

September 18, 2015

Financial Technology Partners LP

FT Partners Research – Transaction Profile



Raises

\$50,000,000

in Financing Led by

**SPARK
CAPITAL**

Courtesy of:

**FINANCIAL
TECHNOLOGY
PARTNERS**

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

www.ftpartners.com



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Fundbox Raises \$50 mm in Financing

Transaction Summary

Transaction Summary

- On September 10, 2015, Fundbox announced that it has raised \$50 million in an equity financing round led by Spark Capital at an undisclosed valuation
 - There was additional participation from Bezos Expeditions (the personal investment arm of Amazon CEO Jeff Bezos), Ashton Kutcher's and Guy Oseary's Sound Ventures, Entrée Capital as well as existing investors: Khosla Ventures, General Catalyst Partners, Shlomo Kramer and Blumberg Capital
 - The Company recently raised \$40 mm in Series B financing in March 2015
- Fundbox's growth has surged over the past 18 months, surpassing triple digit percentage quarter-over-quarter growth
- The Company has raised close to \$110 million to date – all within 18 months
- The additional financing will enable the company to accelerate its already rapid growth, while continuing to invest in product development and innovation

Selected Commentary

"The more revenue you're generating as a small businesses, the more out-of-pocket expenses you have, so if you don't get paid on time, and you're not generating the cash until two or three months down the road, you need to bridge that gap."

"We are thrilled to bring on Spark Capital Growth as they understand the mindset of a hyper-growth startup, as well as the Fintech space. Spark will provide invaluable expertise as we work to realize our mission of being the go-to cash flow solution for small business, and continue building the world's first B2B credit network."

"The strong market demand for our product, coupled with the interest from the investment community, highlights that Fundbox is solving one of the most significant problems faced by the 29 million small businesses nationwide."

- Eyal Shinar, Co-Founder and CEO of Fundbox



"Fundbox is uniquely positioned to help small businesses address their key issue – managing cash flow – without all the usual hoop-jumping and delays. Their innovative solution, using large-scale data to improve credit decisions, is bringing enormous value to their customers, while building a powerful network and ecosystem."

- Jeremy Phillips, General Partner of Spark Capital



Fundbox Raises \$50 mm in Financing

Fundbox Overview

Company Overview

Founder and CEO: Eyal Shinar

Headquarters: San Francisco, CA

Founded: 2012

- Fundbox leverages data analytics enabling businesses to accelerate cash flow against their outstanding invoices
- The Company puts small business owners in control of their cash flow by offering simple, one-click financing of outstanding invoices
 - The Company has underwritten more than 15 million invoices since it was founded
 - Fundbox just recently completed its 7th consecutive quarter of at least 2x quarter-over-quarter revenue growth ⁽¹⁾
- Fundbox also recently launched its second product, Credit-as-a-Service, which allows a third-party to embed Fundbox functionality directly into the workflow of its application
- The Fundbox tool is embedded directly into the workflow of a business, through existing accounting and e-invoicing software, delivering instant advances of outstanding invoices

Selected Previous Equity Financings

Date	Size (\$ mm)	Lead Investor
03/19/15	\$40	 General Catalyst Partners
04/10/14	18	khosla ventures

Other Investors



SVAngel

Sound Ventures

 BLUMBERG CAPITAL

 nyca

BEZOS EXPEDITIONS

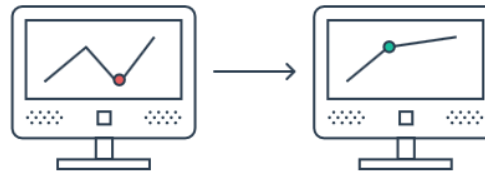
ENTRÉE CAPITAL

Fundbox Raises \$50 mm in Financing

Solution Overview

Fundbox is helping thousands of business owners and freelancers tackle cash flow problems by advancing payments for outstanding invoices

Fundbox provides an easy and transparent financial solution for a business' cash flow needs



Create a Free Account



- Merchants can create free accounts and select their bookkeeping app
- Merchants can use their app just as before and their outstanding invoices are automatically available for them to clear in secured Fundbox accounts

Clear Outstanding Invoices



- Instead of waiting 30, 60 or 90 days to get paid, merchants can click any of their outstanding invoices to get the amount transferred to their bank account instantly and securely

Money When You Need It



- Fundbox ensures that businesses don't have to wait for their clients to pay immediately in order to run their own business
- Businesses can pay salaries, purchase equipment, travel and more using the supply chain financing

Official Partners



Fundbox Raises \$50 mm in Financing

Management Overview

Eyal Shinar
*Co-Founder,
Chief Executive Officer*



- Currently serves as CEO of Fundbox
- Previously served as a VP at Battery Ventures
- Earned his MBA in Finance and Management from the University of Pennsylvania – The Wharton School

Yural Ariav
*Co-Founder,
Chief Technology Officer*



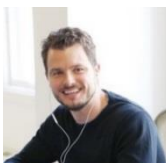
- Currently serves as CTO of Fundbox
- Former Director of Product at Onavo, a mobile data analytics provider, which was acquired by Facebook in 2012
- Earned his B.A. in Economics from IDC Herzliya

Tomer Michaeli
Co-Founder



- Co-Founder of Fundbox
- Previously served as a Principal at Carmel Ventures
- Earned his B.Sc. in Physics, Math and Chemistry

Sebastian Rymarz
VP of Finance & Strategy



- Currently serves as the VP of Finance and Strategy
- Previously served as a VP at TPG Special Situation Partners
- Earned his B.S. in Physics from the University of Illinois at Urbana-Champaign

Yotam Troim
VP of Product



- Currently serves as VP of Product at Fundbox
- Previously was Creative Director at Onavo
- Earned his B.A. in History and Music from Tel Aviv University

Fundbox Raises \$50 mm in Financing

Spark Capital Overview

Overview

**SPARK
CAPITAL**



Todd Dagres
Co-Founder &
General Partner



Santo Politi
Co-Founder &
General Partner



Jeremy Philips
General Partner



Alex Finkelstein
General Partner

Location(s)

- Boston, MA (HQ)
- New York, NY
- San Francisco, CA

About

- Founded in 2005 by Todd Dagres, Santo Politi and Paul Conway, Spark Capital manages \$2bn in assets across five funds
- Looks at three core aspects of a company when deciding whether to invest: the founder, the product and the vision
- Provides financial and strategic support to portfolio companies through marketing guidance, product development and customer service experience
- Has invested in some of the fastest growing technology companies in the world such as Twitter, Tumblr and Oculus

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Investment Preferences

Investment Criteria

Fund Sizes: \$375 mm (Growth)
\$450 mm (Venture)

Funds Raised: 2014 (Growth)
2013 (Venture)

Investment Range: \$0.5 – 30 mm

Revenue: na

EBITDA: na

General Preferences ⁽¹⁾

Control: Minority

Geography: North America

Transaction Type: Seed, Venture,
Growth

Industry Focus: Financial Services,
Commerce,
Marketplaces,
Hardware,
Infrastructure, Social,
Media, Advertising,
Software, Services

Select Recent Investments / Exits

FinTech / Financial Services Investments ⁽²⁾

Date	Company	Deal Amt. ⁽³⁾	Board Rep.	Sector
09/15	Fundbox (<i>Early-Stage VC</i>)	\$50	Jeremy Philips	Bnkg
09/15	Orchard Platform (<i>Series B</i>)	30	Santo Politi	Bnkg
07/15	Behalf (<i>Series B</i>)	na	Santo Politi	Bnkg
07/15	eShares (<i>Series B</i>)	17	na	CapMkts
06/15	Bond Street (<i>Series A</i>)	110	na	Bnkg
05/15	Affirm (<i>Series C</i>)	275	Jeremy Philips	Bnkg
04/15	eToro (<i>Later-Stage VC</i>)	39	Santo Politi	CapMkts
01/15	peerTransfer (<i>Series C</i>)	22	Alex Finkelstein	Pymts
10/14	VivaReal (<i>Series C</i>)	42	Jeremy Philips	Bnkg
10/14	Wealthfront (<i>Series F</i>)	64	Jeremy Philips	CapMkts
10/14	Quantopian (<i>Series B</i>)	12	Andrew Parker	CapMkts
08/14	IEX Group (<i>Series C</i>)	75	Alex Finkelstein	CapMkts
07/14	Cover (<i>Series A</i>)	5	Andrew Parker	Pymts
05/14	Sift Science (<i>Series B</i>)	18	Mo Koyfman	Pymts
05/14	Coin (<i>Series A</i>)	16	na	Pymts
04/14	Crowdrise (<i>Series A</i>)	23	na	CapMkts
04/14	Goji (<i>Series C</i>)	14	Mo Koyfman	Ins
07/13	Plaid (<i>Seed</i>)	3	Mo Koyfman	Bnkg
10/12	FundersClub (<i>Series A</i>)	6	na	CapMkts
05/12	Group Commerce (<i>NimbleCommerce</i>)*	21	Todd Dagres	Pymts

Source: Company website, Pitchbook, Capital IQ.



















(1) *Italics* indicate preferred control / geography.

(2) * denotes M&A exit; ** denotes IPO exit.

(3) Deal Amount in mm.











Fundbox Raises \$50 mm in Financing

Selected Large Alternative Lender Financings, Ranked by Size

Date	Investor	Target	Value (\$ mm)	Transaction	Commentary
08/19/15	 SoFi  SoftBank		\$1,000	Financing	<ul style="list-style-type: none"> SoFi is a marketplace lender with an emphasis on private and federal student loan refinancing On August 19, 2015, SoFi announced that it has raised \$1 billion in a financing round led by SoftBank at a \$4 billion valuation⁽¹⁾
10/22/14	 TPG ICONIQ  DST WELLINGTON MANAGEMENT  GreenSky		\$300+	Financing	<ul style="list-style-type: none"> GreenSky provides an online loan platform that allows businesses to offer flexible credit programs to their customers – promoting higher transaction values and driving sales growth This transaction positions GreenSky as a clear leader in Alternative Lending and enables the company to continue to innovate and bring additional products to market
12/04/14	 TIGER Tiger Global Management, LLC  AUGUSTCAPITAL  DFJ GROWTH  KKR	 AVANT	225	Financing	<ul style="list-style-type: none"> AvantCredit, founded by the founders of Enova, provides installment loans and credit lines at competitive interest rates The Company announced the completion of a \$225 mm round of Series D funding led by Tiger Global Management and August Capital
02/03/15	 THIRD POINT WELLINGTON MANAGEMENT  IVP  SoFi		213	Financing	<ul style="list-style-type: none"> SoFi is a marketplace lender with an emphasis in private and federal student loan refinancing The \$213 mm Series D financing round was led by Third Point Ventures, Wellington Management Company and Institutional Venture Partners
04/08/15	 CREDIT SUISSE USAA  BBVA  BREYER CAPITAL  NEUBERGER BERMAN J.P.Morgan	 PROSPER	165	Financing	<ul style="list-style-type: none"> Prosper announced a \$165 mm Series D financing The latest funding will support the company's continued growth, expansion, and development of a national brand as it builds new products and services for the marketplace's borrowers and investors

Fundbox Raises \$50 mm in Financing

Selected Large Alternative Lender Financings, Ranked by Size (cont.)

Date	Investor	Target	Value (\$ mm)	Transaction	Commentary
05/02/13			\$125	Secondary Transaction	<ul style="list-style-type: none"> Google and Foundation Capital purchased \$125 mm in equity from current LendingClub shareholders This transaction valued LendingClub at \$1.55 bn
02/11/15			90	Financing	<ul style="list-style-type: none"> Oportun is the largest financial services company specifically dedicated to providing credit to the underbanked Hispanic community The \$90 mm funding round was led by Fidelity Management & Research Company with previous investor, Institutional Venture Partners
03/06/14			77	Financing	<ul style="list-style-type: none"> OnDeck underwrites and distributes loans to small businesses, assessing applicants based on cash flow, online sentiment and credit history The Company raised \$77 mm in a growth investment round led by Tiger Global Management with participation from existing investors Institutional Venture Partners, RRE Ventures, SAP Ventures, Google Ventures, First Round Capital and Industry Ventures
07/23/14			75	Financing	<ul style="list-style-type: none"> AvantCredit announced the completion of a \$75 mm round of Series C funding led by Tiger Global Management Utilizing advanced algorithms and machine-learning capabilities, the Company offers a unique and highly customized approach to the personal loan process
07/14/15			75	Financing	<ul style="list-style-type: none"> Marlette Funding is a specialty finance company that provides unsecured personal loans On July 17, 2015, Marlette Funding secured \$75 mm in financing led by Invus Opportunities with participation from Navient

Overview of FT Partners

Strong Domain Expertise in Alternative Lending / Financial Technology

Digital Media-Focused Financing

Financial Technology Partners LP
FTP Securities LLC

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

**FST
PAY**

in its growth financing with
**OAK
HC/FT**

for total consideration of approximately
\$ 15,000,000

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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
exclusive role as financial advisor to

GreenSky™

in its minority investment from

TPG DST ICONIQ **WILKINSON
MANAGEMENT**

for total consideration of approximately
\$ 300,000,000 +

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Consumer Marketing / Credit Lead Generation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to

**Google
capital**

in its lead investment in

Credit Karma™

with additional participation from

TIGER SIG **Ribbit Capital**

for approximately
\$ 85,000,000

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Contractor Financing

Financial Technology Partners LP
FTP Securities LLC

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

**BlueTarp
Financial**

in its financing, including investment from

**HIGHLAND
CAPITAL PARTNERS** **longridge** **TRINITY
VENTURES**

FLYBRIDGE

for approximately
\$ 15,000,000

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Asset Backed Loans Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
exclusive role as financial advisor to

borro®

in its growth financing for total
consideration of

\$ 19,500,000

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SaaS-based Loan Origination

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

**WebEquity
solutions™**

in its sale to

MOODY'S

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Alternative Score Provider

Financial Technology Partners LP
FTP Securities LLC

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

L2C inc

in its sale to

TransUnion.

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Personal Loans

Financial Technology Partners LP
FTP Securities LLC

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

Upstart

in its financing, with investment from

**THIRD POINT
VENTURES**

for approximately
\$ 35,000,000

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Taulia's \$60 mm Financing

FT Partners Advises Taulia in its \$60mm Series D Financing

Transaction Overview and Rationale

Overview of Transaction

- On July 22, 2014, Taulia announced a \$27mm Series D financing round led by QuestMark Partners
- On September 25, 2014, Taulia announced an additional \$13mm in funding including investment from BBVA Ventures and EDBI
- On January 21, 2015, Taulia announced an additional \$15mm in financing from Zouk Capital
- Existing investors Matrix Partners, Trinity Ventures, Lakestar and DAG Ventures also participated in the round
- Taulia provides cloud-based invoice, payment, dynamic discounting and supplier finance solutions to corporations and their small business suppliers
- QuestMark Partners ("QuestMark") is an expansion-stage venture capital firm with over \$750mm under management
- BBVA Ventures ("BBVA") is the corporate investing arm of the Spain-based BBVA Group
- EDBI is the corporate investment arm of Singapore's Economic Development Board

Significance of Transaction

- Taulia will use the financing to increase its market traction, further its hiring efforts and expand its global presence
- The oversubscribed round brings Taulia's total funding to \$85mm

FT Partners' Role

- FT Partners served as exclusive financial advisor to Taulia and its Board of Directors
- FT Partners leveraged its deep knowledge, extensive experience and broad industry relationships to provide critical advisory services throughout the transaction

Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its
exclusive role as financial advisor to*



in its financing, including investment from

QUESTMARK PARTNERS
zouk BBVA edbi

for total consideration of approximately

\$ 60,000,000

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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.