholding taxes. Bankrate s non-employee directors do not hold any Bankrate restricted shares.

Shares

Bankrate s directors and executive officers also beneficially own Bankrate shares. With the exception of the Support Executives (who have separately agreed not to tender their Bankrate shares), these individuals may tender their Bankrate shares for acceptance in the Offer. Any Bankrate shares not tendered in the Offer would be exchanged for cash upon the closing of the Merger. Based on their Bankrate shares held as of the date hereof and assuming the Offer was completed on August 26, 2009, and assuming that, solely for purposes of this calculation, the executive officers and directors who are not Support Executives do not tender any of their Bankrate shares into the Offer, upon completion of the Offer, the number of Bankrate shares beneficially owned by each of Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Ricciardelli, Zanca, DeFranco, Morse, O Block, Martin, Pinola, and Poliner (which, in all cases, does not include any restricted shares that will vest immediately prior to completion of the Offer) are 0, 11,210,

7,332, 6,258, 8,857, 6,685, 8,226, 0, 3,954,335, 307,074, 8,350, 5,000, and 300,456, respectively and the cash payment each such officer or director would receive upon the Merger in exchange for such Bankrate shares is $0, $319,485, $208,962, $178,353, $252,425, $190,523, $234,441, $0, $112,698,548, $8,751,609, $237,975, $142,500, and $8,562,996, respectively.

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Support Executives Investment in Parent

Each of Messrs. Morse, O Block, Evans, DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca has entered into a Support Agreement with Parent and Purchaser pursuant to which they have each agreed (i) not to tender any of their Bankrate shares into the Offer, (ii) to support the Merger and the other transactions contemplated by the Merger Agreement and (iii) to make certain investments in Parent (or an affiliate of Parent) prior to the effective time of the Merger. Each Support Agreement was approved as an employment compensation, severance or other employee benefit arrangement by Bankrate s Compensation Committee (which is comprised solely of independent directors for purposes of the requirements of Rule 14d-10 of the Exchange Act) pursuant to the non-exclusive safe harbor provided by Rule 14d-10(a)(2) of the Exchange Act. The investment of each of those individuals will be invested in the same Parent securities, and in the same relative proportions between such securities, as will be held by the Sponsor Funds and their affiliates. To the extent that the Sponsor Funds and their affiliates determine that it is reasonably feasible, and after taking into account the previous sentence, the Sponsor Funds and Parent will cooperate with these shareholders to achieve a tax-free rollover of their committed equity investment. Mr. Evans has committed to invest $4,500,000, Mr. DiMaria has committed to invest $125,000, Mr. Hoogterp has committed to invest $125,000, Mr. Horowitz has committed to invest $125,000, Mr. Ricciardelli has committed to invest $35,000, Mr. Ross has committed to invest $100,000, and Mr. Zanca has committed to invest $125,000, which represents approximately 25%, 5%, 13%, 6%, 5%, 6%, and 5%, respectively, of the gross proceeds each such person expects to receive in respect of his equity holdings in the Company in the Merger. Each of Messrs. Morse and O Block committed to invest between 30% and 50% (the percentage to be determined in the discretion of each of Messrs. Morse and O Block before the Acceptance Time) of the after-tax value of his equity holdings in Bankrate (representing an investment amount of approximately $29.7 million to $50.5 million for Mr. Morse and approximately $2.5 million to $4.2 million for Mr. O Block). Messrs. Morse and O Block have since decided to invest $38.0 million and $3.2 million, respectively. The percentage of Parent securities each Support Executive will hold subsequent to the Merger is approximately 6.9% for Mr. Morse, between 0.4% and approximately 0.6% for Mr. O Block, approximately 0.8% for Mr. Evans, approximately 0.02% for each of Messrs. DiMaria, Hoogterp, Horowitz, Ross, and Zanca, and approximately 0.01% for Mr. Ricciardelli (which percentages do not reflect any Parent equity that may be granted to them pursuant to the Parent Equity Plan described below).

Management Arrangements with Parent

Parent has agreed on certain elements of the compensation arrangements that will be provided by Parent and the Surviving Corporation following the completion of the Merger to certain executive officers.

Standard Terms of Employment

Parent has agreed that the existing employment agreements of Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross and Zanca, including their severance rights, commitments and restrictive covenants thereunder, which are described in Existing Employment Agreements with Bankrate below, will remain in place following completion of the Offer, provided that, to the extent applicable, each executive will execute an amendment to their employment agreement providing that the Merger will not give them good reason to terminate (if applicable), nor itself constitute a breach of their employment agreement. Parent has also committed to increase effective October 1, 2009 (i) the annual base salaries for Messrs. DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca by $25,000, $25,000, $50,000, $50,000, $50,000 and $10,000, respectively and (ii) the target bonuses for these same executives by $50,000, $10,000, $50,000, $25,000, $50,000 and $0, respectively.

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Parent Equity Plan

Parent has committed to adopt an equity compensation plan (the Parent Equity Plan) that will provide an incentive pool to management (the Management Pool), the amount of which is set forth below:

Return on Total Investment	Amount of Management Pool
1.0X	$0
1.5X	$20 million
2.0X	$40 million
2.5X	$60 million
3.0X	$80 million
3.5X	$100 million
4.0X	$120 million

In the event the return on total investment is between two of the figures above or is in excess of 4.0X, the amount of the Management Pool will be proportionately adjusted. The manner of determining the return on total investment that will be used to calculate the value of the Management Pool, as well as the form of the awards to be made to management under the Parent Equity Plan, has not yet been agreed upon by management and Apax and will be the subject of future negotiations. Furthermore, Parent and management are currently considering the feasibility of a structure for the Parent Equity Plan that will provide these economic rights to management in a form that is eligible for capital gains treatment.

Parent has committed to grant awards representing approximately 80% of the Management Pool at or about completion of the Merger, and will grant awards representing approximately 20% of the Management Pool thereafter. The portion of the Management Pool that will be granted to the executives and other employees will be determined by Mr. Evans and Parent s board of directors. Under the Parent Equity Plan, prior to an exit event, Parent will allocate incentive awards having a value equal to the remaining unallocated value of the Management Pool, if any. It is currently expected that Mr. Evans will receive approximately 35% of the initial allocation of the Management Pool that will be awarded at or about the completion of the Merger. Allocations of the Management Pool to other executives of the Surviving Corporation have not yet been determined, and the chief executive officer of the Surviving Corporation will recommend the allocation of awards for approval by Parent s board of directors.

Awards granted pursuant to the Parent Equity Plan will generally vest to the extent that agreed upon investors in Parent achieve an 8% internal rate of return on their investment as of an exit event. If this return threshold is not satisfied on the exit event, the awards will be forfeited upon the exit event. Upon a grantee s termination of employment before an exit event, outstanding awards that are not contingently vested will be forfeited. Up to 75% of a grantee s awards will contingently vest if certain agreed upon annual EBITDA targets are achieved while the grantee is employed. These contingently vested awards will be forfeited if the grantee s employment is terminated for cause, if the grantee terminates his or her employment without good reason or if the agreed upon investors in Parent do not achieve the 8% internal rate of return on their investment described above. Contingently vested awards that are not forfeited upon a termination of employment may be repurchased with an interest bearing note that will be payable only if the return threshold is satisfied.

Each current executive officer who is granted awards under the new Parent Equity Plan will be subject to certain restrictive covenants, including non-competition, non-solicitation and non-interference covenants that will apply during employment and for the twelve months thereafter (and for a period to be determined in the case of Mr. Ricciardelli.)

Shareholders Agreement

Each of the Support Executives has agreed to enter into a shareholders agreement with Parent which will govern the parties rights and obligations with respect to capital stock of Parent following completion of the Merger. Among other rights and obligations, the shareholders agreement will provide the executives with rights, under certain circumstances, to participate in sales, purchases and registrations of Parent shares and will provide Parent with the right to require the executive to participate in certain sales and to repurchase the executive s options (or

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Parent shares acquired upon exercise of a previously vested option) upon termination of the executive s employment.

Positions with the Surviving Corporation

It is anticipated that the current management of Bankrate will hold substantially similar positions with the Surviving Corporation and its subsidiaries after completion of the Merger.

Existing Employment Agreements with Bankrate

Each of Bankrate s executive officers, other than Mr. Ricciardelli, is party to an employment agreement with Bankrate. Under the terms of the employment agreements, the executive officers are entitled to certain severance payments in the event they incur a termination of employment by Bankrate without cause or, in the case of Mr. Evans if he resigns for good reason and, in the case of Mr. Ross if he resigns as a result of Bankrate s breach of certain provisions of his employment agreement (each, a Qualifying Termination). Severance payments are subject to the executive officer s execution and non-revocation of a release of claims against Bankrate. In the event of a Qualifying Termination, each executive officer is entitled to receive (1) within fifteen days of his date of termination, a lump sum cash amount equal to the sum of his unpaid base salary through the date of termination and any accrued bonus through the date of termination and (2) a separation payment equal to one year s base salary at the then-current rate, payable in three equal installments as follows: (x) one-third is payable on the later of (i) fifteen days following the date of termination and (ii) the date after the executive officer s right to revoke his release expires, (y) one-third is payable on the six-month anniversary of the date of termination and (z) one-third is payable on the one-year anniversary of the date of termination. Assuming that the Offer is completed on August 26, 2009 and the executive officer experiences a Qualifying Termination immediately thereafter, the amount of cash severance that will be payable to each of Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ross, Zanca and DeFranco, respectively, is approximately $450,000, $350,000, $250,000, $300,000, $300,000, $240,000 and $210,000.

Each executive is subject to an ongoing confidentiality obligation, and non-competition and non-recruit covenants, while employed by Bankrate and for one year thereafter (six months for Mr. Hoogterp).

Bankrate s Unwritten Severance Policy

Mr. Ricciardelli is eligible for severance under Bankrate s standard, unwritten severance policy. Pursuant to this severance policy, employees whose employment is terminated as a result of a position elimination or a termination of employment by Bankrate without cause are, subject to their entry into a severance agreement and general release, eligible for severance in an amount of two weeks of pay, plus one week of pay (rounded up for partial years) for each year of service with Bankrate. Assuming that the Offer is completed on August 26, 2009 and Mr. Ricciardelli s employment is terminated in a manner entitling him to severance under Bankrate s severance policy, based on his years of service with Bankrate as of the date of termination, Mr. Ricciardelli would be eligible for cash severance payments of approximately $24,038.

(b) Arrangements with Parent.

The Merger Agreement.

The Merger Agreement, a copy of which is filed as Exhibit (e)(1) hereto and is incorporated herein by reference, governs the contractual rights among Parent, Merger Sub and the Company in relation to the Tender Offer and the Merger. The Merger Agreement has been filed as an exhibit to this Schedule 14D-9 to provide Shareholders with information regarding the terms of the Merger Agreement and is not intended to modify or supplement any factual disclosures about Parent, Merger Sub or the Company in the Company s public reports filed with the SEC. In

particular, the Merger Agreement and the summary of terms set forth in the Tender Offer to Purchase and incorporated by reference herein are not intended to be, and should not be relied upon as, disclosure regarding any facts and circumstances relating to Parent, Merger Sub or the Company. The representations and warranties contained in the Merger Agreement have been negotiated among the parties thereto with the principal purpose of establishing the circumstances in which Parent may have the right not to consummate the Tender Offer, or a party may have the right to terminate the Merger Agreement if the representations and warranties of the other party prove

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to be untrue due to a change in circumstance or otherwise, and to allocate risk between the parties, rather than establishing matters as facts. The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to Shareholders and are qualified by information set forth on confidential schedules. Accordingly, Shareholders should not rely on the representations and warranties contained in the Merger Agreement as matters of fact.

Equity Commitment Letters.

As an inducement to the Company to enter into the Merger Agreement and undertake the transactions contemplated thereby, including the Tender Offer and the Merger, the Sponsor Funds have provided an equity commitment letter to Parent (but not the Company) (the First Equity Commitment Letter) and an equity commitment letter to both Parent and the Company (the Second Equity Commitment Letter and together with the First Equity Commitment Letter, the Equity Commitment Letters). The First Equity Commitment Letter obligates the Sponsor Funds to provide Parent with up to $570,800,000 solely to permit Parent and Merger Sub to pay all of the consideration in the Tender Offer and the Merger. The Second Equity Commitment Letter obligates the Sponsor Funds to provide Parent with up to $570,800,000 to permit Parent to (i) pay any termination fee owed by Parent pursuant to the Merger Agreement, (ii) pay any liabilities owed by Parent pursuant to the Merger Agreement, and (iii) comply with any specific performance remedy obtained by the Company against Parent and Merger Sub. The foregoing summary of the Equity Commitment Letters does not purport to be complete and is qualified in its entirety by reference to the First Equity Commitment Letter and the Second Equity Commitment Letter, which include certain conditions and limitations including termination provisions. The Equity Commitment Letters are filed as Exhibits (e)(2) and (e)(3) hereto and are incorporated herein by reference.

Limited Guarantee.

Also as an inducement to the Company to enter into the Merger Agreement and undertake the transactions contemplated thereby, including the Tender Offer and the Merger, Parent has provided the Company with a limited guarantee (the Limited Guarantee) in favor of the Company guaranteeing the payment of up to $570,800,000 to (i) pay any termination fee owed by Parent pursuant to the Merger Agreement, (ii) pay any liabilities owed by Parent pursuant to the Merger Agreement, and (iii) to permit Parent and Merger Sub to comply with any specific performance remedy obtained by the Company against Parent and Merger Sub. The foregoing summary of the Limited Guarantee does not purport to be complete and is qualified in its entirety by reference to that document, which includes certain conditions and limitations including termination provisions. The Limited Guarantee is filed as Exhibit (e)(4) hereto and is incorporated herein by reference.

Exclusivity Agreement

The Company and Apax entered into an exclusivity agreement dated June 30, 2009 (the Exclusivity Agreement) in connection with a possible negotiated transaction between the parties. The Company agreed, among other things, not to (i) solicit, negotiate, encourage, initiate or otherwise discuss with any other person or entity the sale, merger, consolidation or recapitalization of the Company and (ii) furnish non-public information for the purpose of facilitating a proposal for a third party transaction to any other entity until July 20, 2009. The foregoing summary of the Exclusivity Agreement does not purport to be complete and is qualified in its entirety by reference to the Exclusivity Agreement. The Exclusivity Agreement is filed as Exhibit (e)(5) hereto and is incorporated herein by reference.

ITEM 4. *THE SOLICITATION OR RECOMMENDATION.*

(a) Solicitation/Recommendation

During a meeting held on July 22, 2009, the Board, by unanimous vote and with the separate and unanimous approval of the directors of the Company not subject to Support Agreements (the Disinterested Directors), (i) determined that the terms of the Offer, the Merger and the other transactions contemplated by the Merger Agreement are fair and advisable to and in the best interests of the Company and its shareholders; (ii) approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Offer and the

Merger, in all respects; (iii) subject to the terms and conditions of the Merger Agreement, resolved to recommend that the shareholders of the Company accept the Offer, tender their Shares in the Offer and, if required by applicable law, adopt and approve the Merger Agreement and the transactions contemplated thereby, including the Merger; and (iv) approved the execution, delivery and performance of the Merger Agreement by and on behalf of the Company and the consummation of the transactions contemplated thereby, including the Offer and the Merger.

Accordingly, the Board recommends that you ACCEPT the Tender Offer and tender your Shares into the Tender Offer.

(b) Background of the Transaction

As part of its normal deliberations, the Board has periodically met with senior management of the Company to discuss and review potential strategic directions for the Company in light of the Company s financial performance, developments in the industry and the competitive landscape and markets in which it operates. These meetings have also addressed, from time to time, hypothetical acquisitions or business combinations involving various other parties.

Beginning in June 2007, in response to unsolicited inbound inquiries from strategic parties regarding a potential investment in or acquisition of Bankrate, the Company conducted a thorough review of potential strategic alternatives for the Company, including a sale or strategic merger of the Company, seeking additional debt or equity capital, acquisitions by the Company, and continued operations as a standalone business. Over the next several months, in order to evaluate these alternatives, the Company and its financial advisors, including Allen & Company (Allen), and legal advisor Wachtell, Lipton Rosen & Katz (Wachtell Lipton), assessed the landscape of companies and parties that would be potentially interested in a transaction with the Company and contacted, through the financial advisors, approximately 14 parties, comprised of both strategic buyers and financial sponsors, in order to gauge whether there was any interest in a possible strategic transaction involving the Company. These 14 firms were selected based on the Company s judgment, in consultation with the Company s financial advisors, as to the likelihood of their being interested in a possible strategic transaction with the Company given their existing businesses or investment philosophies, respectively. The list of potential strategic buyers was based on their lines of business, strategic direction and financial ability to do a transaction with Bankrate. The potential financial sponsors were based upon those (i) who expressed unsolicited interest to the Company in acquiring them, (ii) who have made prior investments in similar sectors to which Bankrate operates or (iii) who had expressed interest in acquiring assets in the sector and had adequate funds to consummate a transaction. Although several confidentiality agreements were entered into and various meetings took place, no transaction resulted from this process and eventually the Company suspended the process to focus on executing on its strategic plan. None of the strategic parties expressed an interest in pursuing a transaction.

In mid-2008, again in response to unsolicited inbound inquiries from financial sponsors regarding a potential investment in or acquisition of Bankrate, the Board re-initiated its review of strategic alternatives, reengaging in discussions with potential acquirers. The Board also re-engaged with Allen and Wachtell Lipton. Four private equity firms, including Apax, expressed interest in working with the Company, and engaged in meetings and discussions with the Company s management and advisors. The Company s focus was on those parties with serious interest and the ability to deliver the greatest value to Company shareholders. During this time, Messrs. Evans and DiMaria began a dialogue with Apax, discussing potential partnerships between the Sponsor Funds and the Company regarding potential acquisitions, as well as the possibility of Apax purchasing the Company. Messrs. Evans and DiMaria also engaged in similar discussions with another financial sponsor, but the other party did not ultimately present a proposal to the Company. On July 17, 2008, Mr. Evans had a discussion with Messrs. Truwit and Fernandes regarding Bankrate s business and finances. On July 24, 2008, Messrs. DiMaria and Fernandes discussed the business and finances of Bankrate, and in the week of August 4, 2008, further discussions were held on these matters. On August 22, 2008, representatives of Apax met with Messrs. Evans and Morse at the offices of Apax in New York City

to discuss the business, strategy and financial results of Bankrate. On September 22, 2008, Messrs. Evans and DiMaria also visited Apax s offices in London to provide an overview of the business, strategy and financial results of Bankrate. Despite earlier indications of interest, discussions ceased after these meetings, largely due to the instability and volatility in the financial markets at that time.

The Board continued to discuss over the ensuing months issues related to the strategic position of the Company and the current market environment, developments among financial institutions and how they impacted the Company, as well

as the ability of Bankrate to continually grow and compete effectively in a challenging business environment, including discussions regarding Bankrate s access to capital and ability to acquire desirable assets to enhance shareholder value. During this period, Messrs. Morse, Evans and DiMaria, met occasionally and informally with various private equity companies from time to time, including Apax, to discuss the strategic outlook of the Company. Several of these discussions concerned the possibility of a financial sponsor partnering with the Company to invest in or acquire other companies or businesses. These discussions were informational and exploratory in nature and did not give rise to any specific proposals by any of such third parties.

At an April 29, 2009 meeting of the Board, senior management and the Board again reviewed the strategic position of the Company. Mr. Evans informed the Board that in his judgment, the Company was at a critical juncture and that in order to compete effectively in the marketplace and maintain its market position, the Company needed to acquire strategic assets over the coming months and years and, given the Company s size, its access to capital was limited. Further, given the general scale and expected valuations of likely available acquisition candidates, undertaking an acquisition using the Company s stock as consideration would likely result in significant dilution to the Company s shareholders. Management and the Board concluded that in light of such constraints, it was advisable to again consider the level of interest in the Company among possible strategic partners. Following this meeting, the Company renewed discussions with Apax and another financial sponsor, a large private equity firm of internationally recognized reputation with experience in the Company s business sector, that had contacted the Company (Party A) as the parties Allen and the Company believed to be the most likely to be seriously interested in and prepared to complete, and capable of completing, a transaction expeditiously. The Company made this judgment as to which parties to engage with after consulting with Allen and considering the history of engagement and interest levels of the various parties with whom the Company discussed a potential transaction dating back to 2007. Factors considered in making this judgment included the prior inability to stimulate serious discussions with potential strategic acquirers, the varying perceived levels of interest among financial sponsors, and the judgment that Apax and Party A were very familiar with the Company as a result of previous due diligence and discussions and therefore would be most likely to be in a position to help the Company determine whether a transaction would be available on reasonable terms without an excessively lengthy timeframe or disruptive process with an uncertain outcome.

In early June 2009, Messrs. Evans and DiMaria held sessions with both Apax and Party A that included detailed discussions regarding the Company, including operational and financial information and projections, operating environment and industry conditions. On June 5, 2009, the Company and Apax entered into a confidentiality agreement, and on June 8, 2009, the Company and Party A entered into a confidentiality agreement. The Company s management and advisors began collecting documents for the creation of a data room for due diligence purposes, and Apax began engaging in due diligence activities. On June 16, 2009, the Board received a non-binding proposal from Apax to acquire all of the Company s outstanding Shares for $30.00 per Share in cash, all of which would be funded with cash available to the Sponsor Funds without need for third party debt financing. Apax indicated that it would be prepared to proceed on the basis of an approximately four-week due diligence period and that it would require that the Company agree to deal with Apax exclusively as a condition to commencing due diligence and the negotiation of definitive documents.

The Board met telephonically on June 17, 2009, and received an update from Allen regarding the negotiations with Apax, as well as Party A. During this time, management and the Board discussed the Company s financial performance for its second quarter and the outlook for the remainder of 2009, including the likelihood that its results for the second quarter of 2009 would be substantially below analyst consensus estimates and the possible reaction of the Company s stock price to the announcement of those results.

Over the next few days, Messrs. Morse, Evans and DiMaria discussed with Allen whether it might be possible to obtain a higher offer than $30.00 per Share from Apax. Based on those discussions, Allen engaged in several discussions with Mr. Truwit about the possibility of a higher price, discussing an indicative price of $33.00 per Share.

After several discussions, Mr. Truwit informed Allen that in order for Apax to even consider such a significant increase in price, Apax would need to change the proposed transaction structure to a more traditional leveraged buyout transaction using significant debt financing. Based on discussions among members of management, including Messrs. Morse, Evans and DiMaria, and Allen regarding Apax s reaction, the status of the leveraged loan markets and market experience with leveraged buyout transactions involving third party debt

financing, it was determined that introducing leverage into the potential transaction would create a high and undesirable level of uncertainty as the cost of possibly obtaining a higher price. Messrs. Morse and Evans and Allen continued to engage with Mr. Truwit regarding price, due diligence and other aspects of the potential transaction. During the period from June 8, 2009 to June 22, 2009, Allen also engaged in several discussions with Party A, including a meeting on June 12, 2009 with Allen and Messrs. Evans and DiMaria regarding the Company s business and financial results, its future growth drivers, and due diligence. Ultimately Party A did not make an offer and on June 22, 2009, indicated that it would not be able to make an offer to acquire the Company at a price level that would be competitive with that of Apax s proposal.

After continued discussions, on June 23, 2009, Mr. Truwit verbally increased Apax s offer to acquire all of the Company s outstanding Shares for $30.50 per Share which would be fully funded with cash available to the Sponsor Funds with no requirement for third party debt financing. At this time, the Board contacted Wachtell Lipton to update Wachtell Lipton regarding the potential transaction with Apax. As noted, it had become clear to senior management of the Company during the time period negotiations with Apax and Party A had taken place that the Company s results for the second quarter would be substantially below Wall Street research analyst expectations. It had also become clear that the Company s outlook for the remainder of 2009 was highly uncertain. The Board and its advisors thus believed that it was very important to be able to enter into a definitive agreement promptly. Based on Apax s willingness to offer a price of $30.50 per Share and its commitment to work towards finishing its diligence and entering into definitive agreements by July 20th, prior to the time the Company expected to release its financial results for the second quarter of 2009, and further considering the fact that the Board and its advisors believed that, given the length of time interested parties had required to conduct due diligence on the Company in the past and their general experience, it was unlikely any other party, either financial or strategic, could reasonably be expected to complete due diligence and enter into definitive agreements within a similar timeframe, the Company agreed, subject to Board approval, to allow Apax to proceed with due diligence and to have a period of exclusive negotiations until July 20, 2009. Arrangements were discussed to facilitate continuing due diligence and access to management for such diligence discussions between the parties.

At a special meeting of the Board held on June 30, 2009, the Board reviewed Apax s proposal to acquire the Company for $30.50 per Share in cash. Allen discussed its analysis of the potential transaction, including a review of the current trends in the capital markets, online advertising market and the market for leveraged buyouts; Bankrate s stock price trading history and Wall Street estimates of future Bankrate performance, including with respect to the second quarter of 2009; the premium of Apax s proposed offer price to Bankrate s then current stock price, and the value of the proposal as compared to comparable trading multiples, comparable transactions, and discounted cash flow valuations. The Board reviewed with Mr. Evans, Mr. DiMaria, Allen and Wachtell Lipton various aspects of the potential transaction, including the price, the request that certain officers and directors of the Company retain equity in the Company following the proposed transaction, and the timing of the transaction relative to the upcoming earnings announcement. Wachtell Lipton discussed with the Board the directors legal duties and responsibilities, and other related matters. Mr. Truwit had communicated to the Company that Apax would likely request that certain significant officer and director shareholders in the Company retain an equity stake in the post-acquisition company. In view of the possibility that this could be considered a possible interest in a potential transaction that would differ from the interests of shareholders generally, the Board determined that, if the Company were to proceed with the transaction, it, and any treatment of director-shareholders that was different than the treatment of shareholders generally in a transaction, should be separately approved by the disinterested members of the Board, Messrs. Martin, Poliner and Pinola (the Disinterested Directors), in particular pursuant to Section 607.0901 of the Florida Business Corporation Act (FBCA), which directors should have access to separate financial advice in order to support their separate consideration of the transaction. Section 607.0901 is further described below in Item 8 Additional Information to be Furnished Provisions of the Florida Business Corporation Act. The Board did not place any limitations on the role of the Disinterested Directors or their ability to retain independent advisors, but did not consider giving, and did not give, the Disinterested Directors primary responsibility for negotiating the transaction or other special powers as there was

no requirement to do so under Section 607.0901 or other provisions of the FBCA. The Disinterested Directors had informal discussions following this time, and met separately and formally on July 22, 2009. The Board determined that continuing discussions with Apax would be in the best interests of the Company and its shareholders, and authorized Allen and Wachtell Lipton to continue discussions and negotiations with Apax concerning the transaction. The Board also authorized the

Company to enter into the exclusivity agreement with Apax with regard to exclusive negotiations until July 20, 2009, and such agreement was executed the same day.

During the end of June and the first two weeks of July, Apax, with the assistance of its counsel Kirkland & Ellis LLP (Kirkland & Ellis), continued with its diligence efforts, and began discussions with management regarding the terms on which the substantial shareholders on the Board would purchase an equity interest in the post-acquisition company as well as incentive compensation and employment arrangements with respect to members of management. Messrs. Stahl and Truwit met with Messrs. Evans and Morse on July 6, 2009 and July 12, 2009 to discuss these matters, including the amount of equity of the post-acquisition company to be purchased, the size and allocation of the new equity plan, and the key terms of employment of each of Messrs. Morse, O Block, Evans, DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca.

During the second week of July, Wachtell Lipton and Kirkland & Ellis commenced discussion of a draft merger agreement. During that time and over the following week, the parties negotiated the terms of the merger agreement and related documentation and Apax and Messrs. Morse and Evans further discussed with Apax the terms of the shareholder investments by Messrs. Morse, O Block, Evans, DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca and management employment arrangements with Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca. The Company also consulted with Gunster, Yoakley & Stewart, P.A., the Company s regular outside Florida counsel, regarding due diligence and disclosure schedule issues. In the course of negotiating the merger agreement, the Company and its advisors identified several concerns with the terms of the merger agreement proposed by Apax. These issues included Apax s unwillingness to condition the completion of the Offer on there being a majority of the Shares tendered in the Offer (exclusive of Shares subject to Support Agreements), the fact that Apax desired the right of Parent to terminate the transaction for any reason in return for paying a fee that was well below the aggregate merger consideration, the fact that the newly formed entities party to the merger agreement did not have any significant assets with which they could satisfy a judgment if there were a breach of the agreement and that Apax proposed to cap the buyer s damages for breach of the contract to a level well below the aggregate merger consideration, and the fact that Apax proposed that the Company would not have the right to ask a court to require the buyer to specifically perform Parent s and Merger Sub s obligations under the agreement, among other issues. During this time, the parties continued to engage actively in due diligence and to discuss various business operation issues. Also during this time, the Disinterested Directors identified several potential financial advisors, each of which were familiar with the Company because they provided analyst coverage on the Company, but had no direct business relationship with the Company. From these candidates, the Disinterested Directors sought to select a financial advisor that, in the judgment of the Disinterested Directors, would be both diligent and fully committed to the Disinterested Directors and the unaffiliated Shareholders of the Company. On July 17, 2009, following discussion among the Disinterested Directors, the Disinterested Directors selected, and the Company retained on behalf of the Disinterested Directors, Needham & Company, LLC (Needham & Company) to advise the Disinterested Directors in connection with their separate consideration, and possible approval, of the merger and related matters. Needham & Company has a small limited partnership interest in a fund managed by affiliates of Antares Capital Corporation, of which Mr. Poliner is the President, but such fund has no direct or indirect equity interest in the Company. On July 19, Messrs. Evans, DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca retained Dewey & LeBeouf LLP (Dewey) to represent them in connection with the negotiation of shareholder investments and employment arrangements.

By July 20, 2009, the drafts of the definitive transaction documents reflected a proposal from Apax along the following lines: an offer price of $30.50 per Share in cash; a minimum condition to completing the tender offer requiring the tender of a majority of the Shares outstanding, which could be waived by Merger Sub if a number of Shares were tendered which, in addition to the Shares subject to Support Agreements, would constitute a majority of Shares outstanding, or with the consent of the Company; the ability for Merger Sub to acquire enough Shares directly from the Company to complete a short-form merger to acquire all remaining outstanding Shares in accordance with Florida law in the event that the minimum condition in the tender offer were met, and the requirement that Merger Sub

do so in the event the number of Shares validly tendered and not withdrawn plus the number of Shares subject to the Support Agreements represented at least 70% of outstanding Shares; an obligation on the part of Parent and Merger Sub to commence the tender offer within 10 business days of the Merger Agreement; an equity commitment letter from the Sponsor Funds to Parent and a limited guarantee from Parent, but not the Sponsor Funds, to provide sufficient funds to pay for all obligations of Parent and Merger Sub under the

Merger Agreement which would be subject to maximum aggregate liability for the Sponsor Funds of $150,000,000; and the ability for Parent to terminate the Agreement at any time on payment of a termination fee of $100,000,000. The terms of the Support Executives purchases of interests in the post-acquisition company (including the amount of such purchases and the rights of the Support Executives as minority shareholders) and of their incentive compensation and employment arrangements (including the terms of the Parent Equity Plan and base pay increases) remained unresolved and subject to negotiation between Apax, the Support Executives, and their respective counsel.

Late in the afternoon of July 20, 2009, Messrs. Stahl and Truwit contacted Mr. Evans to inform him that Apax s investment committee was unprepared to proceed at the previously agreed $30.50 per Share price and that Apax was revising its proposal to $28.50 per Share. Messrs. Stahl and Truwit stated that the reduction was due to, among other things, the declining outlook for Bankrate s business and financial results through the end of 2009 and the expectation that Bankrate s cash balances at the closing of a transaction would be less than Apax had originally estimated. That evening, the Bankrate Board convened its previously scheduled special meeting to discuss the revised proposal. In consultation with Allen and Wachtell Lipton, the Board considered the course of dealings with Apax, their disappointment and concerns regarding Apax in light of the last-minute decrease in the offer price, and the various other options, and the relative merits or downsides of each, available to the Company, including, among other things, terminating discussions with Apax, approaching other prospective buyers, both strategic and financial, or re-engaging with parties with whom the Company had discussions in the past, and responding to Apax with an improved price or other terms, and discussed the best course for maximizing shareholder value under the circumstances. In particular, the Board reviewed with Allen the likelihood that other prospective buyers would be interested in an acquisition of the Company and, where applicable, the history of the Company s engagement with such prospective buyers, including Party A. The Board also discussed the market and competitive environment, including among other things recent and projected future financial results, the timing of the Company s upcoming announcement of second quarter results, the likely market reaction to that announcement, the likely impact on the Company s stock price and the likely duration of that effect given market conditions, and the Company s ability to pursue its plan and make strategic acquisitions as an independent company, especially if the Company s stock price were to decline following the announcement of weak second quarter results. Messrs. Evans and DiMaria expressed significant concern about the ability to forecast the timing of an economic recovery and the return of a more normal credit environment, and that a lengthy recovery period would substantially impair the Company s ability to pursue strategic options in the near- to mid-term, with a possible long-term impact on the Company s competitive standing.

Following extensive discussion, the Board determined that given the absence of alternatives that, in the Board s judgment, would be viable, timely and superior to the Apax proposal, and that the likelihood of Apax raising its offer price was low, the Company would be willing to proceed with a transaction at Apax s offer of $28.50 per Share, but only on the condition that Apax amend various aspects of the draft definitive documentation that the Company believed created undesirable uncertainty that the transaction, once announced, would actually be completed and that the Company would have satisfactory recourse against Parent in the event of a dispute regarding completion of the transaction. In particular, the Board sought to improve proposed provisions that did not permit the Company to specifically enforce Parent s and Merger Sub s obligations under the Merger Agreement, or to specifically enforce the equity commitment from the Sponsor Funds to Parent; limited, in the event of a breach, the aggregate liability of Parent, and Merger Sub for monetary damages to $150 million, a number well below the value of the transaction; permitted Parent to terminate the Agreement at any time and for any or no reason on payment of a termination fee of $100 million; permitted Merger Sub not to exercise the top-up option unless a 70 percent threshold was achieved; and permitted Parent and Merger Sub up to 10 business days after signing of the Merger Agreement to prepare required tender offer documentation before commencing the tender offer. The Board also instructed management and its advisors that if Apax did not agree to these terms by noon the following day (July 21, 2009), the Company should immediately reach out to other potential acquirors, even though, in the Board s judgment, it was unlikely that any such party would be able to enter into a definitive transaction before the Company s upcoming earnings announcement.

Late that evening, Messrs. Stahl and Truwit substantively accepted the Company s proposal to significantly adjust the terms of the definitive documents, and Wachtell Lipton and Kirkland & Ellis prepared definitive documents reflecting the agreement. The final terms included, among other things: an offer price of $28.50 per Share in cash; a minimum condition to completing the tender offer requiring the tender of a majority of the Shares

outstanding, which could be waived by Merger Sub if a number of Shares were tendered which, in addition to the Shares subject to Support Agreements, would constitute a majority of Shares outstanding, or with the consent of the Company (which consent the Company does not intend and undertakes not to give); an obligation of Parent or Merger Sub to exercise the top-up option upon completion of the offer and elimination of the 70 percent tender requirement; an obligation of Merger Sub to commence the tender offer on an accelerated timeframe, and no later than July 28, 2009; the explicit right of the Company to seek specific performance of Parent and Merger Sub s obligations under the Merger Agreement, including the obligation to complete the tender offer and the merger; recourse to Parent, in the event of a breach, equal to the full acquisition price of $570,800,000, with the loss to Company shareholders expressly included in measuring the damages in the event of breach; the ability to cause the Sponsor Funds to provide to Parent up to the full acquisition price of $570,800,000; and increasing the fee required for Parent to terminate the Merger Agreement to the full acquisition price of $570,800,000. The following day, Mr. Morse requested that, in addition to these terms, Apax increase its offer to $29.50 per Share. Messrs. Stahl and Truwit responded that Apax could not offer more than $28.50 per Share. During the period that Wachtell Lipton and Kirkland & Ellis were revising the transaction documents, Dewey, which had ceased work the prior evening following the reduction in the proposed Offer Price, since it was not clear that the transaction would proceed, resumed work on July 21, 2009 after it became clear that Apax had accepted the revised terms and reengaged with Apax s counsel and had several additional discussions throughout the day of July 21, 2009 regarding certain details of the terms of the purchase of an equity interest in the post-acquisition company (such as the amount each executive was committing to invest, as reflected in the Support Agreements), as well as certain terms of the incentive compensation and employment arrangements (such as certain base pay increases to become effective in October 1, 2009).

On the morning of July 22, 2009, the Board met to consider the proposed Apax transaction. Also in attendance were representatives of Wachtell Lipton, Allen, Needham & Company and Mr. DiMaria. Messrs. Morse and Evans reviewed with the Board recent events related to Apax and the proposed transaction. They reported that Apax, pointing to various trends in the Company s business and the operating environment, had not been willing to increase its offer beyond the $28.50 per Share. Messrs. Morse and Evans also discussed with the Board their views on the status and competitive position of the Company, and each advised the Board that he supported the proposed transaction. A detailed discussion of the proposed transaction ensued. The discussion included background on the Company, its operating environment and its financial performance; trends in the use of the Company s website and the products and services being offered by the Company s banking, insurance and other financial partners; the recent disruption in financial markets and the economic recession and the impact this was having on the Company; the need to imminently announce second quarter results and those results relative to market expectations, the likely impact on the Company s stock price trading range upon announcement of such a significant miss and the prospects of that range recovering over time; the Company s prospects for the remainder of the fiscal year and beyond; and the issues with pursuing strategic acquisitions necessary to grow the Company s business given the amount of cash available to the Company, the likelihood of being able to raise significantly more capital and the likely terms of such capital and the ability to use the Company s stock as acquisition currency, particularly at the trading levels that could be obtained after announcement of second quarter results.

Allen reviewed its financial analysis regarding the proposed transaction and rendered to the Board its oral opinion (subsequently confirmed in writing and attached hereto as Annex B) to the effect that, as of such date and based upon and subject to the qualifications, limitations and assumptions set forth therein, the price of $28.50 per Share in cash to be received by the Company s shareholders, other than shareholders subject to Support Agreements, is fair, from a financial point of view, to the Company s shareholders. Representatives of Wachtell Lipton reviewed in detail the terms of the proposed transaction with the Board, including the terms on which certain members of the Board would invest in the equity of the post-acquisition company as required by Apax and the incentive compensation and employment terms envisioned by Apax for key members of management, and discussed the legal duties and standards applicable to the decisions and actions being considered by the Board.

The Board meeting then adjourned to permit a separate meeting of only Messrs. Martin, Pinola and Poliner, as the three members of the Board not entering into Support Agreements (the Disinterested Directors). Representatives of Wachtell Lipton and Needham & Company were in attendance. Representatives of Wachtell Lipton discussed applicable Florida law, including the provision under Section 607.0901 of the Florida Business Corporation Act that permits a

transaction with affiliated shareholders to be approved by disinterested directors. Needham & Company reviewed with the Disinterested Directors its financial analysis regarding the proposed transactions and rendered its oral opinion (subsequently confirmed in writing and attached hereto as Annex C) to the effect that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in the opinion, the $28.50 per Share in cash to be received by the holders of Shares (other than shareholders subject to Support Agreements) is fair, from a financial point of view, to such holders. After discussion regarding the terms of the transaction and the proposed arrangements between Parent, on the one hand, and certain members of the Company s management and Messrs. Morse and O Block, on the other hand, the Disinterested Directors unanimously assented to and voted in favor of the approval of the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Tender Offer and the Merger, and approve the arrangements whereby these individuals would invest in the equity of the post-acquisition Company and the proposed employment arrangements with senior management.

The full Board then reconvened and the Disinterested Directors reported on their separate meeting and their conclusions. After additional discussion, the members of the Board unanimously resolved to approve the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Tender Offer and the Merger.

Following the Board meeting, the parties and their respective counsel finalized and the parties executed the definitive transaction documents. Bankrate and Apax then issued a joint press release announcing the transaction.

(c) Alternatives Considered by the Board and the Support Executives

As discussed above, the Board, including Messrs. Morse, O Block and Evans, as well as Mr. DiMaria, considered at various times other alternatives, including approaching other potential acquirors and continuing to execute the Company s business plan as a standalone entity. The remaining Support Executives were not involved in the consideration of alternatives to the Offer and the Merger.

Approaches to other potential acquirors (other than Apax and Party A) were considered several times, including in April 2009 and on June 23, 2009. After consultation with Allen, the Company determined that approaching such parties was unlikely to generate serious offers given the lack of interest of strategic parties and the levels of interest and engagement history of financial sponsors in the past, and therefore did not justify the disruption and business risks that would result from such a process, or the risk of sharing confidential and sensitive information with such parties. As time went by and the outlook for the Company continued to deteriorate, it also became less likely that a third party would be able to present an offer superior to Apax s and enter into definitive agreements before the upcoming announcement of the Company s second-quarter earnings, which were expected to reflect further deterioration in the Company s results of operations. In addition, the Company s approach to Party A failed to result in any firm offer or proposal.

On July 20, 2009, after Apax s reduction of the Offer Price, the Board revisited whether it would be possible to approach other potential acquirors, including Party A. While the considerations described above continued to make it unlikely that any such approach would be successful, the Board made the judgment, after consultation with Allen, that if Apax did not immediately improve its offer as described above in Background of the Transaction , the Company should nonetheless begin discussions with other potential acquirors. Later that evening, Apax substantively accepted the Company s proposal.

In addition, on several occasions, financial sponsors approached representatives of the Company regarding the possibility of partnering with the Company to invest in or acquire other companies or businesses. These discussions were generally informal and exploratory, and did not result in any specific proposal or transaction. On numerous instances, the Board also considered the alternative of the Company continuing as a standalone entity and executing on its existing business plan, but ultimately rejected this alternative for the reasons described below in Reasons for

the Recommendation.

(d) Reasons for the Recommendation

In reaching its determination of the fairness of the terms of the Offer and Merger and its decision to approve the Merger Agreement and recommend that the holders of Shares accept the Tender Offer and tender their Shares pursuant to the Tender Offer and, if required by law, adopt and approve the Merger Agreement and the transactions contemplated

thereby, the Board considered a variety of factors weighing in favor of the Offer and the Merger, as well the risks associated with the Offer and the Merger, including the material factors listed below.

Expected Benefits of the Offer and the Merger. The Offer and the Merger are expected to result in several benefits to all of the shareholders of the Company, including the unaffiliated shareholders, including the following factors which the Board viewed as supporting its fairness determination. Where the following section discusses factors or changes that could potentially impact the financial performance of profitability of the Company, or the price or trading range of the Shares, the discussion is intended to refer to the Board s consideration of the potential impact on the value of Shares held by the unaffiliated shareholders of the Company.

The Board s belief that the Tender Offer and the Merger represented the surest and best prospect for maximizing shareholder value, based on the Board s assessment, after consultation with its legal and financial advisors, of the alternatives reasonably available to the Company. The Board reviewed the possible alternatives to the Tender Offer and the Merger (including the possibility of continuing with the Company s current business plan), the perceived risks and benefits of any such alternatives, including the timing and likelihood of consummating any such alternative, and it is the Board s view that the Tender Offer and Merger present a superior opportunity to any such alternatives.

The price to be paid pursuant to the Tender Offer and the Merger, which represents a 18.2% premium to the average 10 day trading price as of immediately prior to the signing of the Merger Agreement and a 15.8% premium to the closing trading price on July 21, 2009.

The Board s understanding and analysis of the historical and prospective operating environment and financial performance of the Company, including the existing cash flow, liquidity and financial flexibility of the Company on a stand-alone basis, the ability of the Company to pursue growth opportunities and to expand into new businesses, and the operating challenges faced by the Company due to the recent turmoil in the credit card, securitization, and mortgage markets.

The stock trading history and outlook for the Shares, including the likelihood of negative stock market reaction to the announcement of the Company s second quarter 2009 earnings, the Company s financial outlook and the likelihood that it would take a significant period of time for the Company s stock price to recover to a trading range similar to the Offer Price to be received by all shareholders, including unaffiliated shareholders, and the resulting impact on the Company s ability to raise equity capital or exploit opportunities for strategic initiatives, such as acquisitions, for the foreseeable future.

The current market pressure on the Company s client base in the financial institutions industry and the inability of such customers to reliably gauge their future operating environments due to the instability of the mortgage and credit card industries and the reduced demand for consumer credit products, which may impact their use of the Company s products, thereby potentially impacting the financial performance of the Company.

The limitations on the Company s ability to predict its future operating environment due to the instability of the mortgage and credit card industries, and the fact the Company s inability to predict or control such operational challenges creates uncertainty as to the value of all Shares, as compared to the fixed cash consideration offered in the Offer and the Merger.

The difficulty in predicting the amount of time needed for sufficient deleveraging to occur in consumer credit to permit a recovery of demand for consumer credit products and regulatory pressures on issuers with respect to interest rates paid on certificates of deposit, all of which may lead to reduced demand for the Company s services, which could adversely impact the value of all Shares.

The significance of consolidation and acquisition activity to the Company s future growth plans and the Board s assessment of the prospects of the Company being able to execute on opportunities to participate in such activity, given the range and availability of likely opportunities, the Company s financial resources on a standalone basis relative to potential competitors and the opportunities for acceptably accretive acquisitions given the current and likely trading range for the Company s common shares, and the Board s view that the difficulties faced by the Company in pursuing such opportunities on a standalone basis could erode the Company s competitive position and diminish the value of the Shares.

The Board s record of reviewing, testing and analyzing, with its advisors, the landscape of possible strategic opportunities; its familiarity, based on its strategic reviews, with the range of possible partners for the Company and how they would likely approach valuing the Company based on its financial performance; the value, actionability and certainty represented by Apax s proposal; the Board s judgment as to the likelihood of ultimately achieving a better outcome by pursuing an alternative path and its understanding of the terms of the proposed transaction; and the Board s belief that the proposed transaction was in the best interests of all shareholders.

The Board s belief that the transaction, by providing a fixed cash price to shareholders eliminates the risk of the continued and demonstrated volatility of the Company s equity price in the public markets.

The financial strength of the Sponsor Funds, which total over $35 billion globally, which contributes to the certainty of closing and the certainty that all shareholders will expeditiously receive the all-cash consideration of the Offer Price.

The fact that Party A did not submit a proposal to acquire the Company at any time during the period it was in discussions with the Company about a possible transaction.

The Board s belief that it was adequately informed about the extent to which the interests of certain directors and members of management in the transactions differed from those of the Company s other shareholders, and the fact that the transaction and such interests were unanimously approved by the Disinterested Directors who were advised by a separate financial advisor selected by such disinterested directors and who advised the Disinterested Directors with respect to, and delivered an opinion as to, the fairness from a financial point of view of the cash consideration to be received by the unaffiliated shareholders of the Company.

The opinion of Allen delivered to the Board on July 22, 2009, to the effect that, as of such date and based upon and subject to the qualifications, limitations and assumptions set forth therein, the $28.50 per Share in cash to be received by the Company s shareholders, other than holders subject to Support Agreements, in the Tender Offer and the Merger is fair, from a financial point of view, to the Company s shareholders.

The opinion of Needham & Company delivered to the Disinterested Directors on July 22, 2009, to the effect that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth therein, the $28.50 per Share in cash to be received by the shareholders (other than holders subject to Support Agreements) pursuant to the Merger Agreement is fair, from a financial point of view, to such holders.

The fact that the Tender Offer and the Merger, because they are for cash consideration, provide certainty as to the value of the consideration to be received in the proposed transactions by shareholders, that Parent agreed to proceed quickly towards the closing of the Merger and that Parent s and Merger Sub s obligations to purchase Shares in the Tender Offer and to close the Merger are subject only to limited conditions.

The fact that the transactions are not subject to Parent s ability to obtain third-party financing.

The strong commitment of the Sponsor Funds and Parent to complete the Tender Offer and Merger, as reflected in the absence of conditions other than a minimum number of Shares being tendered in the Tender Offer and other customary conditions, the ability of the Company to obtain specific performance of Parent s obligations and the Sponsor Funds commitments under the Second Equity Commitment Letter and Parent s obligations under the Limited Guarantee, and the Board s understanding that such provisions were, based on

precedent transactions, very favorable for a transaction involving a private equity sponsor.

The fact that the transaction is structured as a tender offer which can generally be completed more promptly than would have been the case with a one-step merger, meaning that all shareholders can receive the consideration value for their Shares more promptly.

The Board also considered potential risks associated with the Offer and the Merger in connection with its evaluation of the fairness of the proposed transaction, including:

The risk that Parent may terminate the Merger Agreement and not complete the Tender Offer in certain limited circumstances, including, subject to certain conditions, if there is a Company Material Adverse

Effect (as defined in the Merger Agreement), or if the Company does not perform its obligations under the Merger Agreement in all material respects.

The risks and costs to the Company if the Tender Offer does not close, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and customer relationships.

The fact that the Company s shareholders who tender their Shares (or whose Shares are converted to cash in the Merger, if it occurs) will not participate in any future earnings or growth of the Company and will not benefit from any future appreciation in the value of the Company.

The fact that the all-cash consideration in the transaction will be taxable for U.S. federal income tax purposes.

The matters described above in Item 3(a), Arrangements with Directors and Executive Officers of the Company.

In addition to the above, the Board considered the following material factors in concluding that the transaction is procedurally fair to all the Bankrate shareholders:

The fact that the Board retained independent financial advisors and legal counsel to render advice with respect to the proposed transaction.

The fact that the Disinterested Directors selected separate, independent financial advisors without any limitation imposed by the Board, and that the Disinterested Directors, after separate discussion, unanimously approved the Merger Agreement, the Offer and the Merger.

The Board s experience over the preceding two years and familiarity with potential transaction partners and transaction considerations.

The fact that there was not an unaffiliated representative acting on behalf of unaffiliated shareholders for purposes of negotiating the terms of the transaction, but that the Disinterested Directors retained a separate, independent financial advisor that conducted its own analysis and review of the transaction and that the Disinterested Directors met separately to discuss and review the terms of the transaction and unanimously approved the transaction.

The Board s ability, prior to the consummation of the Tender Offer, to change its recommendation regarding the advisability of the Tender Offer and the Merger in the event of a superior proposal, subject to the payment of a $30 million termination fee.

The fact that Bankrate s unaffiliated shareholders will not be obligated to tender their Shares in the Tender Offer; and if they so desire, will be able to exercise dissenter s rights with respect to the Merger.

The Board based its ultimate decision on its business judgment that the benefits of the Tender Offer and the Merger to the Company s shareholders and to the Company s unaffiliated shareholders outweigh the negative considerations. The Board determined that the Tender Offer and the Merger represent the best reasonably available alternative to maximize shareholder value with minimal risk of non-completion. In the course of reaching its decision, the Board did not consider the liquidation value of the Company because it considered the Company to be a viable, going concern and therefore did not consider liquidation value to be a relevant methodology. Further, the Board did not consider net book value, which is an accounting concept, as a factor because it believed that net book value is not a material

indicator of the value of the Company as a going concern but rather is indicative of historical costs. In the course of reaching its decision, the Board did not consider the liquidation value of the Company, but rather considered the analyses of Allen and Needham & Company which analyzed the Company as a going concern, because it considered the Company to be a viable, going concern and because the Board believes that the Company would not be able to readily liquidate or monetize its assets in a manner that would be certain to yield value to the Company and its shareholders in excess of the Offer consideration. The Board also considered the historical trading prices of the Company s stock, including, as discussed above, the fact that the Offer Price represents a 18.2% premium to the average 10 day trading price as of immediately prior to the signing of the Merger Agreement and a 15.8% premium to the closing trading price on July 21, 2009, the day immediately preceding the date on which the transactions were announced, the analyses conducted by Allen and Needham & Company regarding the trading history of the Company s equity in the public market, the fact that the Company s stock had recently traded at levels

above the Offer Price, and the likely negative stock market reaction to the announcement of the Company s second quarter 2009 earnings and potential time for the trading price to recover to a level comparable to the Offer Price or to levels at which the Company s stock had recently traded. Other than as described under Background of the Transaction , the Board did not consider any other firm offers made for the Company during the last two years as there were no such offers of which the Board was aware. The Board, having reviewed the financial information provided by management to Allen and Needham & Company and found Allen and Needham & Company s reliance on such information to be reasonable, subject to the underlying assumptions regarding the nature of the financial projections as described in Item 8(f), Projected Financial Information below, and having understood the assumptions and unavailable data in Allen and Needham & Company s analyses, considered and adopted as its own the analyses and the opinion of Allen and the Disinterested Directors considered and adopted as their own the analyses and opinion of Needham & Company, among other factors considered, in the course of reaching their respective decisions.

This discussion of the information and factors considered by the Board includes the material positive and negative factors considered by the Board, but is not intended to be exhaustive and may not include all of the factors considered by the Board. The Board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, and did not quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination that the Tender Offer, the Merger, the Merger Agreement and the other transactions contemplated by the Merger Agreement are fair and advisable to and in the best interests of Bankrate and its shareholders. Rather, the Board conducted an overall analysis of the factors described above, including thorough discussion with, and questioning of, Bankrate management and Bankrate s outside advisors, and considered the factors overall to be favorable to, and to support, its determination. In addition, individual members of the Board may have given different weight to different factors. It should be noted that this explanation of the reasoning of the Board and certain information presented in this section, is forward-looking in nature and, therefore, that information should be read in light of the factors discussed in the section entitled Forward-Looking Statements in this Schedule 14D-9.

(e) Intent to Tender

As discussed in Item 3(a), certain of the Directors and Executive Officers of the Company have entered into Support Agreements with Parent and Merger Sub providing that such individuals and optionholders will, among other things (i) agree not to tender into the Tender Offer, (ii) support the Merger and the other transactions contemplated hereby and (iii) invest specified amounts into Parent, for the same securities of Parent, and in the same proportions of such securities, as will be held by the Sponsor Funds, which may be accomplished by the transfer of specified Shares to Parent or an affiliate of Parent prior to the effective time of the Merger. Messrs. Morse, O Block, Evans, DiMaria, Hoogterp, Horowitz, Ricciardelli, Ross and Zanca have each entered into Support Agreements. As a portion of Mr. Morse s shares are held in trust or by family members, such persons are also parties to Mr. Morse s Support Agreement with respect to their respective Shares. The foregoing summary of the Support Agreements does not purport to be complete and is qualified in its entirety by reference to the Support Agreements. The Support Agreements are filed as Exhibits (e)(6) through (e)(9) hereto and are incorporated herein by reference. Other than the individuals entering into Support Agreements, the Company has been advised that all other of its directors and executive officers intend to tender all of their Shares pursuant to the Tender Offer.

ITEM 5. *PERSONS/ASSETS RETAINED, EMPLOYED, COMPENSATED OR USED.*

(a) Opinion of Allen & Company, LLC

Pursuant to an engagement letter dated June 26, 2009, (the Allen Engagement Letter), the Company engaged Allen as financial advisor and to render an opinion as to the fairness, from a financial point of view, of the Offer Price to be received by the Shareholders, other than holders subject to Support Agreements, in the Tender Offer and Merger

(collectively, the Transaction). On July 22, 2009, Allen delivered its oral opinion to the Board, which subsequently was confirmed in writing, to the effect that, as of July 22, 2009, and based upon and subject to the qualifications, limitations and assumptions set forth therein, the Offer Price to be received by the Shareholders, other than holders subject to Support Agreements, in the Transaction is fair, from a financial point of view, to the Shareholders. In addition to the presentation made to the Board on July 22, 2009, Allen also made a presentation to

the Board on June 30, 2009. The June 30, 2009 presentation by Allen to the Board did not constitute an opinion of Allen with respect to the fairness of the consideration to be paid in the transaction. For additional information on the June 30, 2009 presentation, please see June 30 Presentation below.

This summary of Allen s written opinion is qualified in its entirety by reference to the full text of Allen s written opinion, dated July 22, 2009, and attached hereto as Annex B. You are urged to, and should, read Allen s written opinion carefully and in its entirety. Allen s written opinion addresses only the fairness, from a financial point of view, of the Offer Price to be received by the Shareholders, other than holders subject to the Support Agreements, in the Transaction, as of the date of Allen s written opinion. The opinion of Allen was provided for the information and assistance of the Board in connection with its consideration of the Transaction. The form and amount of consideration payable in the Transaction was determined through negotiations between the Company and Apax and were approved by the Board. Allen s opinion and presentation to the Board were among many factors that the Board took into consideration in making its determination to approve the Transaction.

In arriving at its opinion, Allen, among other things:

(i) reviewed the terms and conditions of the Merger Agreement and related documents;

(ii) reviewed trends in the equity markets and online advertising, content and lead generation sectors;

(iii) reviewed business prospects and financial condition of the Company based on information provided by senior management of the Company;

(iv) reviewed historical business information and financial results of the Company;

(v) reviewed public financial information regarding the Company, including the Company s filings with the United States Securities and Exchange Commission;

(vi) reviewed financial projections of the Company, dated July 15, 2009 provided by senior management of the Company, which are discussed in Item 8(f) Projected Financial Information ;

(vii) reviewed information obtained from meetings and calls with the Company management;

(viii) reviewed historical trading performance of the common stock of the Company;

(ix) analyzed the trading history of the common stock of the Company as compared to that of related market indices and comparable public companies;

(x) analyzed public financial information regarding certain public companies, including market multiples, comparable to the Company;

(xi) analyzed public financial and transaction information regarding certain merger and acquisition transactions, including multiples and premiums paid, comparable to the proposed Transaction;

(xii) analyzed internal management projections for the Company, dated July 15, 2009 (discussed in Item 8(f) Projected Financial Information) and publicly available information in order to develop a discounted cash flow valuation analysis; and

(xiii) analyzed such other information and analyses as it deemed appropriate in arriving at its opinion.

The opinion also reflects Allen s familiarity, developed in the course of serving as financial advisor to the Company since June 2007 with the Company s business and prospects, as well as prevailing trends in the markets in which the Company participates.

In connection with its review, Allen did not assume any responsibility for independent verification of any of the information utilized in its analyses and relied upon and assumed the accuracy and completeness of all of the financial, accounting, tax and other information that was available to Allen from public sources, that was provided to it by the Company, or that was otherwise reviewed by Allen. With respect to financial projections provided to Allen by the Company, Allen assumed that such financial projections were reasonably prepared in good faith, reflecting the best currently available estimates and judgments of the management of the Company, as to the future operating and financial performance of the Company. Allen assumed no responsibility for and expressed no view or opinion as to such forecasts or the assumptions on which they are based.

Allen also assumed, with the Company s consent, that the Transaction would be consummated in accordance with the terms and conditions set forth in the Merger Agreement and certain related documents that it reviewed.

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Allen neither conducted a physical inspection of the properties and facilities of the Company nor made or obtained any evaluations or appraisals of the assets or liabilities of the Company. In addition, Allen did not conduct any analysis concerning the solvency of the Company. Allen s opinion addressed only the fairness, from a financial point of view, of the Offer Price to be received by the Shareholders, other than holders subject to the Support Agreements, in the Transaction, and did not address any other aspect or implication of the Transaction or any other agreement, arrangement or understanding entered into in connection with the Transaction or otherwise.

Allen s opinion is necessarily based upon information made available to it as of the date of its opinion, and upon financial, economic, market and other conditions as they existed and could be evaluated on the date of Allen s opinion. Allen s opinion did not address the relative merits of the Transaction as compared to other business strategies that might be available to the Company, nor did it address the Company s underlying business decision to proceed with the Transaction. Allen did not express an opinion about the fairness of any compensation payable to any of the Company s officers, directors or employees in connection with the Transaction, relative to the compensation payable to the Shareholders, nor in any way did Allen address the shares subject to the Support Agreements. In addition, Allen s opinion did not express any opinion as to any tax or other consequences that might result from the Transaction, nor did its opinion address any legal, tax, regulatory or accounting matters.

In preparing its opinion, Allen performed a number of financial and comparative analyses, including those further described below. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Allen believes that its analyses must be considered as a whole and that selecting portions of its analyses and of the factors considered by it, without considering all analyses and factors, could create a misleading view of the processes underlying its opinion. The Company provided no instructions to, nor imposed any limitations on, Allen with respect to the investigations made or procedures followed by Allen in rendering its opinion.

No company or transaction used in the analyses performed by Allen as a comparison is identical to the Company or the contemplated Transaction. In addition, Allen may have given some analyses more or less weight than other analyses, and may have deemed various assumptions more or less probable than other assumptions, so that the range of valuation resulting from any particular analysis described below should not be taken to be Allen s view of the actual value of the Company. The analyses performed by Allen are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by such analyses. In addition, analyses relating to the value of businesses or assets do not purport to be appraisals or to necessarily reflect the prices at which businesses or assets may actually be sold. The analyses performed were prepared solely as part of Allen s analysis of the fairness, from a financial point of view, of the Offer Price to be received by the Shareholders, other than holders subject to the Support Agreements, in the Transaction, and were provided to the Board in connection with the delivery of Allen s opinion.

Valuation Methods and Analyses

The following is a summary of material financial analyses performed by Allen in connection with its oral opinion presented to the Board at its meeting held on July 22, 2009 and the preparation of its written opinion letter dated July 22, 2009. Certain of the following summaries of financial analyses that were performed by Allen include information presented in tabular format. In order to understand fully the material financial analyses that were performed by Allen, the tables should be read together with the text of each summary. The tables alone do not constitute a complete description of the material financial analyses.

(1) *Comparable Public Company Analysis.* Allen performed a comparable public company analysis, which is intended to provide an implied value of a company by comparing certain financial information of the Company with corresponding financial information of similar public companies. Allen selected companies whose stock was publicly

traded, that shared similar business characteristics with the Company s business, and for which relevant financial information was available publicly. Specifically, Allen selected publicly traded companies that operated primarily in the online content publishing, advertising and lead generation sectors referred to by Allen as Online Content & Services companies. Allen excluded companies that may have offered services similar to Bankrate, but that also derived a large part of their revenues from businesses dissimilar to Bankrate. Allen also excluded

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companies referred to by Allen as Internet Leaders and e-Commerce companies. No company utilized in the comparable company analysis is identical to Bankrate.

For purposes of this analysis, Allen utilized financial information obtained from publicly available information and Wall Street research consensus estimates as of July 21, 2009 for each company listed below. In this analysis, Allen considered various financial data including enterprise values (calculated as fully diluted market capitalization, plus book value of total debt, preferred stock and minority interest, and less cash and cash equivalents) as a multiple of estimated revenue, but focused on enterprise values as a multiple of estimated Adjusted EBITDA (calculated as earnings before interest, taxes, depreciation, amortization and stock-based compensation) for calendar years 2009 and 2010. Allen utilized EBITDA multiples because Allen believes it is industry standard and the most appropriate multiple to use when valuing companies in the online content publishing, advertising and lead generation sectors. EBITDA is often used in multiples-based valuations.

Allen noted that the analysis indicated the implied mean, median, high, and low multiples for the sector of companies as a group as presented in the table below. Based on the analysis, Allen selected representative ranges of multiples of the comparable companies based primarily on the mean and median multiples for each relevant metric.

($ in millions)	Enterprise Value	Adjusted EBITDA CY 2009E	Adjusted EBITDA CY 2010E	Enterprise Value/ Adjusted EBITDA CY 2009E	Enterprise Value/ Adjusted EBITDA CY 2010E
IAC/InterActiveCorp	$ 460	$ 139	$ 179	3.3x	2.6x
WebMD	$ 1,504	$ 107	$ 125	14.0x	12.1x
Monster Worldwide	$ 1,301	$ 99	$ 114	13.1x	11.4x
ValueClick	$ 783	$ 137	$ 144	5.7x	5.4x
Move	$ 309	$ 28	$ 35	11.1x	8.9x
Internet Brands	$ 234	$ 39	$ 49	6.0x	4.8x
Dice Holdings	$ 272	$ 43	$ 41	6.3x	6.7x
The Knot	$ 180	$ 12	$ 17	14.7x	10.7x
LoopNet	$ 212	$ 30	$ 30	7.1x	7.0x
TheStreet.com	$ 39	$ (2)	$ (2)	nm	nm
Mean				**9.0x**	**7.7x**
Median				**7.1x**	**7.0x**
High				14.7x	12.1x
Low				3.3x	2.6x
Comparable Company Representative Multiple Range				8.0x - 10.0x	**6.5x - 8.5x**

Allen then applied this representative range of multiples to the Company s Adjusted EBITDA for the comparable calendar years based on management s estimates, added Bankrate s net cash balance of $55 million, and divided by Bankrate s fully diluted shares outstanding to derive an implied value per share for the Company as follows:

	Financial Statistic Management Projections	Comparable Company Multiple Range	Implied Value per Share

				($ in millions)
2009 Adjusted EBITDA	$	48.0	8.0x - 10.0x	**$22 - $27**
2010 Adjusted EBITDA	$	64.4	6.5x - 8.5x	**$24 - $30**

Allen noted that the Offer Price of $28.50 was within or above the range of implied values per share derived by the comparable public company analysis.

(2) *Comparable Precedent Transactions Analysis.* Allen also performed a comparable precedent transaction analysis, which is intended to provide an implied value of a company based on publicly available financial terms of selected transactions that share certain characteristics with the Transaction. In connection with its analysis, Allen

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compared publicly available statistics for transactions that were announced between January 1, 2008 and July 21, 2009 in which the target company operated in the online content publishing, advertising and lead generation sectors and whose transaction values were between $90 million and $2 billion. Allen selected these precedent transactions because the target companies were in the same sector as Bankrate and because the precedent transaction values were comparable in size to the Transaction. Allen excluded transactions whose targets may have offered services similar to Bankrate, but who also derived a large part of their revenues from businesses dissimilar to Bankrate. No company or transaction utilized in the precedent transaction analysis is identical to Bankrate or the Transaction.

For each transaction, Allen considered various financial data including (i) the ratio of the transaction value to the trailing year s revenue, where available, of the acquired company and (ii) the ratio of the transaction value to the forward year s revenue, where available, of the acquired company, but focused on (i) the ratio of the transaction value to the trailing year s Adjusted EBITDA, where available, of the acquired company and (ii) the ratio of the transaction value to the forward year s Adjusted EBITDA, where available, of the acquired company. Allen utilized EBITDA multiples because Allen believes it is industry standard and the most appropriate multiple to use when valuing companies in the online content publishing, advertising and lead generation sectors. EBITDA is often used in multiples-based valuations.

Information regarding certain precedent transactions was unavailable because the target was privately held and the acquirer did not disclose the relevant information. Without such disclosure, Allen was unable to calculate the corresponding transaction multiples for such transactions or include them in the multiples ranges. The valuation ranges set forth below are based on all publicly available data on comparable transactions and Allen believes there are sufficient data points, particularly when focusing on transactions completed in the last year, to form a representative range of multiples for such transactions. The unavailable data on certain precedent transactions did not impact the multiple range, Allen s conclusion as to the fairness, from a financial point of view, of the Offer Price to be received by the Shareholders, other than holders subject to Support Agreements, in the Transaction, or the Board s reliance on such conclusion.

Allen noted that the analysis indicated the implied mean and median multiples for the precedent transactions announced since January 1, 2008 as a group as presented in the table below. The precedent transactions announced over the last twelve months implied mean and median multiples distinct from those for the precedent transactions announced since January 1, 2008. Based on the analysis, Allen selected representative ranges of multiples of the comparable precedent transactions based on the mean and median multiples for each relevant metric.

($ in millions) Acquiror/Target (Date Announced)(1)	Transaction Value	Adjusted EBITDA LTM	Adjusted EBITDA Forward	Transaction Value/ Adjusted EBITDA LTM	Transaction Value/ Adjusted EBITDA Forward
Disney & Barclays Private Equity/Kaboose assets (4/1/09)	$ 95	$ 10	$ 12	9.8x	8.2x
Ameritrade/thinkorswim Group Inc. (1/8/09)	$ 630	$ 82	$ 121	7.7x	5.2x
eBay/Bill Me Later (10/6/08)	$ 945	na	na	na	na
Microsoft/Greenfield Online (8/29/08)	$ 421	$ 32	$ 49	13.3x	8.6x
Comcast/Daily Candy (8/5/08)	$ 125	na	$ 10	na	12.5x
CBS/CNET (5/15/08)	$ 1,755	$ 92	$ 123	19.0x	14.3x
Comcast/Plaxo (5/14/08)	$ 160	na	na	na	na
Cox/Adify (4/29/08)	$ 300	na	na	na	na
AOL/Bebo (3/13/08)	$ 850	$ 5	$ 10	nm(2)	nm(2)

Precedent Transactions Since January 1, 2008		
Mean	12.5x	9.8x
Median	11.6x	8.6x
Precedent Transactions Over Last Twelve Months		
Mean	10.3x	8.6x
Median	9.8x	8.4x
Comparable Precedent Transaction Representative Multiple Range	**9.0x - 11.0x**	**8.0x - 10.0x**

(1) The transaction and adjusted EBITDA values included in this table have been rounded to the nearest million, while the transaction multiples included in this table were calculated using non-rounded values for each transaction. As a result, the actual transaction multiples, which were included in this table, may differ slightly from any calculation of transaction multiples derived from the rounded transaction and adjusted EBITDA numbers.

(2) Although the target business is in the online content sector, Allen believes that the multiples for this transaction were not meaningful because the business was not valued on an EBITDA multiple basis.

Allen then applied this representative range of multiples to the Company s Adjusted EBITDA for the comparable calendar years based on management s estimates, added Bankrate s net cash balance of $55 million, and divided by Bankrate s fully diluted shares outstanding to derive an implied value per share for the Company as follows:

	Financial Statistic Management Projections ($ in millions)	Comparable Precedent Transaction Multiple Range	Implied Value per Share
LTM Adjusted EBITDA	$ 51.9	9.0x - 11.0x	**$ 26 - $31**
Forward Adjusted EBITDA	$ 48.0	8.0x - 10.0x	**$ 22 - $27**

Allen noted that the Offer Price of $28.50 was within or above the range of implied values per share based on the comparable precedent transaction analysis.

(3) *Discounted Cash Flow Analysis.* Allen performed a discounted cash flow analysis to calculate the estimated present value of the unlevered, after-tax free cash flows that Bankrate could generate over the period from the second half of 2009 through 2013. In connection with this analysis, Allen calculated a range of present equity values per share for Bankrate s common stock. Allen used certain projected financial performance estimates for the fiscal years ending 2009 through 2013 based on (i) internal estimates Bankrate s management provided to Allen on July 15, 2009 (for purposes of this section, Management Projections), which are discussed in Item 8(f) Projected Financial Information and (ii) the average of publicly available equity research estimates as of July 21, 2009 (for purposes of this section, Research Projections), which are summarized below:

(Estimated)	2009	2010	2011	2012	2013
			(In millions)		
Revenue	$ 156.7	$ 172.0	$ 197.3	$ 202.8	$ 216.2
EBITDA	56.1	65.2	75.9	81.0	88.8
Capital expenditures	4.2	4.0	5.4	2.8	2.7

Allen utilized the end-of-period discounting method to calculate the present value of interim cash flows. The value of each year s free cash flow is discounted by the Company s weighted average cost of capital (WACC) to June 30, 2009.

For each of the Management Projections and the Research Projections, Allen calculated a range of terminal values for the Company. The terminal value is an estimate of the value of the free cash flow beyond the projection period ending December 31, 2013. The terminal value was calculated at December 31, 2013 and was discounted by the Company s WACC from that date to June 30, 2009. Allen calculated the terminal values by applying an LTM Adjusted EBITDA multiple of 6.0 8.0 times the Company s estimated 2013 Adjusted EBITDA. This range was derived by taking into consideration the Comparable Company Representative Multiple Range of Enterprise Value/2010 Adjusted EBITDA multiples set forth in the Comparable Public Company Analysis section, as an estimate of the future LTM Adjusted EBITDA multiple range of such companies in 2013, with a modest discount for application to 2013 to reflect expected declining growth rates as the sector matures. For each of the Management Projections and the Research Projections, the cash flows and terminal values were then discounted to present value using discount rates ranging from 12% to 14%. This range was derived when calculating Bankrate s WACC based upon (i) Bankrate s and comparable public companies capital structures and equity betas, (ii) the U.S. ten-year treasury rates as of July 21, 2009, (iii) the long-horizon expected equity risk premium (historical) as published by Ibbotson®, (iv) the 8th decile

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equity size risk premium for companies of comparable size as published by Ibbotson® and (v) an assumed 40% marginal tax rate.

The discounted cash flow analysis indicated the following implied per share value for Bankrate:

Projections Based on	Implied Equity Value per Share	
Management Projections	**$**	**29 - $38**
Research Projections	**$**	**24 - $31**

Allen noted that the Offer Price of $28.50 was just below the range of implied values per share based on Management Projections and was within the range of implied values per share based on Research Projections. While the Offer Price of $28.50 per Share was just below the range of implied values per share based on Management Projections, it was one of several analyses conducted by Allen and should be viewed in the context of those other analyses, which must be considered as a whole. Further, the Management Projections assumed generally positive developments in the Company s operating environment and industry and the general economy that resulted in higher estimates than those of the Research Projections. Based on the Research Projections, the Offer Price of $28.50 per Share was at the high end of the range of implied values per share.

(4) *Premiums Paid Analysis*. Allen performed a premiums paid analysis based upon the premiums paid in 227 precedent merger and acquisition transactions. The transactions utilized in this analysis were all those that were completed since January 1, 2006 and that involved domestic targets that were acquired for between $300 million to $2 billion, regardless of the form of consideration, and in which the acquiror acquired more than 50% of outstanding shares. The analysis excluded transactions involving financial institutions and those with premiums below negative 15% and those with premiums above 100%, utilizing publicly available data aggregated by Capital IQ®.

In the premiums analysis, Allen analyzed the premiums paid based on