

# FT PARTNERS FINTECH INDUSTRY RESEARCH

March 30, 2018



Includes additional  
**Transaction Security &  
Fraud Prevention**  
Company Profiles



## Sift Science Raises \$53 million in Series D Financing Led by Stripes Group



# Sift Science Raises \$53 million in Series D Financing

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## Transaction Summary

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- On March 21, 2018, Sift Science announced it has raised \$53 million in Series D funding led by Stripes Group
  - Existing investors Insight Venture Partners, Union Square Ventures and Spark Capital also participated in the round
  - According to CEO and Co-Founder Jason Tan, the new funding will be used to expand the Company's product offering and focus on overall expansion of the business
- The fraud detection and prevention market is growing quickly, and estimated to hit \$42 billion by 2022
  - Sift Science specifically uses a service called Live Machine Learning, which utilizes instantaneous, machine learning driven analytics to calculate fraud risk
- Currently, over 6,000 online entities use Sift Science's platform to gauge fraud in various different scenarios, from marketing promotions to electronic payments

### Participating Investors



### Transaction Commentary

*"We are very excited to be partnering with the Sift team to work towards their ambitious goal of building the first highly scalable trust and safety layer for the digital economy. We believe Sift is uniquely positioned to leverage its best-in-class software platform and data network to fundamentally reshape the way businesses and consumers interact online – with more confidence, transparency and security. We are thrilled to be partnering with Sift as it accelerates its already exceptional growth trajectory."*



Ron Shah  
Partner



*"Companies have always had to choose between protecting and growing their business. With Sift Science, they no longer need to make this trade-off – they can reduce risk while also improving customer experiences. Our Digital Trust Platform already protects world-leading digital brands from fraud. This investment will help us strengthen our global alliances and introduce our award-winning platform to enterprise organizations that rely on ineffective legacy fraud solutions."*



Jason Tan  
Co-Founder & CEO



# Sift Science Raises \$53 million in Series D Financing

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## Sift Science Overview

### Company Overview



CEO & Co-founder: Jason Tan

Headquarters: San Francisco, CA

Founded: 2011

- Sift Science is an enterprise cyber security software dedicated to reducing fraud across various types of online businesses and back-end payments platforms
  - Pairs anti-fraud security efforts with cost-cutting measures in order to allow clients to focus on delivering best quality product and maximizing revenue
  - Heavy focus on machine learning to tailor impact to customers on an individual level
- The Company works with various top B2B and B2C tech companies such as Airbnb, Zillow, Twitter and Jet

### Co-Founders

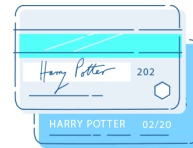


Jason Tan



Brandon Ballinger

### Products and Services Overview



#### Payment Fraud

- Prevent chargebacks, reduce workloads and increase conversions



#### Account Takeover

- Avoid fraud and abuse, protect personal accounts to maintain customer trust



#### Content Abuse

- Reduce spam and scams, reduce manual reviews through automation



#### Account Abuse

- Detect fake accounts and utilize web-based analysis to ensure a better signup flow



#### Promo Abuse













- Better manage marketing budget by preventing promo abuse, maximizing ROI

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## Sift Science Financing History

Date	Size (\$ mm)	Type	Selected Investor(s)
03/21/18	\$53	Series D	 STRIPES GROUP  SPARK CAPITAL  INSIGHT VENTURE PARTNERS  USV Union Square Ventures
07/19/16	30	Series C	 INSIGHT VENTURE PARTNERS  USV Union Square Ventures  SPARK CAPITAL
05/14/14	18	Series B	 SPARK CAPITAL  USV Union Square Ventures
03/20/13	4	Series A	 USV Union Square Ventures  First Round Rich Barton Chris Dixon
09/01/11	NA	Seed	Max Levchin
01/01/11	NA	Accelerator	 Y Combinator

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## Stripes Group Overview



**Ken Fox**  
Founder &  
Managing Partner



**Dan Marriott**  
Managing Partner



**Karen Kenworthy**  
Partner



**Ron Shah**  
Partner



**Chris Carey**  
Principal



**Jason Santiago**  
Principal

### Locations

- San Francisco, CA

### About

- Founded in 2003 by Ken Fox
- Stripes Group is a growth equity firm that makes investments in rapidly growing, profitable companies and niche market leaders
- Provides operational support for portfolio companies, actively helping to build company networks, recruit talent and offer M&A strategy

### Investment Preferences

#### Investment Criteria

<b>Fund Size:</b>	\$500 mm
<b>Fund Raised:</b>	2014
<b>Investment Range:</b>	\$10–150mm
<b>Revenue:</b>	\$15mm+
<b>EBITDA:</b>	<\$20mm

#### General Preferences<sup>1</sup>

<b>Control:</b>	Minority, Majority
<b>Geography:</b>	U.S., Western Europe
<b>Transaction Type:</b>	Growth, Buyout, Recapitalizations, Divestitures
<b>Industry Focus:</b>	Internet, Software, Healthcare IT, Branded Consumer Products

### Selected Recent Investments / Exits

#### FinTech / Financial Services Investments<sup>2</sup>

Date	Company	Deal Amt. <sup>3</sup>	Board Rep.	Sector
03/18	<b>Sift Science (Series D)</b>	\$53	NA	Pymts
10/17	<b>Remitly (Series D)</b>	115	Ron Shah	Pymts
04/16	<b>Remitly (Series C)</b>	39	Ron Shah	Pymts
06/15	<b>GoFundMe (Early-Stage VC)</b>	NA	Ken Fox Ron Shah	CapMkts

#### Other Notable Technology Investments<sup>2</sup>

Date	Company	Deal Amt. <sup>3</sup>	Board Rep.	Sector
07/16	<b>BookMyShow (Series D)</b>	\$82	Dan Marriott	ESW
09/15	<b>The Black Tux (Series B)</b>	25	Ken Fox Brian Nicholson	E-Comm
07/15	<b>Kinetic Social (Early-Stage VC)</b>	18	NA	MktTech
05/15	<b>Udemy (Series D)</b>	65	Ken Fox Ron Shah	Online
03/15	<b>The Reformation (Series A)</b>	12	Brian Nicholson	Retail
11/14	<b>Craftsy (NBCUniversal)*</b>	51	Dan Marriott Ron Shah	Online
08/14	<b>Upwork (Later-Stage VC)</b>	30	Dan Marriott	Online
07/14	<b>Pond5 (Series A)</b>	61	Dan Marriott Brian Nicholson	Online
04/14	<b>Blue Apron (Series C)**</b>	50	Ken Fox	E-Comm

Source: Company website, PitchBook, S&P Capital IQ

1) Italics indicate preferred control / geography 3) Deal Amount in mm

2) \* denotes M&A exit; \*\* denotes IPO exit



# Transaction Security & Fraud Prevention Landscape

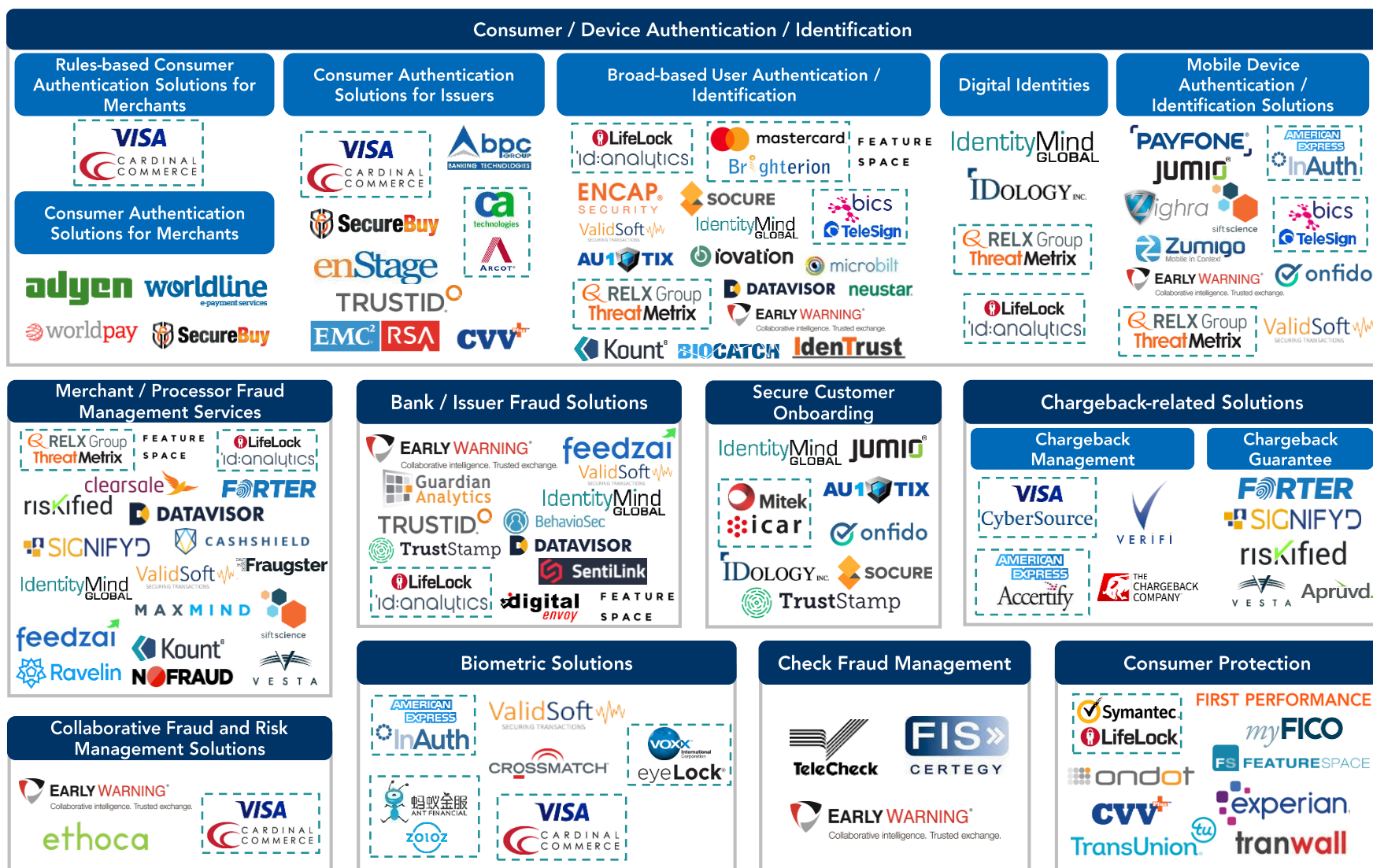


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## Transaction Security & Fraud Prevention Landscape





# **Selected Transaction Security & Fraud Prevention Financing and M&A Transactions**



# Sift Science Raises \$53 million in Series D Financing

## Selected Transaction Security & Fraud Financings: 2015 – 2018 YTD

Announced Date	Target Company	Investor(s)	Amount (\$ in mm)	Target Country
12/16/15	 <b>Kount®</b>	CVC Capital Growth	\$80	USA
05/04/17	 <b>SIGNIFYD</b>	Bain Capital Ventures; Menlo Ventures; American Express Ventures; Undisclosed Investor(s)	56	USA
03/21/18	 <b>sift science</b>	Stripes Group; Union Square Ventures; Insight Venture Partners; Spark Capital	53	USA
10/17/17	 <b>feedzai</b>	Sapphire Ventures; Undisclosed Investor(s)	50	USA
07/27/17	 <b>ethoca</b>	Spectrum Equity	45	USA
02/12/18	 <b>DATAVISOR</b>	Sequoia Capital China; New Enterprise Associates; GSR Ventures	40	USA
06/27/17	 <b>riskified</b>	C4 Ventures; Pitango Venture Capital; Capital One Growth Ventures; Groupe Arnault SAS; Qumra Capital; Phoenix Group; Genesis Partners; Undisclosed Investor(s)	33	Israel
04/21/16	 <b>FORTER</b>	New Enterprise Associates; Sequoia Capital; Scale Venture Partners	32	USA
03/12/18	 <b>BIOCATCH</b>	Maverick Ventures; American Express Ventures; NexStar Partners; Kreos Capital; CreditEase; OurCrowd; Janvest Capital Partners; Undisclosed Investor(s)	30	Israel
07/19/16	 <b>sift science</b>	Insight Venture Partners; Union Square Ventures; Spark Capital	30	USA
02/10/16	 <b>riskified</b>	Qumra Capital; Entrée Capital; Phoenix Group; Genesis Partners; NTT Docomo Ventures	25	Israel
01/05/17	 <b>PAYFONE®</b>	BlueCross BlueShield Venture Partners; MacLab Development Group; Transaction Network Services; RRE Ventures; Opus Capital Group; Relay Ventures; Early Warning Services; American Express Ventures; Verizon Ventures; Rogers Venture Partners	24	USA
10/04/17	<b>FEATURE SPACE</b>	Highland Europe; Invoke Capital; Touchstone Innovations; Worldpay	22	UK

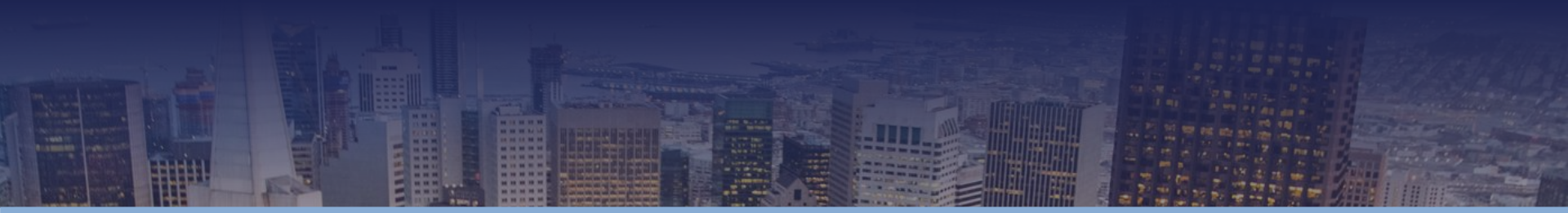
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## Selected Transaction Security & Fraud Acquisitions: 2015 – 2018 YTD

Announced Date	Target Company	Buyer	Amount (\$ in mm)	Target Country
11/20/16	LifeLock	Symantec	\$2,300	USA
01/29/18	ThreatMetrix	RELX Group	814	USA
04/19/16	CSID	Experian	360	USA
12/01/16	CARDINAL COMMERCE	VISA	300	USA
04/25/17	TeleSign	bics	230	USA
12/10/15	Trustev	TransUnion	44	Ireland
07/17/17	Brighterion	mastercard	na	USA
12/06/16	InAuth	AMERICAN EXPRESS	na	USA
09/13/16	Zoloz Previously known as EyeVerify	蚂蚁金服 ANT FINANCIAL	na	USA
03/29/17	NU DataSecurity	mastercard	na	Canada
08/19/15	eyeLock®	VOXX International Corporation	na	USA
04/07/15	authentify <small>a part of Early Warning</small>	EARLY WARNING® <small>Collaborative intelligence. Trusted exchange.</small>	na	USA



# **Profiles of Selected Transaction Security & Fraud Prevention Companies**



## Feedzai Overview

### Company Overview



Headquarters: San Mateo, CA

Founded: 2009

- Feedzai is an Artificial Intelligence (AI) platform for managing payment risk for banks, acquirers, merchants and other players in the commerce value chain
- The Any Data. Any Payment™ risk engine helps prevent fraud by using machine learning for online or offline and card or non-card transactions
- Feedzai’s intelligent platform ingests and transforms multiple data streams and fraud insights across any channel, then enriches the data to create hyper-granular risk profiles
- Machine learning then works to process events and transactions in milliseconds and delivers explainable AI by adding a human-readable semantic layer to the underlying machine logic

### Management Team



Nuno Sebastiao  
CEO



Pedro Bizarro  
CSO



Mark Culhane  
CFO



Paulo Marques  
CTO



Jim Priestley  
CRO



Loc Nguyen  
CMO

Source: Company website

### Solutions Overview

#### Customer Type



**FOR BANKS**  
Retail Banks and  
Card Issuers

Feedzai’s real-time engine works with existing systems; process live transactions, score risk instantly, and make decisions immediately



**FOR ACQUIRERS**  
Processors ,Networks  
and Acquirers

Onboard and monitor merchants with multi-tenanted solutions that extract insights, improve intelligence, and manage risk



**FOR MERCHANTS**  
Complete Loss  
Prevention

Protect customer’s buying experience while stopping fraud across multiple use cases such as transaction monitoring, launch abuse and more

#### Use Cases

- |   |  |   |
|---|--|---|
| <ul style="list-style-type: none"><li>○ Account Opening</li><li>○ Payment Fraud</li></ul> | <ul style="list-style-type: none"><li>○ Merchant Onboarding &amp; Monitoring</li></ul> | <ul style="list-style-type: none"><li>○ Payment Fraud</li><li>○ Promotion Abuse</li></ul> |
|---|--|---|

#### Features:

- Data Transformation
- AI Risk Engine
- Case Management / Reporting



#### Deployment

- On-Premises
- Cloud
- Hybrid

# Sift Science Raises \$53 million in Series D Financing

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## Kount Overview

### Company Overview



Headquarters:

Boise, ID

- **Kount provides an all-in-one fraud and risk management solution for companies that have card-not-present environments**
  - The patented machine learning technology analyzes transactions to stop fraud and increase revenue for customers
- **Kount serves online businesses and merchants across numerous verticals, acquiring banks and payment services providers**

### Management Team



Bradley Wiskirchen  
CEO



Jim Gasaway  
CTO



Rich Stuppy  
COO



Kody Kraus  
CFO

### Recent Financing History

Date	Amount (\$ in mm)	Investor(s)
12/16/15	\$80	CVC Capital Growth

### Products and Services Overview

#### COMPLETE

#### For All Online Merchants and Retailers

- Flagship product developed to protect online merchants selling almost any type of product or service, in dozens of verticals including: Air Travel, Apparel, eCommerce, Fast Food, Lodging, Logistics, Mobile Gaming, Online Lending, Social Media, Transportation and more

#### ACCESS

#### For User Accounts

- Enables companies to identify fraudulent behavior at the login in real-time
- For companies experiencing fraud known as “new account creation” fraud or “account takeover” – most commonly in industries such as Banking, Dating, eCommerce, Online Lending, Payment Processing, Reviews and Social Media

#### CENTRAL

#### For Online Payment Service Providers

- Protects payment processors and their entire merchant portfolio from the effects of fraud
- Also provides value-added services and additional revenue streams

#### AI SERVICES

#### Real Intelligence for Businesses

- Combination of Kount’s native data, strategically gathered context information from best-in-class providers, machine learning, and skilled professionals
- Featuring Machine Learning Rules Review, Platform Analysis, Custom Data Review and Data Orchestration Hub™ Analysis

# Sift Science Raises \$53 million in Series D Financing

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## Signifyd Overview

### Company Overview



CO-Founder & CEO: Rajesh Ramanand

Headquarters: San Jose, CA

Founded: 2011

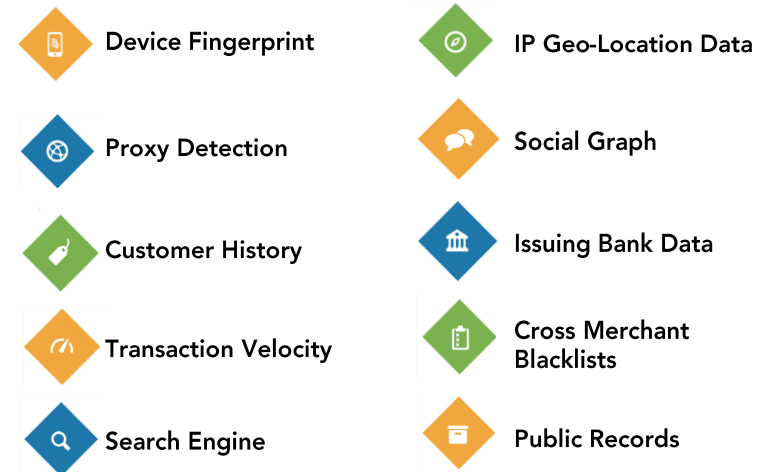
- Signifyd helps e-commerce businesses sell confidently while protecting them from fraud
- The Guaranteed Fraud Protection offering provides a 100% financial guarantee against fraud or chargebacks on every approved order
- The Company offers its solution by analyzing multiple data sources to determine the validity of a transaction amongst over 100 or more indicators
- Founded by a team of risk experts from PayPal to address the complexity of payment validation and help online merchants mitigate risk
- Signifyd's software sits on top of existing payment structures
- Can use Shopify, Magento or Bigcommerce with Signifyd plugins or the Signifyd API to integrate manually

### Recent Financing History

Date	Amount (\$ in mm)	Investor(s)
10/13/17	\$56	Bain Capital Ventures; Menlo Ventures; American Express Ventures
09/02/16	19	American Express Ventures; Menlo Ventures; TriplePoint Capital
02/25/16	20	Allegis Capital; IA Ventures; Menlo Ventures; QED Investors
07/13/15	7	Allegis Capital; IA Ventures; Lucas Venture Group; QED Investors; Resolute Ventures; Tekton Ventures
12/19/12	4	Andreessen Horowitz; Data Collective; IA Ventures; QED Investors; Resolute Ventures; Tekton Ventures

### Products and Services Overview

#### ✓ Analyzes Multiple Data Sources



#### ✓ Guaranteed Payments

*Guarantees payments even if there is fraud – users can request for all transactions, international order or specific cases to be processed and reviewed by Signifyd*

#### ✓ Payouts within 48 hours

*Signifyd pays clients back within 48 hours including chargeback fee and shipping cost*





## IdentityMind Overview

### Company Overview



**Headquarters:** Palo Alto, CA

**Founded:** 2013

- IdentityMind offers a SaaS platform that builds, maintains and analyzes digital identities worldwide
- Allows companies to perform identity proofing, risk-based authentication, regulatory identification and provides solutions to detect and prevent synthetic and stolen identities
  - Also offers transaction monitoring for e-commerce fraud prevention, anti-money laundering and counter financing of terrorism
- Continuously validates and scores digital identities worldwide through patented eDNA™ technology to ensure global business safety and compliance
- Platform securely tracks entities involved in each transaction (e.g. consumer and merchant onboarding, account origination, money transfers, online payments, etc.) to build a unique digital identity trust reputation

### Management Team



**Garrett Gafke**  
CEO



**Kieran Sherlock**  
CTO



**Jose Caldera**  
CMO



**Paul McClure**  
Head of Finance

### Products and Services Overview

#### AML

Automated transaction monitoring in real time from onboarding processes to purchase transactions

#### KYC

Automated customer onboarding process with a global online identity verification service

#### Sanctions Screening

Weave™ improves the accuracy and efficiency of sanctions screening and Politically Exposed Person (PEP) search using IdentityMind's graph intelligence

#### Transaction Fraud

Superior fraud prevention for merchants, financial services companies and payment service providers

#### Risk-Managed Payments

Provides a secure, risk-managed payment processing solution that combines a strong, fraud protection platform with an award-winning payment gateway

#### IdentityLink API

Analyzes and evaluates the associations within large quantities of transaction data to help customers better predict risk

### Industries

- |                      |                            |
|----------------------|----------------------------|
| ○ FinTech            | ○ Money Service Businesses |
| ○ Virtual Currencies | ○ Initial Coin Offerings   |

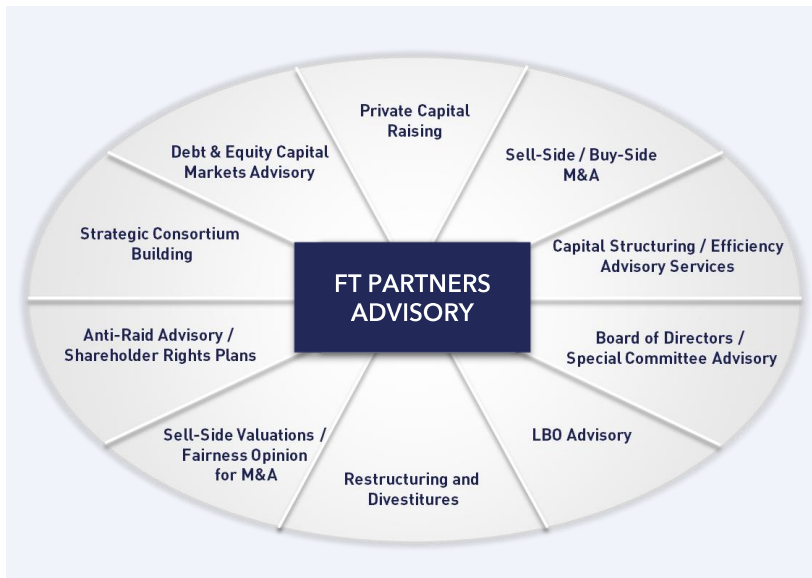


# Overview of FT Partners

## 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

**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 *Institution Investor's* "FinTech Finance 40"



**THE M&A ADVISOR**

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

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

[steve.mclaughlin@ftpartners.com](mailto:steve.mclaughlin@ftpartners.com)

SUBSCRIBE



## FT Partners' Research – Transaction Security & Fraud Prevention Report

### Transaction Security: At the Nexus of E-Commerce, Payment Market Structure Complexity and Fraud



**FT Partners' 160 page report** provides an in-depth look at Transaction Security, which has emerged as one of the fastest growing sub-segments of FinTech

#### *Included in this report...*

- Discussion of key industry trends driving card-not-present transactions and the subsequent increase in demand for smarter transaction security solutions
- Highlighted transaction security technologies and various solutions available for merchants and issuers
- Exclusive CEO interviews including CardinalCommerce, Forter, ThreatMetrix, Feedzai and more
- Broad landscape of transaction security including sector sub-segments
- Profiles of 40+ companies involved in transaction security
- Comprehensive list of private equity financing and M&A transactions in the space

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## FT Partners' Research – Click to View



Global Money Transfer



Transaction Security / Fraud



Klarna: An Online Payments and POS Lending Leader



Adyen's Rise to One of the Most Valuable Payments Companies



Heartland's Sale to Global Payments



CardConnect's \$750 million to First Data



Cayan's \$1.05 billion Sale to TSYS



YapStone's \$71 million Series C Financing



Remitly's \$115 million Financing Led By PayU



M I Acquisitions Acquires Priority Holdings for \$1 billion



FinTech Acquisition Corp II Acquires Intermex for an EV of \$365 million



ING's Acquisition of Payvision for Approximately \$447 million

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# FT Partners – Focused Exclusively on FinTech

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## Selected Transactions - Superior Industry Knowledge and Execution History

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>CAYAN</b> in its 100% cash sale to</p> <p><b>TSYS</b> for total consideration of approximately <b>\$1,050,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>avidxchange</b> in its Series F minority financing from</p> <p><b>mastercard</b> <b>TEMASEK</b> <b>THIEL</b> for total consideration of approximately <b>\$ 300,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>CHROMERIVER</b> in its Series D investment from</p> <p><b>Great Hill PARTNERS</b> for total consideration of approximately <b>\$ 100,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as strategic and financial advisor to</p> <p><b>cardconnect.</b> in its sale to</p> <p><b>First Data</b> for total consideration of approximately <b>\$ 750,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as exclusive strategic and financial advisor to</p> <p><b>YAPSTONE</b> POWERING PAYMENTS in its Series C financing led by</p> <p><b>Premji Invest</b> for total consideration of approximately <b>\$ 71,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>feedzai</b> in its Series C financing for a total consideration of <b>\$ 50,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as exclusive strategic and financial advisor to</p> <p><b>CARDINAL<sup>®</sup> COMMERCE</b> in its sale to</p> <p><b>VISA</b> for total consideration of <b>\$ 300,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>GreenSky</b> in its investment from</p> <p><b>PIMCO</b> for total consideration of <b>\$ 200,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as exclusive strategic and financial advisor to</p> <p><b>YAPSTONE</b> POWERING PAYMENTS in its Series C financing led by</p> <p><b>Premji Invest</b> for total consideration of approximately <b>\$ 71,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as financial advisor to</p> <p><b>taulia</b> in its investment from</p> <p><b>QUESTMARK PARTNERS</b> <b>zouk BBVA edbi</b> for total consideration of approximately <b>\$ 65,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic advisor to</p> <p><b>feedzai</b> in its Series B financing from</p> <p><b>OAK HC/FT</b> <b>ESPIRITO SANTO</b> <b>SAPPHIRE VENTURES</b> for approximately <b>\$ 17,500,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>KUBRA</b> in its 80% majority sale to</p> <p><b>HEARST corporation</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>billtrust</b> in its strategic financing from</p> <p><b>VISA</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole debt capital advisor to</p> <p><b>jack henry &amp; ASSOCIATES INC.</b> in its acquisition of</p> <p><b>iPay Technologies</b> for total consideration of approximately <b>\$ 300,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as strategic and financial advisor to</p> <p><b>MERCURY</b> in its cash sale to</p> <p><b>vantiv</b> for total consideration of <b>\$ 1,650,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>CUSTOM HOUSE</b> in its sale to</p> <p><b>WESTERN UNION</b> for total cash consideration of approximately <b>\$ 370,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>avidxchange</b> in its Series E minority financing from</p> <p><b>Bain Capital Ventures</b> <b>FOUNDRY</b> <b>TPG</b> <b>KeyBank</b> <b>nyca</b> for total consideration of <b>\$ 235,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>billtrust</b> in its minority financing led by</p> <p><b>RIVERWOOD CAPITAL</b> for total consideration of <b>\$ 50,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>FLEET ONE</b> in its cash sale to</p> <p><b>wex</b> for total consideration of approximately <b>\$ 369,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as exclusive strategic and financial advisor to</p> <p><b>CentralPayment</b> in its recapitalization and strategic investment by</p> <p><b>TSYS</b> for a total valuation of <b>\$ 700,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is planned to announce its exclusive role as strategic and financial advisor to</p> <p><b>Heartland</b> in its sale to</p> <p><b>globalpayments</b> for total consideration of <b>\$ 4,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>



## Timeline of Selected FT Partners Payments Processing Transactions

FT Partners has a history of executing on some of the most ground-breaking Payments transactions in the last decade+



















# 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
 <b>MERCURY®</b>	\$420,000,000+
 <b>GreenSky™</b>	300,000,000+
 <b>avidxchange</b>	300,000,000
 <b>avidxchange</b>	253,000,000
 <b>liquidnet</b>	250,000,000
 <b>square trade</b> protection plans	238,000,000
 <b>GreenSky™</b>	200,000,000
 <b>YAPSTONE™</b> POWERING PAYMENTS	181,000,000
 <b>nmi</b>	150,000,000+
 <b>ADDEPAR</b>	140,000,000
 <b>Kabbage®</b>	135,000,000
 <b>Remitly</b>	115,000,000
 <b>TradingScreen</b> SIMPLIFYING GLOBAL MARKETS®	110,000,000+
 <b>CHROMERIVER</b>	100,000,000
 <b>credit karma</b>	85,000,000
 <b>earnest</b>	75,000,000

### 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.

## FT Partners Advises CardinalCommerce in its Strategic Sale to Visa

### Overview of Transaction

- On December 1, 2016, CardinalCommerce announced its strategic sale to Visa in one of the largest payments deals of the year
- Headquartered in Cleveland, Ohio, CardinalCommerce is a pioneer and global leader in enabling authenticated payment transactions in the card-not-present payments industry and is the largest authentication network in the world
- Founded in 1999, CardinalCommerce's products are used globally: across 6 continents (Africa, Asia, Australia, Europe, North America and South America), in more than 200 countries and used with more than 180 different currencies

### Significance of Transaction

- The acquisition will help accelerate the growth of Visa's digital commerce by enabling more secure, seamless payments, through browsers, mobile apps and connected devices
- As Visa plans to integrate tokenization into Visa Checkout over the next 18 months, the addition of CardinalCommerce will allow a more seamless integration of 3-D Secure and delivery of these new fraud mitigation capabilities to merchants

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CardinalCommerce and its Board of Directors
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*



*in its sale to*



*for total consideration of approximately*

**\$ 300,000,000**



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## FT Partners Advises Feedzai on its Series C Financing

### Overview of Transaction

- On October 17, 2017 Feedzai announced it has raised \$50 million in its Series C financing round from an undisclosed investor with participation from existing investor Sapphire Ventures
- This new funding brings the total venture capital raised to \$82 million from nine major investors including Oak HC/FT, Capital One Growth Ventures, Citi Ventures and more.
- Founded in 2009 and headquartered in San Mateo, CA, Feedzai is a leader in using artificial intelligence to empower enterprises to manage risk and fight fraud in real-time
  - Feedzai's machine learning technology and its omnichannel fraud prevention solutions serve customers that transact in virtually every country in the world, across numerous use cases for leading banks and merchants

### Significance of Transaction

- Feedzai will use the capital to continue its rapid growth trajectory
- The Company is on track to more than double its headcount this year from where it was at the end of 2016, planning to reach 300 employees by the end of 2017
- Additionally, Feedzai has added key sales leaders worldwide, including hiring former Box SVP Jim Priestley as Chief Revenue Officer

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Feedzai and its Board of Directors
- FT Partners also represented Feedzai on its [\\$17.5 million Series B financing](#) from Oak HC/FT, Sapphire Ventures and Espirito Ventures
- This transaction demonstrates FT Partners' continued leadership role advising world-class FinTech companies

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*



*in its Series C financing  
for a total consideration of*

**\$ 50,000,000**



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## FT Partners Advises Feedzai on its Series B Financing

### Overview of Transaction

- On May 19, 2015, Feedzai announced the completion of its \$17.5 million Series B round from Oak HC/FT, Sapphire Ventures and Espirito Ventures
- Feedzai uses machine learning and big data science to provide enterprise software for fraud and risk management
- Oak HC/FT's General Partner, Patricia Kemp, and Venture Partner, Jonathan Weiner, will join the Company's Board of Directors

### Significance of Transaction

- The financing will be used to expand sales and engineering teams to help meet customer demands for the software
- This investment strengthens Feedzai's position in the fraud-prevention vertical, allowing the Company to develop new solutions for the world's largest payment providers, banks and retailers

### FT Partners' Role

- FT Partners served as exclusive financial advisor to Feedzai and its Board of Directors
- The transaction demonstrates FT Partners' continued leadership in serving top-tier Financial Technology companies by assisting them in achieving their long-term strategic and capital raising goals

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
sole strategic advisor to*



*in its Series B financing from*



*for approximately*

**\$ 17,500,000**



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## FT Partners Advises Marqeta on its Minority Financing

### Overview of Transaction

- On July 26, 2017, Marqeta announced a strategic, minority financing round led by Visa for a total consideration of \$25 million
  - Visa and Marqeta also announced a multi-year, global partnership to drive innovations in commercial and consumer payments
  - Existing investors Commerce Ventures, 83 North, CommerzVentures and Granite Ventures along with new investor CreditEase also participated in the round
- Headquartered in Oakland, CA, Marqeta is the first modern card issuing and core processing platform, powering prepaid, debit and credit cards for the world's top commerce innovators

### Significance of Transaction

- The additional capital will enable Marqeta to continue to fuel its rapid growth and global expansion
- The initial efforts of the Visa partnership will involve growing opportunities for virtual, physical and tokenized payments across a number of commercial markets and use cases that can benefit from Marqeta's developer-friendly platform

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Marqeta and its Board of Directors
- This transaction demonstrates FT Partners' deep domain expertise and transactional excellence in the Payments sector
- FT Partners also advised Marqeta on its Series C \$25 million financing in October 2015

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*



*in its minority financing led by*



*with participation from*



*for total consideration of*

# \$ 25,000,000

FINANCIAL  
TECHNOLOGY  
PARTNERS

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## Award-Winning Investment Bank Franchise Focused on Superior Client Results

**Institutional Investor**  
Institutional Investor  
Annual Ranking

2017  
2015 - 2016  
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 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"

**I** The Information

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