

June 22, 2016*

Financial Technology Partners

FT Partners Research – Transaction Profile



Digital Asset

raises

\$60 million

in financing from 15 prominent financial institutions led by

J.P.Morgan

Courtesy of:



***The Only Investment Bank
Focused Exclusively on Financial Technology***

www.ftpartners.com



*** Originally published January 25, 2016; updated to reflect additional corporate activity**

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Digital Asset Raises Over \$60 Million Led by J.P. Morgan

Transaction Summary

Transaction Summary

- In January 2016, Digital Asset Holdings announced it had raised over \$60 million in financing from 15 prominent financial institutions, led by J.P. Morgan

The 15 investors include:

- ABN AMRO
- Accenture
- ASX Limited
- BNP Paribas
- Broadridge Financial Solutions
- Citi Group
- CME Ventures
- Deutsche Börse Group
- Goldman Sachs
- IBM
- ICAP
- J.P. Morgan
- Santander InnoVentures
- The Depository Trust & Clearing Corporation
- The PNC Financial Services Group

- On June 22, 2016, Digital Asset Holdings raised an additional \$7.2 mm from the Australian Securities Exchange (ASX Limited)

“These investments represent a tremendous endorsement of Digital Asset from banks, exchanges, settlement and clearing firms, central securities depositories, and market infrastructure and professional services providers. Our strategic investors have come together from across the financial services industry to help drive global adoption of transformative solutions which enhance the vital services that they provide.”

Blythe Masters
CEO of Digital Asset

Board Members

- Digital Asset also announced that it has expanded its Board of Directors to 9 members



Catherine Flax
 **BNP PARIBAS**

Head of Commodity
Derivatives & Foreign
Exchange & Local
Markets



Ashwin Kumar



Group Head of
Product Development



Sanoke Viswanathan
J.P.Morgan

Chief Administrative
Officer, Corporate &
Investment Bank



Mike Bodson
DTCC
President & CEO



Blythe Masters
 **Digital Asset**

CEO



Donald Wilson
 **Digital Asset**
Co-Founder



Sunil Hirani
 **Digital Asset**

Co-Founder



Cristóbal Conde
 **FinTech**
Innovation Lab

Executive in Residence



Sallie Krawcheck
 **LLLVEST**
CEO, Co-Founder

Digital Asset Raises Over \$60 Million Led by J.P. Morgan

Transaction Summary (cont.)

Transaction Commentary

J.P.Morgan

"We are proud to be a lead investor in this round of financing. Distributed Ledger Technology has the potential to transform the way our industry does business, and we believe Digital Asset has the right talent and technology to make it a reality."

Sanoke Viswanathan, Chief Administrative Officer



"ASX believes that Australia can be a world leader in the development of innovative post-trade solutions. Our investment in Digital Asset represents a commitment to sizing the potential of Distributed Ledger Technology to reduce cost, risk and complexity for ASX's broad stakeholder base, including issuers, investors, intermediaries and regulators."

Elmer Funke Kupper, Managing Director & CEO



"In today's digital economy improving efficiency, security, compliance and settlement speed are key. BNP Paribas is excited to be partnering with Digital Asset and we look forward to working together to explore how this technology can help shape the future for financial services."

Oliver Osty, Global Head of Sales & Trading



"We look forward to working closely with Digital Asset and other stakeholders in this innovative technology. This relationship will leverage our ambitions to utilize Distributed Ledger Technology to bring effective solutions to our clients."

Carsten Kengeter, CEO



"Early on, Accenture recognized the potential benefits that blockchain-enabled distributed ledgers could offer to the capital markets and wider financial services industry. By investing in Digital Asset, we're working to help banks and other leading financial institutions around the world bring more efficiency to their front, middle and back office trading operations and unlock new revenue opportunities. We believe this is a technology that has the potential to dramatically change the financial services landscape."

Owen Jelf, Global Managing Director of Capital Markets Business



"The financial services industry is undergoing significant transformation and innovative technologies like Distributed Ledger Technology have the potential to usher in a new era of automation, efficiency, process reengineering and operational excellence across the financial ecosystem. We are delighted to be a strategic investor in Digital Asset and we look forward to continuing to build differentiated solutions that will help our global clients achieve their growth and operational goals."

Tim Gokey, Chief Operating Officer



"Distributed Ledger Technology offers a once-in-a-generation opportunity to re-imagine and modernize the industry's infrastructure to address long-standing operational challenges. This investment positions DTCC to play a leading role in fostering industry-wide adoption and helping to introduce the standards, governance and technology to support distributed ledger implementations. We look forward to working with our partners at Digital Asset to explore opportunities to improve upon the existing infrastructure in certain defined areas where automation is limited or non-existent and where the technology provides a clear benefit over existing processes."

Mike Bodson, President & CEO



"The participation of ABN AMRO in Digital Asset demonstrates our belief that new technology will play an important role in innovations in the financial system. It will be key to develop new products and services and to make global financial markets operate more efficiently in the interest of our clients. Digital Asset is uniquely positioned in this emerging technology."

Johan Van Hall, Member of Managing Board

Source: Company press release, Capital IQ.

Digital Asset Raises Over \$60 Million Led by J.P. Morgan

Digital Asset Overview

Digital Asset Overview





Headquarters: New York, NY

Founded: 2014

Offices: New York City; San Francisco;
London; Budapest; Zurich; Sydney
(Coming in 2016)

- Digital Asset builds distributed, encrypted straight through processing tools with the mission of improving efficiency, security, compliance and settlement speed
- Digital Asset can potentially improve post-trade processing efficiency, record keeping and financial infrastructure while reducing cost, cyber security risks, capital requirements, latency and errors

Digital Asset's Acquisitions

Date	Size (\$ mm)	Target
04/20/16	na	
10/28/15	na	
06/25/15	na	
06/25/15	na	

Product / Technology Overview

Business Applications

Develops asset specific business logic engines and behavior plug-ins

Digital Asset Platform

Converts business logic concepts into low level services

The platform can build business applications without having to deal with ledger specifics

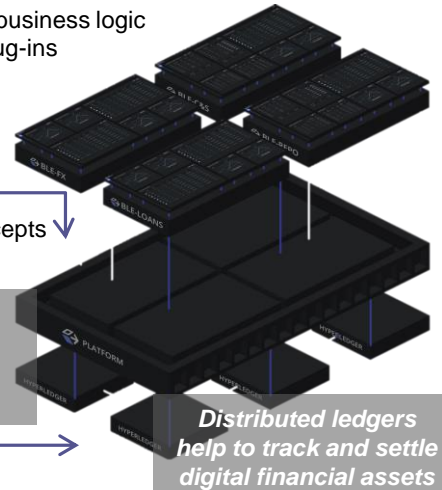
Distributed Ledger Technology

Open Source Distributed Ledger Infrastructure or Databases – platform can commit transactions to private or public distributed ledgers or traditional databases

Private networks ("permissioned") such as Hyperledger

Public networks ("permissionless") such as Bitcoin blockchain

Digital Asset contributed the brand name Hyperledger, along with some Digital Asset code, to the Linux Foundation to be used as enterprise grade code and a developer resource for the project



Source: Company website.

Overview of FT Partners

FT Partners is the Leader in Financial Technology Investment Banking

Wealth Management

Financial Technology Partners LP
FTP Securities LLC
*is pleased to announce its exclusive role as
Capital Markets & IPO Advisor to*

ENVESTNET

In its

\$69,000,000
Initial Public Offering

valuing the equity at approximately

\$ 300,000,000

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

EISI

In its sale to

ZYWAVE

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Financial Technology Partners LP
FTP Securities LLC
*is pleased to announce its
exclusive role as advisor to*

BLACKROCK

in its 100% acquisition of

FutureAdvisor

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Data / Analytics

Financial Technology Partners LP
FTP Securities LLC
*is pleased to announce its exclusive role as
sole strategic and financial advisor to*

Zephyr
ASSOCIATES, INC.

In its sale to

informa

for total cash consideration of

\$ 62,000,000

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Financial Technology Partners LP
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*is pleased to announce its exclusive role as
sole strategic and financial advisor to*

THE MARKETS.com

in its sale to

Capital IQ
A Division of Standard & Poor's

for total consideration of approximately

\$ 300,000,000

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Financial Technology Partners LP
FTP Securities LLC
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sole strategic and financial advisor to*

MERGENT

In the sale of its Index Business to

NASDAQ OMX

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High Frequency Trading

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

ATD
Automated Trading Partners, LLC

in its sale to

citi

*for cash and stock consideration of
approximately*

\$ 700,000,000

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SOLUTIONS FOR YOUR FIRM

In its growth financing with

ViewPoint.
Capital Partners

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Financial Technology Partners LP
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WOMBAT
FINANCIAL SOFTWARE

in its sale to

NYSE Euronext

for total consideration of approximately

\$ 225,000,000

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Overview of FT Partners

FT Partners is the Leader in Financial Technology Investment Banking

Trading Technology

Financial Technology Partners LP
FTP Securities LLC

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 **ITG** INVESTMENT
TECHNOLOGY
GROUP

In its acquisition of

 **macgregor**

for cash consideration of approximately

\$ 230,000,000

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TECHNOLOGY
PARTNERS**

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Financial Technology Partners LP
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TORA 

TECHNOLOGY. TRADING. LIQUIDITY.™

In its minority capital raise with

 **Goldman
Sachs**  **Bank of America
Merrill Lynch**

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TECHNOLOGY
PARTNERS**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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sole strategic and financial advisor to

 **TradingScreen**
SIMPLIFYING GLOBAL MARKETS®

In its minority recapitalization for

\$ 110,000,000

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PARTNERS**

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Focused Exclusively on Financial Technology

Other Capital Markets Technology

Financial Technology Partners LP
FTP Securities LLC

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

 **MajesticResearch**

In its sale to

 **ITG** INVESTMENT
TECHNOLOGY
GROUP

for total consideration of approximately

\$ 56,000,000

 **FINANCIAL
TECHNOLOGY
PARTNERS**

The Only Investment Bank
Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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

chi-x

In its sale of a minority stake to

 **Bank of America
Merrill Lynch**  **GETCO**  **Goldman
Sachs**

 **Morgan Stanley**  **QUANTLIB FINANCIAL, LLC**

 **FINANCIAL
TECHNOLOGY
PARTNERS**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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

INSTINET

In the sale of its stake in

CHIX EUROPE
to

 **BATS**
Making Markets Better

for total consideration of approximately

\$ 305,000,000

 **FINANCIAL
TECHNOLOGY
PARTNERS**

The Only Investment Bank
Focused Exclusively on Financial Technology

Overview of FT Partners

Award-Winning Investment Banking Franchise Focused on Superior Client Results

FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition



M&A Advisor Awards

- | | |
|------|--|
| 2015 | <ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Technology Deal of the Year |
| 2014 | <ul style="list-style-type: none"> ■ Equity Financing Deal of the Year ■ Professional Services Deal of the Year, Above \$100mm |
| 2012 | <ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Professional Services Deal of the Year, Above \$100 mm |
| 2011 | <ul style="list-style-type: none"> ■ Boutique Investment Bank of the Year ■ Deal of the Decade ■ <i>10 Deal of the Year Nominations Across 9 Categories</i> |
| 2010 | <ul style="list-style-type: none"> ■ Upper Middle Market Deal of the Year, Above \$500 mm ■ IT Services Deal of the Year, Below \$500mm ■ Cross-Border Deal of the Year, Below \$500mm |
| 2007 | <ul style="list-style-type: none"> ■ Dealmaker of the Year – Steve McLaughlin ■ Business to Business Services Deal of the Year ■ Computer and Information Technology Deal of the Year, Above \$100mm ■ Financial Services Deal of the Year, Above \$100mm |

Institutional Investor
Institutional Investor
Annual Ranking

- | | |
|-----------|--|
| 2015 | ■ Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List |
| 2006-2008 | ■ Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology |



WINNER
**Middle Market
Financing Awards**

- | | |
|------|--|
| 2008 | <ul style="list-style-type: none"> ■ Equity Financing Dealmaker of the Year – Steve McLaughlin ■ Information Technology Deal of the Year ■ Financial Services Deal of the Year |
| 2006 | <ul style="list-style-type: none"> ■ Financing Professional of the Year – Steve McLaughlin ■ <i>Financing Deal of the Year - Equity</i> ■ <i>Financing Deal of the Year - Debt</i> |

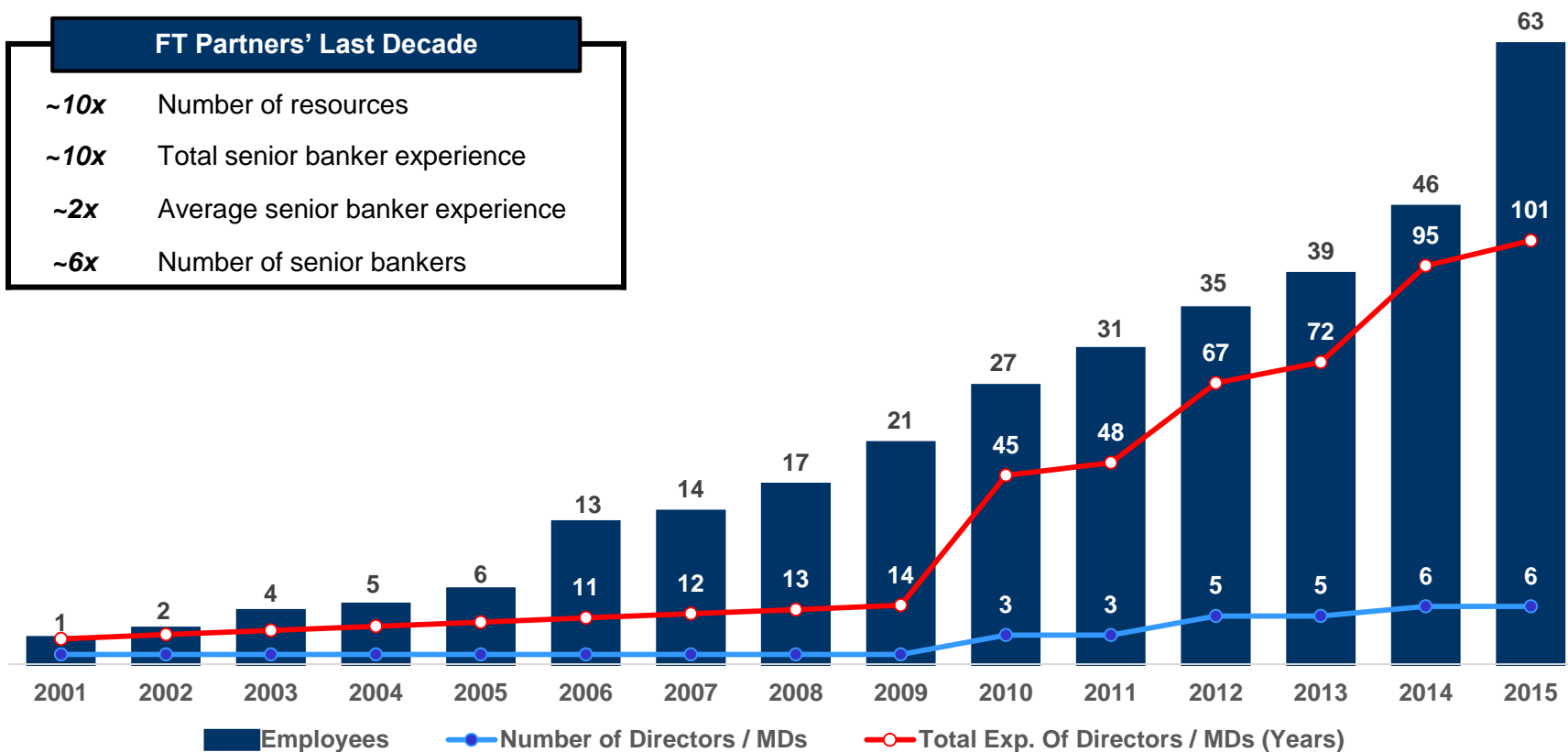
Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.

Overview of FT Partners

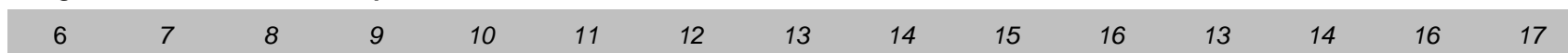
Platform of Choice for Clients and Bankers Alike

FT Partners' Last Decade

- ~10x Number of resources
- ~10x Total senior banker experience
- ~2x Average senior banker experience
- ~6x Number of senior bankers








Avg Years of Director / MD Experience



Overview of FT Partners

The FT Partners Senior Banking 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 Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	21
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. 	21
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee Recent coverage included V, MA, TSS, GPN, HPY, DST, ENV, FISV, FIS & JKHY among others 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	14
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	10