

# FT PARTNERS FINTECH INDUSTRY RESEARCH

March 1, 2021

## FINTECH CEO INTERVIEW

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M A S T E R W  R K S

*with Founder & CEO Scott Lynn*

Art Investment Platform

## Masterworks Overview

### Company Overview

#### MASTERWORKS

Founder & CEO: Scott Lynn

Headquarters: New York, NY

Founded: 2017

- Masterworks is the first platform for buying and selling shares representing an investment in artworks
- Individuals can build a diversified portfolio of iconic works of art curated by Masterworks' research team
- The Company has a proprietary data set to understand which artist markets are accelerating the quickest and provide the best risk-adjusted returns
- Contemporary art has appreciated at 13.6% since 1995, versus 8.9% for the S&P

### How it Works



#### Find Artists

- Masterworks' research team uses their proprietary data to determine which artist markets have the most momentum and that they believe will produce the best risk-adjusted returns



#### Purchase Art

- Masterworks' acquisitions team locates the best example available, at the best price, and purchase the work



#### Securitize the Artwork

- The Company files an offering circular with the Securities and Exchange Commission allowing anyone to invest



#### Hold Artwork

- Wait until the Company sells the painting to receive pro rata proceeds, after the Company's fees

OR



#### Sell Shares on the Secondary Market

- Individuals have the option to sell shares in Masterworks' secondary market

### Products & Services Overview

#### Know How to Invest



- Research, track and evaluate how art performs to other assets and learn everything about art investing all in one place

#### Build Portfolio



- Tailor a portfolio to a risk profile by using Masterworks' proprietary historical returns, standard deviation, and loss rate data

#### Masterworks Indices



- Track the art market in a new way, by using repeat-sales data, analogous to Case-Schiller for real estate

## Interview with Masterworks

MASTERWORKS

MASTERWORKS

**Scott Lynn**

Founder & CEO



Scott Lynn is the Founder and CEO of Masterworks. Scott has been an active collector of contemporary art for more than fifteen years and has built an internationally-recognized collection of Abstract Expressionism. Scott's collection has been exhibited at museums such as the National Gallery, the Guggenheim (New York), and the Museum of Modern Art. He has founded or acquired numerous other companies, including Adknowledge and Payability.

***"Until Masterworks, there hasn't been a way to invest in art outside of purchasing a multi-million dollar painting."***

***Scott, you have been a prolific founder, but what led you to founding a platform to facilitate investing in artwork?***

I've been starting content, advertising, and FinTech companies for the past 20 years. But I also started collecting art when I was around 20 years old, and have a top 100 collection in the U.S. I've always found the asset class to have compelling performance characteristics (for example, contemporary art has appreciated at 13.6% since 1995), but it's basically impossible to invest in it outside of purchasing a multi-million dollar painting yourself.

***What are the benefits of investing in art through Masterworks?***

Until Masterworks, there hasn't been a way to invest in art outside of purchasing a multi-million dollar painting. So the real benefit is simply giving investors the ability to allocate to uncorrelated, outperforming asset class for the first time.

It's worth noting that art is a \$1.7 trillion+ asset class with \$60 billion+ in annual sales. Contrast that to venture and private equity, which is double the size of the art market (\$3.4 trillion) and involves 9,000+ different firms serving many investor types - individuals, advisors, family offices, and institutions.

We are in the very early stages of securitizing and creating investment products around this asset class.

### MASTERWORKS CEO Interview – Scott Lynn

***“Our acquisition team is actively engaged with art sellers each day, sourcing paintings priced between \$1-30 million. Currently, we have more than 2,100 paintings on offer to us and are purchasing between 1-2% of what we see.”***

***Please walk us through the process of selecting artworks, both from initially sourcing assets in the art market to be included on Masterworks’ platform and from an investor standpoint. What criteria does the Company have for pieces listed on the platform?***

Our investment process starts with the proprietary analytics developed by our in-house research team to define which market segments and artists have the most attractive historical appreciation characteristics. Today, that analysis focuses us on contemporary and 20th century art, which generally has the most attractive historical price appreciation and deepest market liquidity. Within contemporary and 20th century art, we are focused on acquiring works by ~45 artists, including works by Basquiat, Picasso, Banksy, Kusama, and Warhol.

Using these insights, our acquisition team is actively engaged with art sellers each day, sourcing paintings priced between \$1-30 million. Currently, we have more than 2,100 paintings on offer to us and are purchasing between 1-2% of what we see.

Once we purchase a painting, we file a public offering with the Securities and Exchange Commission and begin offering shares to investors.

***What is the process for storing the artwork? Are the pieces ever on display for the public?***

Our portfolio is stored in specialized art storage facilities in the US when not on loan to museums or institutions. Right now, we have a Banksy and KAWS on display in public museums, granted museum activity has been limited this year in light of COVID.

### MASTERWORKS CEO Interview – Scott Lynn

***“Our average investor is investing \$30,000+ over their lifetime. Last year, we launched trading markets to allow investors the ability to trade shares in individual artworks.”***

***Do you need to be an accredited investor to invest on Masterworks’ platform? Is there a minimum investment? Are the shares SEC qualified? And can investors sell their shares at any time?***

As SEC-qualified offerings, they are open to all investors. Our average investor is investing \$30,000+ over their lifetime. Last year, we launched trading markets to allow investors the ability to trade shares in individual artworks.

***How do you analyze the art market performance? What is the process for determining the time to sell an artwork?***

Given roughly half of the art market (~\$30 billion a year) sells at public auction, there is significant data density for market performance analysis, particularly relative to other collectibles. At a macro level, we build proprietary performance indices in a similar manner to those for real estate to assess historical characteristics of specific segments and artists markets. For individual offerings, we assess and share with investors historical appreciation rates (based on similar sales or comparable works), artist market transaction volume, total number of years of auction sales, and third-party appraisals.

***Could you please talk to us about the pricing database you have? How does it benefit potential investors?***

Our research team has identified more than 100,000 paintings that have been bought and sold two or more times at public auction, and the gain or loss realized by a collector on the ultimate sale. This is a great way for people new to the art market to observe returns at an object-level, in order to gain a sense for how the asset class has performed. Anyone can access our price database and search by artist name to see performance by individual objects.

### MASTERWORKS CEO Interview – Scott Lynn

***“In a very short period, we have become a top 10 buyer in the art market, targeting \$200-300 million in acquisitions this year.”***

#### ***What is the Masterworks Fund and how does it work?***

Later this year, we will be releasing a fund that purchases securities in our painting-specific investments. We think this will be a terrific option for investors who prefer not to pick-and-choose among individual paintings themselves.

#### ***Masterworks is bringing something unique to the art market. Can you talk about how Masterworks may be impacting the entire market.***

Most people don't realize that the art market is one of the oldest industries. In fact, Sotheby's was the oldest company on the NYSE at 275 years old before going private in 2019. This is one of the few industries left that has experienced little innovation for literally centuries.

That said, we think Masterworks' impact on the art market will be profound. In a very short period, we have become a top 10 buyer in the art market, targeting \$200-300 million in acquisitions this year, and, most importantly, have introduced an entirely new capital source to the market. We've discovered an enormous community of investors, both small and large, who share our conviction in the asset class and are now turning to us as the means to develop an allocation.

#### ***Can you share any KPIs on the business with us?***

We were the first to file an offering for a painting to go public in 2018. Fast forward, we are now serving over 120,000 members signed-up on the platform, have raised nearly \$100 million across more than 30 investment vehicles and are on-track to raise an additional \$200-300 million this year. In 2020, we achieved our first months of profitability and expect to remain profitable going forward.

### MASTERWORKS CEO Interview – Scott Lynn

***“Longer term, we believe art has a role in every investment portfolio.”***

***Do you see the Company expanding the breadth of investments or asset classes available through Masterworks? What is the long-term vision for the Company?***

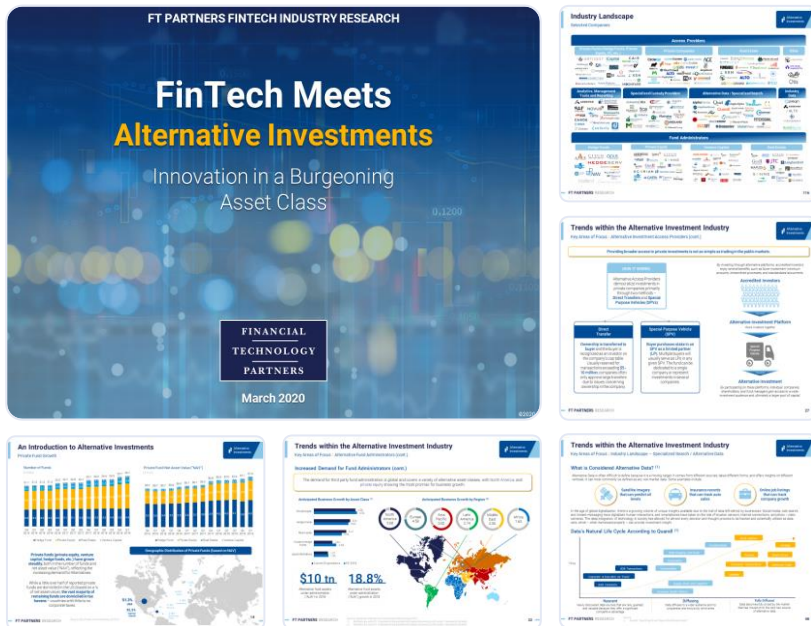
What people often miss is that we are an art-as-an-asset-class business first. We begin with the sheer size of blue-chip art market opportunity combined with our investment thesis and expertise in the asset class – which does not extend to cars, wine or other collectibles. We are also not a “democratization” play for other asset classes, such as real estate, that are already well trafficked in the institutional and retail investment communities.

While we found initial product market fit with self-directed investors, we are, fundamentally, agnostic to product and distribution channel. This year, we are beginning to work with significantly larger investment groups who are expanding how they think about real asset diversification in the current environment.

Longer term, we believe art has a role in every investment portfolio. Characteristically, it’s returns and lack of correlation make it the single most interesting alternative asset. Asset allocation models built by Citi have indicated recommended allocations to art between 1.4-4.0%, depending on an investor’s tolerance for illiquidity.

## FT Partners Research – FinTech Meets Alternative Investments

### FinTech Meets Alternative Investments Innovation in a Burgeoning Asset Class



Click pictures to view report

Demand for alternative assets remains strong as investors and plan sponsors seek asset diversification, higher yields, and uncorrelated returns. As a result, alternatives are a clear bright spot in the asset management industry. As demand grows for alternative assets, a new FinTech ecosystem is developing to help investors, investment managers, and service providers to access new asset classes and manage their investments and operations with new data, software, and platforms.

#### Highlights of the report include:

- An overview of trends driving the developing FinTech ecosystem around the Alternative Investment Management industry
- A detailed landscape of FinTech companies operating in the Alternatives space
- Proprietary list of financing and M&A transactions in the space
- Interviews with the CEOs of 11 companies driving innovation in Alternatives
- Detailed profiles of 41 FinTech companies operating in the industry

# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Selected FT Partners Capital Markets / WealthTech Transactions

### M&A Transactions

Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**Forge**

on its merger to

**SHAREPOST**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
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Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**BLACKROCK**

in its 100% acquisition of

**FutureAdvisor**

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Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**clearpool**

on its sale to

**BMO Bank of Montreal**

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Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**TRUST COMPANY OF AMERICA**

in its sale to

**EXTRADE**

for total consideration of

**\$ 275,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**Forge**

in its Series B financing led by

**OPRAVE**

**panorama** | point partners

for total consideration of

**\$ 70,000,000**

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Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**AlphaSense**

on its Series B financing from

**INNOVATION ENDEAVORS** | **SOROS**

for total consideration of

**\$50,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**ADDEPAR**

in its Series D financing co-led by

**VALOR 8VC**

**Harald McPike**

for total consideration of

**\$ 140,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is planned to announce its exclusive role as strategic and financial advisor to

**TRUMID**

on its financing led by

**DIAGONTER**

with participation from

**TPG**

& funds and accounts managed by

**BLACKROCK** | **T.RowePrice**

for a total amount of

**\$200,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**PENSCO TRUST COMPANY**

in its sale to

**OpusBank**

for total consideration of

**\$ 104,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**ATD**

Automated Trading Technologies, LLC

in its sale to

**citi**

for cash and stock consideration of approximately

**\$ 680,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**INSTINET**

in its sale of its stake in

**CHIX EUROPE**

to

**BATS**

for total consideration of approximately

**\$ 305,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**CVC**

Capital Partners

in its acquisition of

**OANDA**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
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Financial Technology Partners LP  
FTP Securities LLC

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

**riskalyze**

in its growth equity investment led by

**FIVE CAPITAL**

for total consideration of

**\$ 20,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**ENVESTNET**

in its

**\$69,000,000**

**Initial Public Offering**

valuing the equity at approximately

**\$ 300,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**Liquidnet**

in its financing for approximately

**\$ 250,000,000**

valued at approximately

**\$ 1,800,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**moneyfarm**

on its Series C financing led by

**Posteitaliane**

with participation from

**Allianz**

for a total consideration of

**£36,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
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Financial Technology Partners LP  
FTP Securities LLC

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

**ITG**

INVESTMENT TECHNOLOGY GROUP

in the acquisition of

**macgregor**

for cash consideration of approximately

**\$ 230,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**LATENTZERO**

in its sale to

**Fidessa**

(Royalblue Group Plc)

for aggregate consideration of up to approximately

**\$ 125,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

is planned 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

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

**WOMBAT**

FINANCIAL SOFTWARE

in its sale to

**NYSE Euronext**

for total consideration of approximately

**\$ 225,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**TradingScreen**

SIMPLIFYING GLOBAL MARKETS

in its minority recapitalization for

**\$ 110,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**nutmeg**

in its Series E financing from

**Goldman Sachs** | **CONVOY**

for total consideration of

**£45,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC

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

**AXIAL**

in its financing led by

**Edison**

PARTNERS

for total consideration of approximately

**\$ 14,000,000**

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank  
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Financial Technology Partners LP  
FTP Securities LLC

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

**BACKSTOP SOLUTIONS**

in its minority financing from

**Roger Kaffner** | **Tao Huang** | **David Bradley**

**VISTARA**

CAPITAL PARTNERS

for total consideration of

**\$ 20,000,000**

FINANCIAL TECHNOLOGY PARTNERS

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FT Partners has advised on some of the most prominent and groundbreaking transactions in the Securities / Capital Markets / Wealth Technology sectors

## FT Partners Advises Trumid on its \$200 million Growth Capital Investment

### Overview of Transaction

- On August 12, 2020, Trumid announced the completion of a \$200 million growth capital investment at a valuation of over \$1 billion led by Dragoneer Investment Group, with participation from new investors including TPG Capital, and funds and accounts managed by BlackRock and T. Rowe Price Associates, Inc
- Trumid is a US corporate bond trading platform that brings trading efficiency and connectivity to credit professionals
- The Company has differentiated itself by collaborating with market participants to create innovative trading solutions
  - Since its launch one year ago, Trumid's Attributed Trading (AT) protocol has established a dominant position in dealer streaming and bilateral dealer-client trading
- Trumid has experienced extraordinary growth in activity across its trading platform, with volumes up nearly 500% in 2020 from its network that has grown to over 500 institutions worldwide

### Significance of Transaction

- The growth capital from this financing will support broadening of Trumid's trading protocols and expansion into adjacent products and geographies

### FT Partners' Role

- FT Partners served as exclusive financial and strategic advisor to Trumid
- This transaction highlights FT Partners' deep domain expertise within Capital Markets Tech, as well as its successful track record generating highly favorable outcomes for high-growth FinTech companies globally

### Financial Technology Partners LP FTP Securities LLC

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

**TRUMID**

*on its financing led by*



*with participation from*



*& funds and accounts managed by*

**BLACKROCK** **T.RowePrice**

*for a total amount of*

**\$200,000,000**

FINANCIAL  
TECHNOLOGY  
PARTNERS

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## FT Partners Advises Addepar on its Series D Financing

### Overview of Transaction

- On June 8, 2017, Addepar announced it has raised \$140 million in Series D financing co-led by Harald McPike, the founder of QuantRes, along with Valor Equity Partners and 8VC
- Headquartered in Mountain View, CA, Addepar is a leading provider of portfolio management and reporting software and services that seeks to become the infrastructure that will connect all aspects of global finance
- Harald McPike is the founder of QuantRes, a quantitative trading firm, and a global private investor with a focus on the financial and technology sectors
- Valor Equity Partners is an operational growth investment firm that does both minority and majority investments in high growth companies at various stages of development
- 8VC is a venture capital firm that makes seed to later stage investments with a focus on the technology industry

### Significance of Transaction

- The financing capitalizes on Addepar's unprecedented growth — from \$300 billion to over \$650 billion assets on platform in less than 18 months — as top wealth managers embraced Addepar's category-defining client reporting software
- With the new capital, Addepar will continue investing significantly in R&D, expanding its product, platform and tech-enabled services to unlock more value for its clients while also serving a wider range of wealth and asset management firms

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Addepar
- Transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies as well as its deep domain expertise and experience in the WealthTech space

### Financial Technology Partners LP FTP Securities LLC

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exclusive strategic and financial advisor to*



*in its Series D financing co-led by*



**Harald McPike**

*for total consideration of*

**\$ 140,000,000**



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## FT Partners Advises PENSICO Trust Company in its Sale to Opus Bank

### Overview of Transaction

- On January 25, 2016, PENSICO Trust Company ("PENSICO") announced its sale to Opus Bank ("Opus") (NASDAQ: OPB) for approximately \$104 million (as adjusted) in a mix of cash and stock
- Backed by Panorama Point Partners, PENSICO is a leading custodian of self-directed IRA and alternative investments
- Opus is an FDIC insured California-chartered commercial bank with \$6.2 billion of total assets, \$5.0 billion of total loans, and \$4.9 billion in total deposits
- Following the transaction, PENSICO will operate as a subsidiary of Opus
- The transaction is expected to close in Q2 2016

### Significance of Transaction

- The acquisition positions Opus at the forefront of the alternative asset wealth services business
- PENSICO provides Opus with strong, recurring non-interest income based on assets under custody
- The transaction also presents additional potential revenue opportunities through Opus' Merchant Bank, Commercial Bank, Retail Bank and Opus Financial Partners, Opus' broker-dealer subsidiary

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to PENSICO and its Board of Directors
- Highlights FT Partners' continued success advising a broad range of top-tier strategic investors across the financial technology landscape

### Financial Technology Partners LP FTP Securities LLC

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



**PENSICO**  
TRUST COMPANY

*in its sale to*



**OpusBank**  
BUILD YOUR MASTERPIECE®

*for total consideration of approximately*

**\$ 104,000,000**



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## FT Partners Advises Backstop on its \$20 million Minority Financing

### Overview of Transaction

- On October 30, 2018, Backstop Solutions announced a minority \$20 mm financing round
  - Existing and new investors participating in the round include Roger Kafker, a 30-year veteran investor in the asset management space, Tao Huang, former COO of Morningstar, David Bradley, President of Huizenga Capital Management, and Vistara Capital Partners
- Headquartered in Chicago, IL., Backstop Solutions is a software-as-a-Service platform designed to help firms in the institutional and alternative investment management industry operate efficiently, invest intelligently and communicate effectively
  - Founded in 2003, the Company has quickly grown to service over 800 clientele providing its industry-leading cloud-based productivity suite to investment consultants, pensions, funds of funds, family offices, endowments, foundations, private equity, hedge funds, and real estate investment firms

### Significance of Transaction

- The transaction builds on an strong year for Backstop, which saw a rapidly growing roster of clients, key executive appointments, and market momentum
- Backstop Solutions' minority financing will enable the Company to become globally recognized as the dominant cloud productivity suite for the institutional and alternative investment industry

### FT Partners' Role

- FT Partners served as sole strategic and financial advisor to Backstop Solutions
- This transaction underscores FT Partners' strong domain expertise and successful track record in the WealthTech space

### Financial Technology Partners LP FTP Securities LLC

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



*in its minority financing from*

**Roger Kafker    Tao Huang    David Bradley**



*for total consideration of*

**\$20,000,000**



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## FT Partners Advises Forge on its Merger with SharesPost

### Overview of Transaction

- On May 12, 2020, Forge announced its merger with SharesPost
- SharesPost is a private market alternative trading system focused on enabling retail and institutional investors and company employees to access liquidity
  - Founded in 2009, SharesPost built the first private equity marketplace, which strove to connect buyers and sellers of private securities through its proprietary trading platform
- Forge's digital platform streamlines liquidity for hundreds of unicorn issuers and thousands of institutional and retail investors from around the world
  - Leveraging its robust technology, operations and trust infrastructure, Forge delivers a suite of services that includes trading, custody, data and company solutions

### Significance of Transaction

- Together, the two companies will create one of the largest global private securities marketplaces, bringing liquidity and transparency at scale to pre-IPO companies and investors
- Combined, the two will have facilitated thousands of transactions with more than \$6 billion in private market transaction volume, for hundreds of unique issuers and over 1 million customers
- The deal will provide Forge with deeper insight on private company trends, as well as bid, offer, and pricing data that provides transparency to clients and partners to better understand and engage in the private markets

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Forge
- FT Partners previously advised Forge on its [\\$70 million Series B financing](#)
- This transaction underscores FT Partners' deep alternative marketplace domain expertise and its continued success in providing buy-side advisory to top-tier FinTech companies

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strategic and financial advisor to*



*on its merger with*



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## FT Partners Advises Clearpool on its Sale to BMO

### Overview of Transaction

- On January 22, 2020, Bank of Montreal (BMO) announced that it had signed an agreement to acquire 100% of the outstanding shares of Clearpool Group ("Clearpool"), an Algorithmic Management System transforming electronic trading with a fully customizable suite of trading tools
- Headquartered in New York, Clearpool empowers market participants by providing greater transparency, efficiency and control through next generation trading technology
- Clearpool's solution provides total visibility and control, from strategy to execution, through its cloud-based algorithmic management system, execution and analytics portals
- Bank of Montreal (TSX, NYSE: BMO) is a highly diversified financial services provider based in North America

### Significance of Transaction

- BMO's electronic platform (Capital Markets, Securities and Equity) has a successful, fast-growing trading business in Canada, and adding Clearpool's capabilities in algorithmic management will allow BMO to deliver next-gen trading technology to its global client base

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Clearpool
- The transaction underscores FT Partners' successful track record generating highly favorable outcomes for Capital Markets Technology companies
- This transaction also highlights FT Partners' expertise in bringing our clients together with world class strategic investors and acquirers

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as strategic and financial advisor to*



*on its sale to*



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## FT Partners Advises BlackRock on its Acquisition of FutureAdvisor

### Overview of Transaction

- On August 26, 2015, BlackRock (NYSE: BLK) announced a definitive agreement to acquire 100% of FutureAdvisor
- FutureAdvisor is a leading digital wealth management platform with technology-enabled investment advice capabilities
- BlackRock offers investment management, risk management and advisory services to institutional and retail clients worldwide and has over \$4.7tn in assets under management
- Following the transaction, FutureAdvisor will operate as a business within BlackRock Solutions (“BRS”), BlackRock’s investment and risk management platform
- The transaction is expected to close in Q4 2015

### Significance of Transaction

- Combines FutureAdvisor’s tech-enabled advice capabilities with BRS’ investment and risk management solutions
- Enables BlackRock to provide a B2B digital advice platform, which helps financial institution partners both improve their clients’ investment experiences and grow advisory assets
- Empowers partners to meet the growing demand among consumers to engage with technology to gain insights on their investment portfolios
  - Demand is particularly strong among the mass-affluent, who account for ~30% of investable assets in the U.S.

### FT Partners’ Role

- FT Partners served as exclusive advisor to BlackRock
- Highlights FT Partners’ continued success advising a broad range of top-tier strategic investors across the financial technology landscape

### Financial Technology Partners LP FTP Securities LLC

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

# BlackRock

*in its 100% acquisition of*



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## FT Partners' Recent Awards and Recognition

### Bloomberg

#### Bloomberg

- FT Partners' Steve McLaughlin was featured on Bloomberg / Bloomberg TV
- View the [full article](#) and watch the live [TV interview](#)



#### M&A Advisor Awards

- Technology Deal of the Year (2019)
- Cross Border Deal of the Year and Corporate / Strategic Deal of the Year (2018)
- Investment Banker of the Year (2017) – Steve McLaughlin, CEO & Managing Partner of FT Partners
- Investment Banking Firm of the Year (2016) – FT Partners



#### LendIt FinTech Industry Awards 2018:

- FT Partners wins Top Investment Bank in FinTech

### Institutional Investor



#### The FinTech Finance 40:

- Steve McLaughlin ranked #1 in 2017 and 2018

### The Information

A small chart titled "Silicon Valley's Most Popular Dealmakers" showing a list of names and their titles. The names listed are: Steve McLaughlin, Michael Bishop, Ron Wintzels, Paul Rosen, and Quincy Smith. Their titles are: Managing Director, Vice President, Vice Chairman, Managing Director, and Partner, respectively.

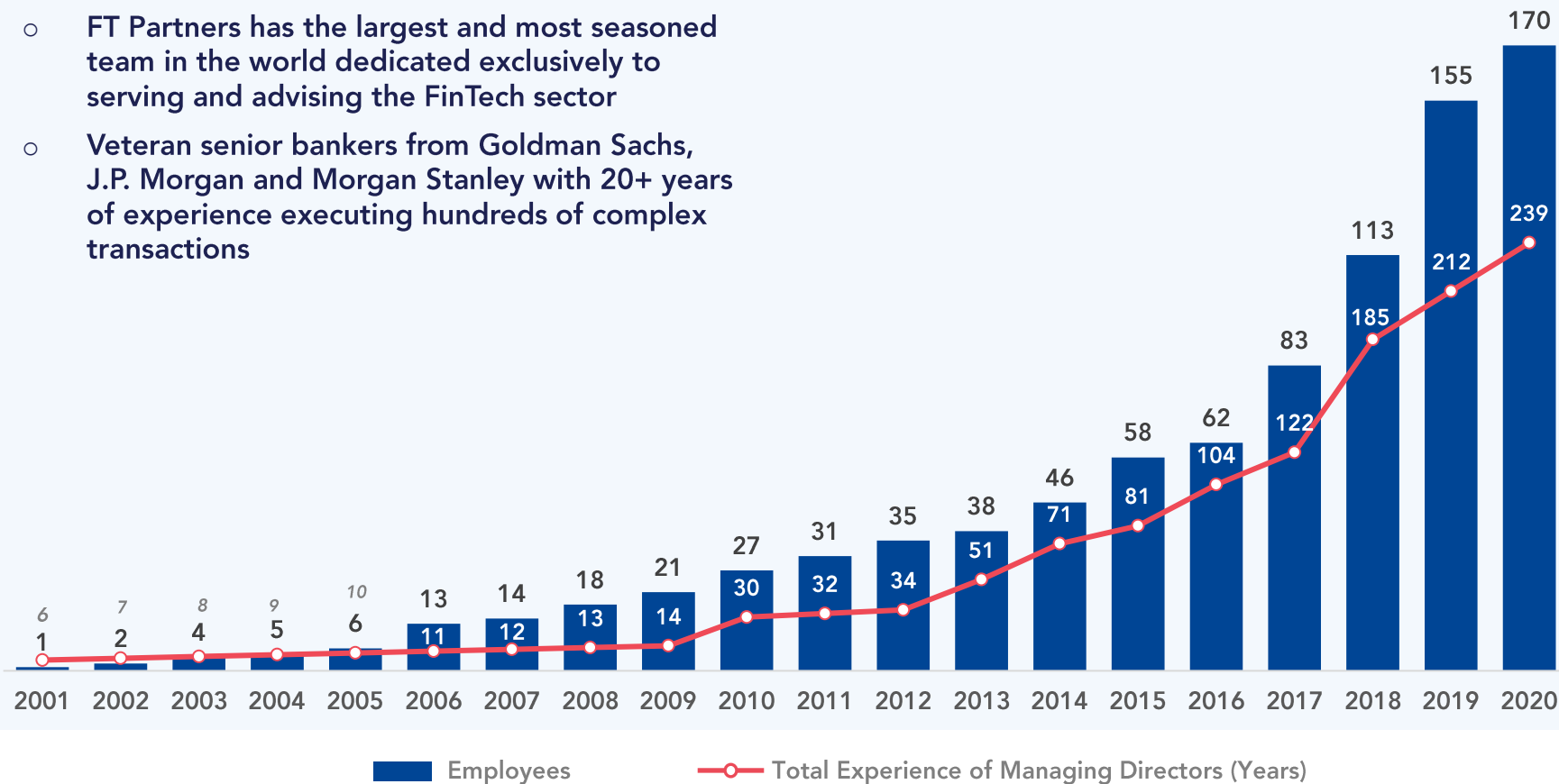
Name	Title
Steve McLaughlin	Managing Director
Michael Bishop	Vice President
Ron Wintzels	Vice Chairman
Paul Rosen	Managing Director
Quincy Smith	Partner

#### The Information's "Silicon Valley's Most Popular Dealmakers"

- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

## The Largest FinTech Advisory Practice in the World

- FT Partners has the largest and most seasoned team in the world dedicated exclusively to serving and advising the FinTech sector
- Veteran senior bankers from Goldman Sachs, J.P. Morgan and Morgan Stanley with 20+ years of experience executing hundreds of complex transactions



Average Experience of Managing Directors (Years)

