

FT PARTNERS FINTECH INDUSTRY RESEARCH

August 6, 2018

Bakkt

*Report Includes profiles
of other selected digital
asset platforms*

coinbase  GEMINI
 CIRCLE  uphold

Intercontinental Exchange Announces New Digital Asset Company Bakkt in Partnership with Microsoft, Starbucks, and BCG



FINANCIAL
TECHNOLOGY
PARTNERS

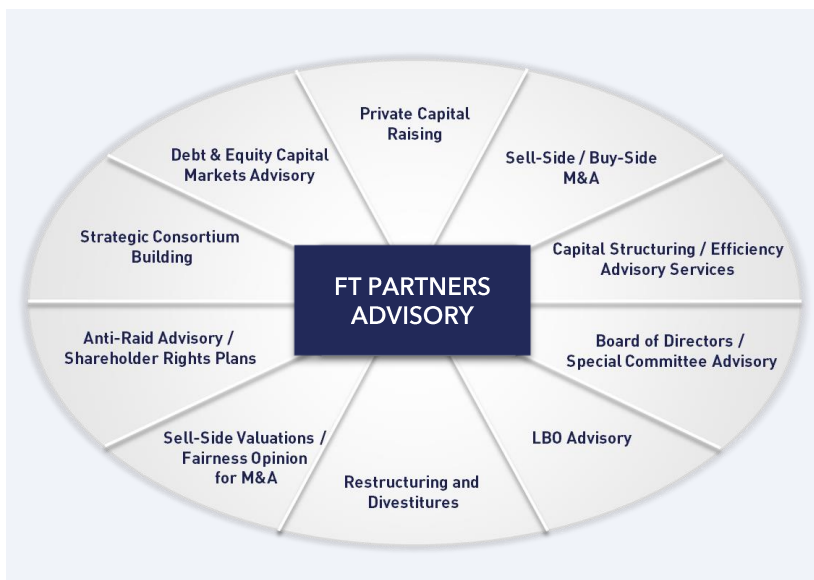
The Only Investment Bank Focused Exclusively on FinTech

San Francisco • New York • London

Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



The Information

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #1 Most Influential Person in all of FinTech in *Institutional Investor's* "FinTech Finance 40"



THE M&A ADVISOR

Numerous Awards for Transaction Excellence including "Deal of the Decade"

Transaction Summary

Transaction Summary

- On August 3, 2018, the Intercontinental Exchange -- parent company of the NYSE -- announced plans to form a new company, [Bakkt](#), to create an open and regulated, global ecosystem for digital assets
- Bakkt is designed to enable consumers and institutions to seamlessly buy, sell, store, and spend digital assets
- Formed with the purpose of bringing trust, efficiency, and commerce to digital assets, Bakkt seeks to develop open technology to connect existing market and merchant infrastructure to blockchain
- The new company is working with large, established firms including Microsoft, Starbucks, and BCG
- The first use case of the newly formed company will be trading and conversion of bitcoin with fiat currencies to address evolving needs in the \$270 billion digital asset marketplace
- Bakkt plans to launch 1-day physically delivered bitcoin future contracts along with physical warehousing in November 2018
- In addition to the Intercontinental Exchange and M12 (Microsoft's venture arm), investors are "expected to include" an affiliate of Fortress Investment Group, Eagle Seven, Galaxy Digital, Horizons Ventures, Alan Howard, Pantera Capital, Protocol Ventures, and Susquehanna International Group

Transaction Commentary

"In bringing regulated, connected infrastructure together with institutional and consumer applications for digital assets, we aim to build confidence in the asset class on a global scale, consistent with our track record of bringing transparency and trust to previously unregulated markets,"



Jeffrey C. Sprecher
Founder, Chairman, & CEO



"Bakkt is designed to serve as a scalable on-ramp for institutional, merchant and consumer participation in digital assets by promoting greater efficiency, security and utility. We are collaborating to build an open platform that helps unlock the transformative potential of digital assets across global markets and commerce."



Kelly Loeffler
CEO



"As the flagship retailer, Starbucks will play a pivotal role in developing practical, trusted and regulated applications for consumers to convert their digital assets into US dollars for use at Starbucks. As a leader in Mobile Pay to our more than 15 million Starbucks Rewards members, Starbucks is committed to innovation for expanding payment options for our customers."



Maria Smith
VP Partnerships & Payments



Bakkt Overview

Company Overview



CEO: Kelly Loeffler

Founded: 2018

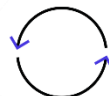
- Bakkt will enable consumer and institutions to buy, sell, store, and spend digital assets on a seamless global network
- Bakkt plans to include federally regulated markets and warehousing along with merchant and consumer applications
- Initial focus will be on trading and conversion of bitcoin and fiat currencies, given bitcoin is currently the most liquid digital currency
- The company will be bringing transparency and trust to previously unregulated markets
- Intends to play a key role in boosting institutional, merchant, and consumer participation in digital assets
- Plans to launch 1-day physically delivered bitcoin future contract along with physical warehousing in November 2018, subject to CFTC review and approval
- Bakkt is preparing for launch in the upcoming weeks

Features



Efficient

Buy, sell, and spend digital assets within an efficient global ecosystem



Seamless

An integrated global platform for trading, warehousing, and commerce



Secure

Leveraging Intercontinental Exchange's market infrastructure, Bakkt is designed to bring regulated trading, clearing, and warehousing

Competition

- Several companies are attempting to become major digital asset institutions, providing secure and trusted platforms for both consumers and institutions to buy, store, and spend digital assets

coinbase  GEMINI

 CIRCLE

 uphold

Selected Competitor Overview - Coinbase

Bakkt

Company Overview

coinbase

CEO: Brian Armstrong
Headquarters: San Francisco, CA
Founded: 2012

- Coinbase offers an international digital wallet solution that allows users to securely buy, use and accept digital currency such as bitcoin, ether, and litecoin
- The Company offers a platform that facilitates bitcoin and digital currency transactions for consumers and merchants
 - Currently serves 32 countries, 30.4 million consumer wallets, 46,000 merchants, and 10,000 developer apps
- On January 26, 2015, Coinbase opened the first regulated bitcoin exchange in the US
 - Coinbase is now one of the top institutional and professional trading platforms for digital currency alongside GDAX
 - Since its launch, the Company has facilitated the exchange of more than \$25 billion in digital currency
- The Company's platform also ensures secure storage of bitcoin in the cloud, as well as provides a suite of merchant tools

Products and Services

coinbase

- Entry-level all-in-one exchange to buy, sell, and store digital currencies
- Digital currency is sent and received immediately, stored securely and protected by Coinbase insurance

GDAX

- Exchange to trade digital currencies that is geared towards institutions and professionals
- Industry leading API and intuitive trading platform

T O S H I

- Open source browser for the Ethereum network that allows for instant global payments and secure messaging
- Offers third party financial applications powered by Ethereum
- Official application available for both Android and iOS

MERCHANT TOOLS

- Allows businesses to accept bitcoin payments and instantly exchange through Coinbase to avoid volatility
- Greatly reduces online fraud as bitcoin payments are confirmed within a few seconds with zero chargebacks

Selected Competitor Overview - Gemini

Bakkt

Company Overview



CEO: Tyler Winklevoss
Headquarters: New York, NY
Founded: 2014

- Gemini is a digital asset exchange and custodian that allows customers to buy, sell, and store digital assets
- The Company is a New York trust company that is held to the highest level of fiduciary obligations, capital reserve requirements, and banking compliance standards
- Conducts daily auctions at 4pm ET to facilitate market liquidity and provide an end-of-day price for marking assets to market
 - Conducts additional daily East Asian market auction at 6pm Japan Standard Time
- Gemini auction prices are used as the basis for the settlement price of CBOE cash-settled bitcoin futures
- Block trading platform to enable large transactions
- Recently hired Robert Cornish as CTO
 - Former CIO of the New York Stock Exchange
- Available currencies include bitcoin, ether, and zcash

Products and Services



Custody Services

- Gemini is a fiduciary and custodian that is licensed to custody customers' digital assets in trust



Marketplace

- Multiple order types and execution options to facilitate customers' trading strategies



Regulatory Oversight

- The Company is a trust company regulated by the New York State Department of Financial Services (NYSDFS)

Management Team



Tyler Winklevoss

Co-Founder & CEO



Cameron Winklevoss

Co-Founder & President

Selected Competitor Overview - Circle

Company Overview



Founder & CEO: Jeremy Allaire

Headquarters: Boston, MA

Founded: 2013

- Circle develops digital currency products and offers mobile applications that enable users to send and receive money and make payments online
- Unlike existing systems that are closed and proprietary, Circle uses open standards and protocols to build its products
- Circle employs 230 people and serves 7 million customers ⁽¹⁾
- On February 26, 2018 Circle acquired Poloniex, a leading crypto exchange platform for approximately \$400 million

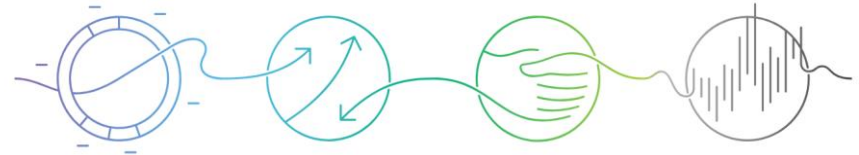


Jeremy Allaire
Co-Founder & CEO



Sean Neville
Co-Founder

Products & Services



Circle Invest

- With Circle Invest, it's easy to buy and sell crypto assets
- Choose from a variety of 7 cryptocurrencies – including bitcoin, ether, monero, and zcash
- \$1 minimums make it easy to start
- Competitive prices

Circle Pay

- Send money like a text
- No borders and no fees
- Circle Pay is available in 29 countries and in USD, British pounds, and euros

Circle Trade

- Trade crypto OTC with Circle's global desk
- Highly personalized trades starting at \$250K
- \$2B + monthly trading volume

Poloniex

- Buy and sell on one of the world's most active crypto exchanges
- Cold storage and 24/7 monitoring

Selected Competitor Overview - Uphold

Company Overview



CEO: Adrian Steckel

Founded: 2014

- Uphold's vision is to provide trusted access to digital money and financial services
- The Company operates a multi-purpose digital money platform, reducing the complexity, cost and risk associated with B2B and B2C transactions
- Uphold's platform enables individuals and businesses to move, convert and transact money or commodities
 - Supports nearly 35 currencies, including cryptocurrencies, fiat and metals
 - Publishes real time proof of holdings and transactions on its publicly accessible proprietary ReserveLedger platform
 - Helps users avoid price volatility and provides efficient and affordable financial services
- The Company has licensed relationships with banks and financial service partners in all major economic zones
- In February 2018, Uphold acquired Cortex MCP, advancing into the payments space

35 Currencies
More than any other major
cryptocurrency exchange

8 Cryptocurrencies
Enables multiple
Fiat : Crypto pairs



[View FT Partners' exclusive interview
with CEO Adrian Steckel](#)

Products & Services Overview



FUND

Add funds through bank transfers, credit and debit cards or cryptocurrencies



SEND

Send and receive money from another member, even across borders



CONVERT

Convert money between currencies and precious metals



HOLD

Safely hold funds in the currency of your choosing for any length of time



SECURE

Funds are secured through access, encryption, auditing, testing and due diligence



ASSURANCE

Access to funds is provided at all times, along with access to real time reserve holdings

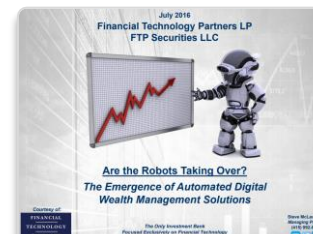
Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Digital Wealth Management



Adyen's €947 million IPO



Klarna: An Online Payments and POS Lending Leader



Cayan's \$1.05 billion Sale to TSYS



Remitly's \$115 million Financing Led By PayU



YapStone's \$71 million Series C Financing



PayPal Acquires iZettle for \$2.2 billion



Circle Raises \$110 million in Series E Financing



Robinhood Raises \$363 million in Financing



Ant Financial Raises \$14 billion in Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Proven Track Record of Success Across FinTech

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>Heartland</p> <p>in its sale to</p> <p>globalpayments</p> <p>for total consideration of</p> <p>\$ 4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>MERCURY®</p> <p>in its cash sale to</p> <p>vantiv™</p> <p>for total consideration of</p> <p>\$ 1,650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>MERCURY®</p> <p>in its approximately 60% Growth</p> <p>SILVERLAKE</p> <p>for a value up to</p> <p>\$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>AmWINS Group, Inc.</p> <p>in its growth recapitalization by</p> <p>NMC NEW MOUNTAIN CAPITAL LLC</p> <p>valued at approximately</p> <p>\$ 1,300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets & IPO Advisor to</p> <p>R1™</p> <p>in its</p> <p>\$138,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 1,200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive Financial, Strategic and IPO Advisor to</p> <p>OZFOREX FOREIGN EXCHANGE SERVICES</p> <p>in its</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>A\$ 480,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as IPO Advisor to</p> <p>GreenSky™</p> <p>in its</p> <p>\$1,010,000,000 Initial Public Offering</p> <p>for a total enterprise value of</p> <p>\$4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>Cambridge Global Payments</p> <p>in its sale to</p> <p>FLEETCOR®</p> <p>for total consideration of</p> <p>C \$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p>square trade</p> <p>in its sale to</p> <p>Allstate.</p> <p>for total consideration of</p> <p>\$ 1,400,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as strategic and financial advisor to</p> <p>CAYAN®</p> <p>in its 100% cash sale to</p> <p>TSYS®</p> <p>for total consideration of approximately</p> <p>\$1,050,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as sole strategic and financial advisor to</p> <p>cardconnect.</p> <p>in its sale to</p> <p>First Data®</p> <p>for total consideration of approximately</p> <p>\$ 750,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>avidexchange</p> <p>in its Series F minority financing from</p> <p>mastercard TEMASEK THIEL</p> <p>\$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>TRANSFIRST™</p> <p>in its sale to</p> <p>Vista Equity Partners from WCAS</p> <p>\$ 1,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole debt capital advisor to</p> <p>jack henry & ASSOCIATES INC.</p> <p>in its acquisition of</p> <p>iPayTechnologies</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p>CentralPayment.</p> <p>in its recapitalization and strategic investment by</p> <p>TSYS®</p> <p>for a total valuation of</p> <p>\$ 700,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets & IPO Advisor to</p> <p>VeriFone® THE WAY TO PAY™</p> <p>in its</p> <p>\$177,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>PROSPER</p> <p>in its loan purchase agreement with a consortium of institutional investors</p> <p>Affiliates of NEW RESIDENTIAL Jefferies</p> <p>THIRD POINT</p> <p>for up to</p> <p>\$ 5,000,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p>lynk</p> <p>in its sale to</p> <p>The Royal Bank of Scotland</p> <p>for cash consideration of approximately</p> <p>\$ 525,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>





FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Significant Experience Advising Large Financing Rounds and “Unicorns”

FT Partners has a history of advising on some of the largest financing transactions in the FinTech space

Representing numerous FinTech “Unicorns” above \$1 billion valuations

Company	Amount Raised
 GreenSky™	\$1,010,000,000
 MERCURY®	420,000,000+
 GreenSky™	300,000,000+
 avidxchange	300,000,000
 avidxchange	253,000,000
 liquidnet	250,000,000
 square trade™ protection plans	238,000,000
 GreenSky™	200,000,000
 YAPSTONE™ POWERING PAYMENTS	181,000,000
 nmi	150,000,000+
 ADDEPAR	140,000,000
 Kabbage®	135,000,000
 Remitly	115,000,000
 TradingScreen SIMPLIFYING GLOBAL MARKETS™	110,000,000+
 CHROMERIVER	100,000,000
 credit karma™	85,000,000

Selected Prominent Investors in FT Partners Led Rounds



Note: FT Partners represented investors in Dynamics (CIBC) and Credit Karma (Google Capital); some transactions include a combination of equity and smaller amount of debt financing.

Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018

- 2018 Top Investment Bank in FinTech



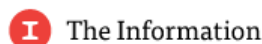
Institutional Investor
Annual Ranking

2017

2015 - 2016

2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 35 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"



2016

- Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year – 2017
- Investment Banking Firm of the Year – 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year – 2015
- Technology Deal of the Year – 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm – 2014
- Dealmaker of the Year – 2012
- Professional Services Deal of the Year, Above \$100 mm – 2012
- Boutique Investment Bank of the Year – 2011
- Deal of the Decade – 2011
- Upper Middle Market Deal of the Year, Above \$500 mm – 2010
- IT Services Deal of the Year, Below \$500 mm – 2010
- Cross-Border Deal of the Year, Below \$500 mm – 2010
- Dealmaker of the Year – Steve McLaughlin – 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm – 2007
- Financial Services Deal of the Year, Above \$100 mm – 2007
- Investment Bank of the Year – 2004



Middle Market
Financing Awards

2006 - 2008

- Equity Financing Dealmaker of the Year – Steve McLaughlin – 2008
- Information Technology Deal of the Year – 2008
- Financial Services Deal of the Year – 2008
- Financing Professional of the Year – Steve McLaughlin – 2006

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	23
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	22
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Kate Crespo <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Raymond James' Technology & Services investment banking 12+ years of FinTech transaction execution experience Dartmouth M.B.A. 	16
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
Andrew McLaughlin <i>Managing Director</i>		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12