

May 14, 2015

Financial Technology Partners LP
FTP Securities LLC
Transaction Profile:

nerdwallet

raises

\$64,000,000

in equity financing led by



Courtesy of:



The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com

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NerdWallet Raises \$64 mm in Financing

Transaction Summary & NerdWallet Overview

"NerdWallet is the best kept secret in the financial technology market. With its explosive growth, strong profitability and strategic long-term vision, NerdWallet is positioned to win the multibillion dollar personal finance market."

- Jules Maltz,
General Partner at IVP

Transaction Summary

- On May 11, 2015, NerdWallet secured \$64 million in equity financing led by Institutional Venture Partners; additional participation came from RRE Ventures and iGlobe Partners, an Asia-based investment firm
- NerdWallet also raised an additional \$36 million through a revolving loan facility with Silicon Valley Bank; the funding gives the Company more than \$100 million to solidify its standing as a strong player in online personal finance
- This is NerdWallet's only round of outside financing since being launched by its Co-Founder, Tim Chen, with \$800
- The round values NerdWallet in the mid-hundred millions, according to a source close to the transaction ⁽¹⁾
- Since the beginning of 2014, just eight startups have raised Series A funding rounds of \$50 million or more
- The Company is looking to grow its workforce from 200 to 300 employees by the end of the year and that hiring push could be done without touching the new financing ⁽²⁾

Equity Financing

\$64 mm



Debt Financing

\$36 mm








NerdWallet Overview

CEO:	Tim Chen
Headquarters:	San Francisco, CA
Founded:	2009
Employees:	200

- NerdWallet is a financial product comparison website that is a source for information, insight and consumer-driven advice about personal finance
 - NerdWallet helps users negotiate major financial decisions like selecting an insurance provider, choosing a credit card, planning for retirement or starting a small business
- The Company served over 30 million people during 2014 and had over 1,700 credit cards featured on its website
- NerdWallet's user base is growing by more than 150% YoY, while its revenues tripled ⁽¹⁾
- The Company generates revenue from fees earned by matching consumers with financial products shown on its website
- NerdWallet's competitors include Bankrate and Credit Karma
- The Company has formed partnerships with eight of the largest banking and credit card companies in the world

NerdWallet Raises \$64 mm in Financing

Product Overview

Credit Card		<ul style="list-style-type: none"> Enable users to compare credit cards based on their credit profile and other characteristics such as being a teenager, student, senior, etc. Provides comparisons of credit cards based on rewards offered and whether the customer wants cash back or airline miles
Checking Account		<ul style="list-style-type: none"> NerdWallet compiles offers from all sorts of banks and credit unions to help customers find the best checking account for their financial needs The Company performs calculations to give users a recommendation of which checking account is cheapest based on the user's characteristics
Saving Account		<ul style="list-style-type: none"> Compare the highest savings interest rates across thousands of banks and credit unions Provides a list of the best saving accounts based on user's characteristics Users can filter to find the best savings account
Investment Account		<ul style="list-style-type: none"> Enables users to compare 63 online brokerages and find the top choice for their personal trading needs using this unbiased tool Users can select different criteria such as initial account balance, trades or shares per month Users can also filter by asset classes and additional services needed
Mortgage		<ul style="list-style-type: none"> NerdWallet provides a comparison of mortgages from multiple lenders Allow prospective homebuyers to seek help from experts and leaders in the real estate industry for advice Offers users a mortgage comparison web tool where they can filter by zip code, purchase price, down payment and credit score
Auto Insurance		<ul style="list-style-type: none"> Provides auto insurance quote comparison tool for drivers Users can filter using multiple criteria to find the right installment payments for them Top insurance providers include AllState, 21st Century, Liberty Mutual and USAA
Life Insurance		<ul style="list-style-type: none"> Users can compare term life insurance quotes based on varying criteria Users can adjust the policy value and duration of coverage in order to control the monthly premium
Health Insurance		<ul style="list-style-type: none"> Users can compare and buy health insurance using NerdWallet's comparison tool Users have options to pick between different providers: EPO, PPO and HMO Health insurance plans are available from Anthem Blue Cross, Blue Shield, Chinese Community Health Plan, Health Net and Kaiser Permanente

NerdWallet Raises \$64 mm in Financing

Management Overview

Tim Chen
CEO



- Tim sets the strategic vision for NerdWallet, as he has since co-founding the company in 2009
- Graduated from Stanford with a Degree in Economics

Dan Yoo
COO



- Oversees NerdWallet's day-to-day operations and identifies areas for growth
- Has an MBA from UC Berkeley and a Bachelor's Degree in Management and Finance from Georgetown

Bhaskar Ghosh
VP of Engineering



- Oversees all technical strategy for NerdWallet
- Previously was at LinkedIn, where he was the Senior Director of Engineering and Business Operations

Stephanie Wei
VP of Growth & Marketing



- Develops and manages NerdWallet's strategic marketing and financial literacy initiatives
- Utilizes FinTech experience from prior positions at Visa, Accenture and Sapient













Ken Shuman
VP of Communications



- Crafts initiatives aimed at building NerdWallet into a widely recognized consumer brand
- Previously was VP of Communications at Trulia

NerdWallet Raises \$64 mm in Financing

Selected Personal Financial Management Transactions

Date	Buyer / Investor	Target	(\$ mm)	Transaction	Commentary
05/12/15	IA Capital Group; Globespan Capital Partners; Inventus Capital Partners; Menlo Ventures; Syncora Alternative Investments LLC		\$16	Financing	<ul style="list-style-type: none"> Credit Sesame secured \$16 mm in series D financing led by Syncora Alternative Investments The Company recently reached \$50 bn active user loans under management and over \$2 bn in consumer loan originations
04/01/15	Bankrate		na	M&A	<ul style="list-style-type: none"> Bankrate acquired Quizzle; terms of the transactions were undisclosed As part of the acquisition, Bankrate will retain Quizzle's technology platform, vendor relationships and over 2 million accounts
09/29/14	Susquehanna Growth Equity; Google Capital; Tiger Global Management		75	Financing	<ul style="list-style-type: none"> Credit Karma secured \$75 mm in financing from Google Capital, Tiger Global Management and Susquehanna Growth Equity
03/12/14	Google Capital; Tiger Global Management; Ribbit Capital; Susquehanna Growth Equity		85	Financing	<ul style="list-style-type: none"> Credit Karma secured \$85 mm in financing led by Google Capital The investment follows a year of strong growth, including triple digit percentage growth in site members
04/02/13	Felicis Ventures; Ribbit Capital; Susquehanna Growth Equity		30	Financing	<ul style="list-style-type: none"> Credit Karma secured \$30 mm in financing led by Ribbit Capital and Susquehanna Growth Equity
06/11/12	Globespan Capital Partners; Menlo Ventures; Inventus Capital Partners		12	Financing	<ul style="list-style-type: none"> Credit Sesame secured \$12 mm in financing led by Globespan Capital Partners This round of financing supported Credit Sesame's expansion, mainly in the US
03/09/11	Menlo Ventures; Inventus Capital Partners		6	Financing	<ul style="list-style-type: none"> Credit Sesame secured \$6.15 mm in financing led by Menlo Ventures The Company is a free online personal finance tool that provides the best way for consumers to save money on loans and credit needs
11/04/09	QED Investors; Founders Fund; SV Angel		3	Financing	<ul style="list-style-type: none"> Credit Karma secured \$2.5 mm in financing led by QED Investors Credit Karma is a site that helps consumers understand and improve their credit scores
09/14/09	Intuit		170	M&A	<ul style="list-style-type: none"> Intuit has agreed to acquire Mint for approximately \$170 mm in cash Mint will become part of Intuit's Consumer Group, which includes Quicken and TurboTax
08/12/09	Benchmark Capital; Shasta Ventures; Sherpalo Ventures; First Round Capital; DAG Ventures; Founders Fund		14	Financing	<ul style="list-style-type: none"> Mint secured \$14 mm in financing led by DAG Ventures The round of funding helped the Company expand its engineering team
03/05/08	First Round Capital; Shasta Ventures; Benchmark Capital; Felicis Ventures; Sherpalo Ventures; Hite Capital Management		12	Financing	<ul style="list-style-type: none"> Mint secured \$12 mm in financing led by Benchmark Capital All of the investors participating in the company's Series A financing in April, 2007 also invested in this round including Shasta Ventures and First Round Capital
10/16/07	Shasta Ventures; First Round Capital		5	Financing	<ul style="list-style-type: none"> Mint secured \$4.7 mm in financing led by Shasta Ventures Mint.com is a personal financial management website enabling consumers to track and monitor their financial decisions

NerdWallet Raises \$64 mm in Financing

Lead Investor Overview - Institutional Venture Partners

Team Overview



Somesh Dash
General Partner

Todd Chaffee General Partner
Steve Harrick General Partner
Eric Liaw General Partner
Norm Fogelsong General Partner
Dennis Phelps General Partner
Thomas Loverro Vice President
James Newell Vice President



Jules Maltz
General Partner

Location(s)

- Menlo Park, CA (HQ)
- San Francisco, CA

About

- Founded in 1980, Institutional Venture Partners (IVP) was one of the first venture capital firms on the iconic Sand Hill Road
- IVP's initial fund in 1980 totaled \$22 mm and by 2015, IVP managed \$5.4 bn in committed capital
- IVP has invested in over 300 companies, including big names such as Netflix and Twitter
- The \$1.4 bn IVP XV fund is focused on high-growth companies in the technology and media sectors, with revenue over \$10 mm

FINANCIAL
TECHNOLOGY
PARTNERS

Investment Preferences

Investment Criteria

Fund Size: \$1,400 mm
Fund Raised: 2015
Equity Range: \$10 – 100 mm
Revenue: \$10 mm+
EBITDA: na

General Preferences

Control: Minority
Geography: North America

Transaction Type: Venture, Growth, Secondary, Recapitalization, Spinoffs, PIPE
Industry Focus: Consumer, Enterprise Software

Select Recent Investments / Exits

Investments

Date	Company	Amount (mm)
05/06/15	Zenefits	\$500
03/17/15	Dataminr	130
02/18/15	Pindrop Security	35
02/11/15	Oportun	90
02/02/15	Sofi	200
10/29/14	Personal Capital	50
06/03/14	Zenefits	67
05/04/14	Prosper	70
03/06/14	OnDeck	77
02/20/14	MINDBODY	50
01/28/14	Indiegogo	40

Exits

Date	Company	Amount (mm)
02/12/15	Digital River (Farol Asset Management, Siris Capital)	\$840
02/12/15	RGB Networks (Imagine Communications, The Gores Group)	na
12/22/14	Datalogix (Oracle)	na
12/16/14	OnDeck (IPO)	200
10/03/14	Yodlee (IPO)	75

Overview of FT Partners

Strong Domain Expertise in Financial Technology

FT Partners has advised on the most prominent transactions in Financial Technology

Financial Technology Partners LP FTP Securities LLC

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



in its growth financing with



for total consideration of approximately

\$ 15,000,000



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



in its financing, including investment from



for approximately

\$ 15,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Financial Technology Partners LP FTP Securities LLC

Is pleased to announce its role as advisor to



in its strategic investment in



with additional participation from



Bain Capital Ventures



for total consideration of approximately

\$ 70,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Financial Technology Partners LP FTP Securities LLC

is pleased to announce its role as advisor to



in its lead investment in



with additional participation from



for approximately

\$ 85,000,000



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



in its 80% majority sale to



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



in its sale to



The Only Investment Bank
Focused Exclusively on Financial Technology

Financial Technology Partners LP FTP Securities LLC

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



in its cash sale to



for total consideration of

\$ 1,650,000,000



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



in its sale to



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

- | | |
|------|--|
| 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 |



- | | |
|-----------|---|
| 2006-2008 | <ul style="list-style-type: none"> ■ Steve McLaughlin consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology |
|-----------|---|



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

Relevant FT Partners' Research: [LendingClub IPO – \(click to view\)](#)

January 23, 2015

Financial Technology Partners LP FTP Securities LLC

Transaction Profile:
Lending Club IPO: Post Quiet Period Review



NYSE: LC

Courtesy of:



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- Includes an in-depth overview of LendingClub and its recent IPO
- Provides a summary of analyst estimates / opinions
- Highlights numerous other key financing and M&A transactions in the Alternative Lending Space

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 13 years of exclusive focus on Financial Technology.

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