

February 19, 2016

# Financial Technology Partners

## FT Partners Research – Transaction Profile

### StoneEagle Services (VPay)



*raises*

**\$76 million**

*in financing led by*



*Courtesy of:*



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

**[www.ftpartners.com](http://www.ftpartners.com)**



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# StoneEagle Services (VPay) Raises \$76 mm in Financing

## Transaction Summary

***In 2014, Commercial Spend in the U.S. was more than \$20 trillion with the majority of payments still done via check (50% at large corporations and 67% at middle market companies) making the B2B landscape one of the last “great frontiers” in payments***

### Transaction Overview

- StoneEagle Services (VPay), a leading turnkey B2B payments platform, announced on February 17, 2016 that it had received a \$76 million investment led by FTV Capital, a growth equity investment firm with a strong track record in the payments industry
  - StoneEagle Services plans to fuel accelerated growth by deepening existing customer relationships, further investing in the product, expanding sales and marketing and enhancing its proprietary technology and processing capabilities
  - Bobby Allen, Founder and former CEO, will become Chairman of the Board, and FTV Capital's Chris Winship, Richard Garman, and Robert Anderson will join the Board of Directors
- StoneEagle Services (VPay) was previously part of the StoneEagle companies, which have over 30 years of experience in the design and development of enterprise-wide insurance industry applications, data management and outsourced solutions
- StoneEagle Services' (VPay) platform for outsourcing payments offers a compelling replacement to manage inefficient payment processes
  - The Company brings together flexible, purpose-built products with integrated service and support, patented technology, multiple funding models and unique expertise to streamline claims payments across a variety of insurance

### Transaction Commentary

***“Having Andy, a proven industry leader, at the helm, and being able to leverage FTV's payments expertise and strategic relationships has positioned us to accelerate the success and leadership of our business within this massive market”***

- Bobby Allen,  
StoneEagle Chairman of the Board

***“The visionary StoneEagle management team has built a highly flexible, scalable payments platform that is revolutionizing claims processing”***

***“I am thrilled to be joining StoneEagle, and it is my mission to continue to deliver the secure, effective products our customers rely on to help them reduce processing costs and complexity”***

- Andy Roberts,  
CEO of StoneEagle Services

***“StoneEagle has developed a growing, highly satisfied customer base because of their proven ability to streamline and manage complex transactions”***

***“Andy's highly relevant industry expertise, strong network relationships, and proven leadership skills will help propel StoneEagle in its expansion”***

- Chris Winship,  
Partner at FTV Capital



# StoneEagle Services (VPay) Raises \$76 mm in Financing

## StoneEagle Services (VPay) Overview



**CEO:** Andy Roberts  
**Headquarters:** Richardson, TX  
**Founded:** 1967

- StoneEagle Services (VPay) designs, develops and delivers turn-key solutions for virtual and plastic cards, ACH and check payments, covering the full end-to-end issuing and processing capabilities
- VPay was formerly a part of The StoneEagle Group of companies, which offers a number of solutions in the areas of enterprise insurance, data management and outsourcing

### Key Benefits



**Fast:** Eliminates mail delays, speeds up delivery timing and is controlled by the Payer in real-time



**Secure:** Payments are electronically tracked, VPayments cannot be overcharged and fraudulent redemption attempts are tracked and flagged



**Easy:** Special payment files are not required; platform allows customers to create virtual payments from current payment files

### Solutions Overview

#### Vpay

- Virtual card solution designed specifically for claim payments using a unique approach that will significantly reduce costs related to processing, delivering and reconciling paper
- Security Features include: No overcharges, redemption limited to industry specific merchants, payment expiration dates, electronic controls and merchant ID tracking

#### SESwitch

- SESwitch is a proprietary, issue side, card authorization, hosted, owned and operated by StoneEagle Services to provide greater control over each payment transaction

#### VPAID

- Terminal free payment processing – payments are sent straight to the merchant acquirer for processing
- Benefits include: the elimination of data entry, complete PCI compliance, internal fraud protection and immediate payment

### Management



**Andy Roberts, Chief Executive Officer:** Has taken over as the new CEO of StoneEagle replacing Bobby Allen and will run the Company along with the existing management moving forward



**Brent Allen, President:** Has been the President of StoneEagle Insurance Systems for the past 25 years and COO for the last 5 years; and currently is also the President of StoneEagle.com



**Jason Gillette, Director of Sales & Marketing:** Has been the Vice President of Sales and Marketing for the past 4 years; previously, he was the Director of Sales & Marketing for nine years at StoneEagle.com



# StoneEagle Services (VPay) Raises \$76 mm in Financing

## FTV Capital Overview

### Overview



**Jim Hale**  
Founding Partner



**Bob Huret**  
Founding Partner



**Richard Garman**  
Managing Partner



**Chris Winship**  
Partner

### Location(s)

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

### About

- Founded in 1998 by Bob Huret and Jim Hale
- Focus on FinTech with broader reach in software and services
- Manages over \$1.8 bn across four funds
- US-based but global portfolio including investments in China, Canada and the UK
- Strong LP base of banks, asset managers and other financial services companies
- Specializes in companies growing at greater than 20%
- Takes active role in portfolio companies through board representation
- First institutional funding for two-thirds of portfolio companies

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### Investment Preferences

#### Investment Criteria

<b>Fund Size:</b>	\$700 mm
<b>Fund Raised:</b>	2014
<b>Investment Range:</b>	\$10–70mm
<b>Revenue:</b>	\$10–100mm
<b>EBITDA:</b>	NA

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

<b>Control:</b>	Minority, Majority
<b>Geography:</b>	Global
<b>Transaction Type:</b>	Growth, Buyout, Recapitalization
<b>Industry Focus:</b>	FinTech, Specialty Finance, Business Services

### Select Recent Investments / Exits

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

Date	Company	Deal Amt.	Board Rep.	Sector
10/15	<b>InvestCloud</b> ( <i>Series D</i> )	\$45	Richard Garman	CapMkts
08/15	<b>CashStar</b> ( <i>Series D</i> )	15	Chris Winship	Pymts
05/15	<b>WePay</b> ( <i>Series D</i> )	40	Chris Winship Robert Anderson	Pymts
04/15	<b>Clearent</b> ( <i>Later-Stage VC</i> )	25	Chris Winship	Pymts
11/13	<b>World First</b> ( <i>PE Growth</i> )	NA	Brad Bernstein	Pymts
08/13	<b>Credorax</b> ( <i>Later-Stage VC</i> )	40	Chris Winship Robert Anderson	Pymts
06/13	<b>Vindicia</b> ( <i>Series E</i> )	3	Eric Byunn	FMS
04/13	<b>Cedar Capital</b> ( <i>PE Growth</i> )	NA	Richard Garman Kyle Griswold	CapMkts
04/13	<b>Good Harbor Financial</b> ( <i>PE Growth</i> )	75	NA	CapMkts
04/13	<b>MarketShare</b> ( <i>PE Growth</i> )	38	NA	CapMkts
02/13	<b>Empyrean Benefits</b> ( <i>Later-Stage VC</i> )	41	Chris Winship Abhay Puskoor	HCIT
02/13	<b>eBaoTech</b> ( <i>PE Growth</i> )	36	Brad Bernstein Abhay Puskoor	Ins
04/12	<b>ASpire Financial</b> ( <i>Later-Stage VC</i> )	25	Kyle Griswold, Robert Anderson	CapMkts
07/11	<b>Apex Fund Services</b> ( <i>PE Growth</i> )	30	Brad Bernstein	CapMkts
09/10	<b>CardConnect</b> ( <i>PE Growth</i> )	50	Richard Garman Chris Winship	Pymts
01/10	<b>Company.com</b> ( <i>Series A</i> )	4	Richard Garman	FMS

Source: Capital IQ, PitchBook.

(1) Italics indicate preferred control / geography.

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

# Overview of FT Partners

## FT Partners is the Leader in Financial Technology Investment Banking

Financial Technology Partners LP  
FTP Securities LLC

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

**Heartland**

in its sale to

**globalpayments**

for total consideration of

**\$ 4,300,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**MERCURY**

in its cash sale to

**vantiv**

for total consideration of approximately

**\$1,650,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**MERCURY**

in its approximately 60% majority sale to

**SILVERLAKE**

for aggregate consideration of approx.

**\$ 900,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**AmWins Group, Inc.**

in its recapitalization by

**NMC**

NEW MOUNTAIN CAPITAL LLC  
valued at approximately

**\$ 1,300,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**ACCRETIVE HEALTH**  
Results providers trust

in its

**\$138,000,000**  
**Initial Public Offering**

valuing the equity at approximately

**\$ 1,200,000,000**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its  
exclusive role as financial advisor to

**GreenSky**

in its minority investment from

**DST ICONIQ**  
**TPG**

for total consideration of

**\$ 300,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as advisor to

**CIBC**

in its strategic investment in

**Verus**

with additional participation from

**MasterCard** **Bain Capital Ventures** **Alkermes**

for approximately

**\$70,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**VERUS**

in its sale to

**sage**

for cash consideration of approximately

**\$ 325,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**square** **trade** **protection**  
plans

in its recapitalization by

**BainCapital**  
**BainCapital Ventures**

of approximately

**\$ 238,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**FLEET ONE**

in its cash sale to

**wex**

for total consideration of approximately

**\$ 369,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**nmi**

in its growth investment by

**Bregal** **Sagemount**

for a total valuation of nearly

**\$200,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**PROPAY**

in its sale to

**TSYS**

**\$ 100,000,000+**

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Financial Technology Partners LP  
FTP Securities LLC

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

**TRANSFIRST**

in its cash sale to

**Vista Equity Partners**  
from  
**WCAS**

**\$1,500,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole debt capital advisor to

**jack henry**  
& ASSOCIATES INC.

In its acquisition of

**iPay Technologies**

for total consideration of approximately

**\$ 300,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**OZFOREX**  
FOREIGN EXCHANGE SERVICES

In its

**Initial Public Offering**

valuing the equity at approximately

**A\$480,000,000**

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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

**VeriFone**  
THE WAY TO PAY™

in its

**\$177,000,000**  
**Initial Public Offering**

valuing the equity at approximately

**\$ 650,000,000**

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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

**TRANSFIRST**  
First In Secure Electronic Payments

in its debt financing co-led by

**Bank of America** **Merrill Lynch**  
**Deutsche Bank**  
**GE Capital**

totaling

**\$ 675,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

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

**lynk**

in its sale to

**The Royal Bank of Scotland**

for cash consideration of approximately

**\$ 525,000,000**

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The Only Investment Bank  
Focused Exclusively on Financial Technology

# Overview of FT Partners

## FT Partners has Significant Experience Advising Large Financing Rounds

*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	Selected Prominent Investors in FT Partners Led Rounds
 <b>MERCURY</b> <sup>®</sup>	\$420,000,000+	  
 <b>GreenSky</b> <sup>™</sup>	300,000,000+	  
 <b>liquidnet</b>	250,000,000	 
 <b>square trade</b>	238,000,000	
 <b>avidxchange</b>	225,000,000	  
 <b>nmi</b>	150,000,000+	  
 <b>Kabbage</b>	135,000,000	
 <b>TradingScreen</b>	110,000,000+	   
<b>CHROMERIVER</b>	100,000,000	  
<b>Credit Karma</b> <sup>™</sup>	85,000,000	
<b>earnest</b>	75,000,000	 
 <b>taulia</b>	60,000,000	
 <b>YAPSTONE</b>	50,000,000	 

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



# Overview of FT Partners

## Selected FT Partners' Research (click to view)



Research Report: Transaction Security



Research Report: PayPal Spin-off Overview



Research Report: Global Money Transfer



Research Report: Apple Unveils Apple Pay



Heartland's Sale to Global Payments



Square Completes its IPO



First Data: Post Quiet Period Review



Worldpay Completes its IPO

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. Please visit our [subscription form](#) to subscribe to our exclusive monthly newsletter and receive our research reports.

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

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

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

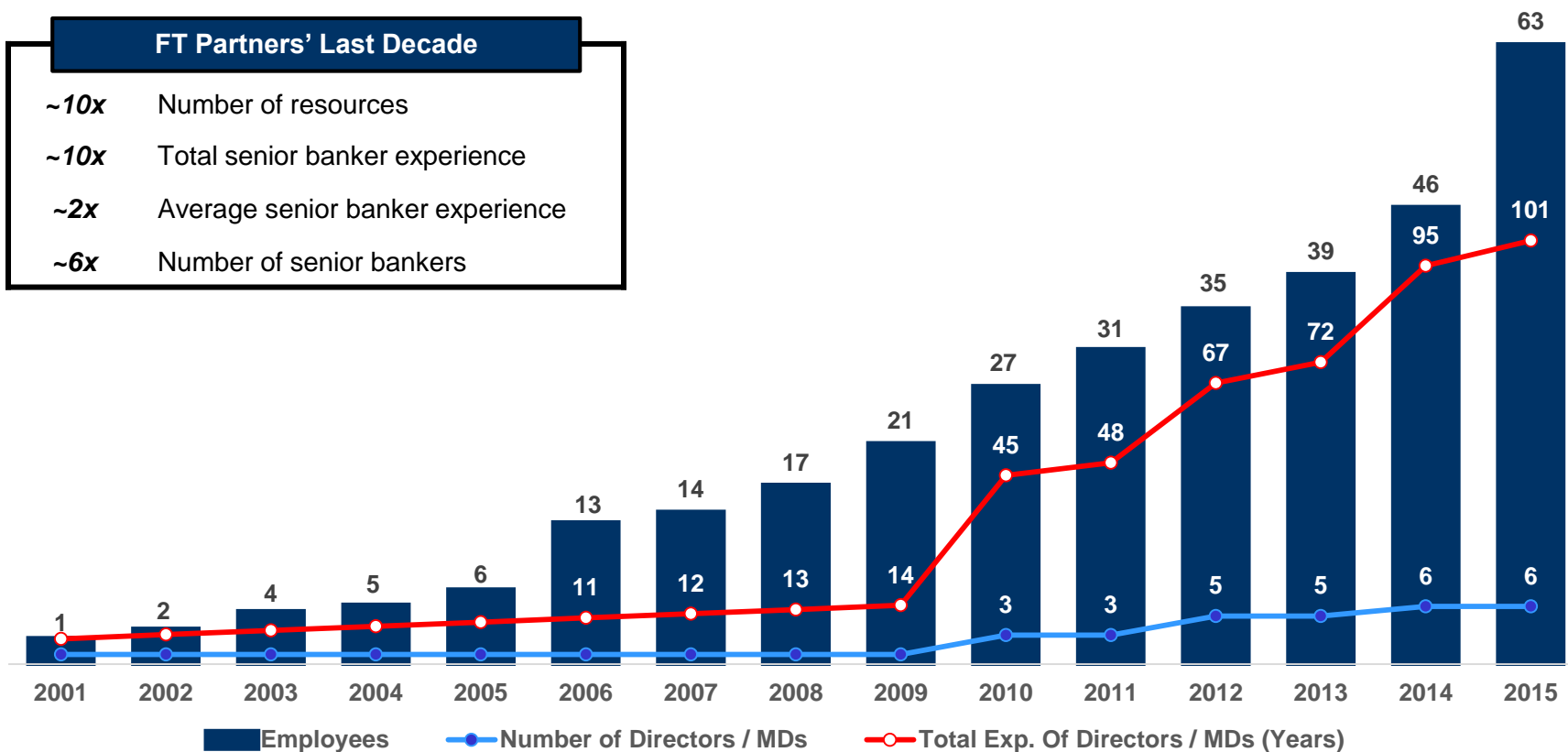


# Overview of FT Partners

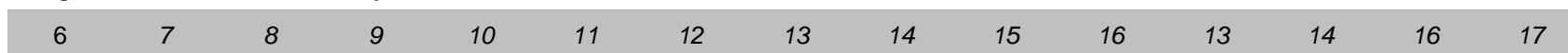
Platform of Choice for Clients and Bankers Alike

## 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
<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>Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>21</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	<b>21</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 / Sterne Agee</li> <li>Recent coverage included V, MA, TSS, GPN, HPY, DST, ENV, FISV, FIS &amp; JKHY among others</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>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>14</b>
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>10</b>