

# FT PARTNERS FINTECH INDUSTRY RESEARCH

October 1, 2019

## FINTECH INVESTOR INTERVIEW:

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*with Co-Founder & Managing Partner Nigel Morris*

**FinTech Venture Capital**

## Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- 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 17 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research



**The Information**

**Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by The Information**



**Ranked #1 Most Influential Person in all of FinTech in Institutional Investors "FinTech Finance 40"**



**THE M&A ADVISOR**  
**Numerous Awards for Transaction Excellence including "Deal of the Decade"**

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## QED Investors Overview

### Overview



**Headquarters:** Alexandria, VA

**Year Founded:** 2007

- QED was founded in 2007 by Nigel Morris, who co-founded Capital One and served as President and Chief Operating Officer, Frank Rotman, and Caribou Honig
- Invests in early-stage, disruptive financial services companies in the U.S., U.K. and Latin America
- Hands-on approach that leverages its partners' decades of entrepreneurial and operational experience to help portfolio companies achieve breakthrough growth
- Notable investments include Credit Karma, ClearScore, Nubank, Avant, SoFi, Klarna, GreenSky, AvidXchange, Remitly, QuintoAndar, Wagestream, Loft, Konfio, and Creditas
- QED primarily invests in seed and Series A rounds, but invests as early as formation stage, through its Belay platform, and as late as Series B

### Investment Criteria & Preferences

**Control:** Majority / Minority

**Transaction Type:** Seed, Series A, sometimes Series B

**Geography:** U.S., U.K., Latin America

### Investment Team



Laura Bock



Fernando Gonzales



Ciara Burnham



Nigel Morris



Matt Burton



Yusuf Özdalga



Bill Cilluffo



Mike Packer



Lauren Connolley



Matt Risley



Amias Gerety



Frank Rotman



## QED Investors' Unique Value Add

### Unique Value Add

- Collectively over 150 years of experience building Financial Services businesses, including a combined 70 years at Capital One.
- Active, hands-on consigliere roles with management, leveraging its operating, credit, and marketing experience to profitably scale quickly and soundly.
- As former operators, it's QED's mission to help portfolio companies overcome their most significant challenges. QED refers to this as .9 to the power of 6. Companies face at least 6 challenges that can materially impact their outcome, even the best operators have only a 90% chance of overcoming each challenge, and they're all contingent on each other, so the chances of success drop significantly.
- QED leverages its team's successes and failures to help guide CEOs through these challenges. Eliminating even a few of them dramatically increases companies' chances for success.

### Portfolio Overview

*Invested across five funds and two Latin American funds: **\$350 million+** under management, with **\$230 million+** invested and over **\$1.2 billion** in realized and unrealized value*

Approximately 10% of QED's portfolio companies are unicorns, including:



And 4 are near-unicorns:





## QED is CEO-Centric

### CEO FEEDBACK ON QED

*"They are a very different kind of VC firm. They don't act like a normal VC firm. They are very willing and very capable of rolling up their sleeves. Most VCs wouldn't know how. They're fantastic."*

*"It's been a 10 out of 10."*

*"They are true value add investors. A lot of VCs claim that they give you more than dollars. That they give you assistance, expertise, recruiting. With QED, it's very, very true. They don't just say it. They do it."*

*"I talk to others in a very excited fashion about these guys. I don't say this lightly but they have been THE most value-add of anyone."*

*"They are entrepreneurs, not investors. They are operators who have great values. They are unbelievably insightful and helpful."*

*"They are the best VC firm you can have for anything related to FinTech because they ran a business; they are operators."*



## Interview with Nigel Morris



### Nigel Morris

Co-Founder &  
Managing Partner



Nigel Morris is the Co-founder and Managing Partner of QED Investors, a FinTech venture capital platform focused on disruptive, high-growth financial services companies. QED has made numerous unicorn investments, including Credit Karma, Nubank, Avant, SoFi, Klarna, GreenSky, and AvidXchange. Nigel is the Chairman of ClearScore and Mission Lane and serves on the boards of Red Ventures, AvidXchange, MediaMath, Prosper, and Zopa. He also serves on the board of ideas42, and Scotia's Digital Advisory Council, and he works in an advisory capacity with General Atlantic and Oliver Wyman.

Prior to QED, Nigel co-founded Capital One Financial Services in 1994. Under Nigel's leadership as President and Chief Operating Officer, Capital One pioneered an information-based strategy that transformed the consumer lending industry.

Nigel grew up mostly in England and takes immense pride in the fact that he is at least half Welsh. He has an MBA with distinction from London Business School, where he is also a Fellow. He is an avid cyclist, but is happiest when he is at home in Virginia with his wife, four children, and grandson.

***“Little did we know that over a dozen years later we would have made more than 100 investments across four continents and developed a formation-stage venture platform (that we call Belay).”***

### ***What inspired you to co-found QED with your partners after your storied career building Capital One?***

I had a terrific first half of my career building Capital One with Rich Fairbank. I feel extremely fortunate to have had the chance to build something out of the ground and scale it to significant size. I wouldn't change it for anything. We built an incredible disruptor that changed how credit cards are issued in the U.S. and abroad, and I learned so many lessons along the way – first and foremost about the importance of talent in value creation.

When I moved on from Capital One after 10 years in 2004, I saw enormous potential to make a difference in peoples' lives and help build the next generation of disruptors. The financial services space still was nascent and pregnant with opportunity. There was information asymmetry, power imbalances, and a host of macro factors that put wind in the sails of early-stage FinTech disruptors.

In 2007, Frank Rotman, Caribou Honig (both ex-Capital One executives), and I founded QED. As ex-operators we felt we could create a unique niche in the VC space. Little did we know that over a dozen years later we would have made more than 100 investments across four continents and developed a formation-stage venture platform (that we call Belay). I'm working with people I love and trust in a business that's transforming in front of our eyes and I'm working with entrepreneurs who are ½ my age and twice as capable, but who can benefit from the data points and patterns we've seen. In sum, it has been an idyllic second act for me.





## Interview with Nigel Morris (cont.)

***“QED Investors is a leading boutique venture capital firm. We invest in early-stage, disruptive financial services companies in the U.S., U.K. and Latin America. Our initial investment size typically is around \$5M with significant reserves for follow-on.”***

### ***How do you define FinTech?***

FinTech is about leveraging the best aspects of technology – mobile adaptation, optimizing data, agile tech build, and heightening rapid learning – to make financial services better for consumers – through driving adoption, reducing friction, and creating transparency. FinTech is doing all of this rapidly, cheaply, and in modular / flexible form. But at its core, it’s about solving a problem for a user.

### ***What is QED’s investment criteria (stage, focus, business model, geography, etc.)***

QED Investors is a leading boutique venture capital firm. We invest in early-stage, disruptive financial services companies in the U.S., U.K. and Latin America. Our initial investment size typically is around \$5M with significant reserves for follow-on.

We keenly focus on talent. To build conviction around an investment, the company must have amazing leadership. This means that management is balanced and transparent, open to advice, and focused on unit economics. After all, FinTech is hard and we strive to work with CEOs who innately understand this. Founders who think they know all the answers are subject to stumble.

We focus on companies who are unrelenting. FinTechs need to push through constant challenges in order to be true disruptors.

The business must solve a real problem or create a palpable benefit for the user. Beware of technology zealots in search of a problem to solve. We are customer first in our thinking.

The business must be thoughtful about managing opportunity and risk. Solving a narrower problem well is less risky, but often has less upside, than solving a bigger problem with a larger TAM.

QED is also hypothesis driven. We develop hypotheses, evaluate the universe of companies in the space, and apply full-court press to convert the best we can find. If we don’t reach a deal with a company we believe in, or if we don’t find one, we test further. Sometimes we will build it ourselves or assemble a team to build it and fund them from day zero. In that case, we tap into the Capital One diaspora – a now global network of industry leading business-builders with expertise in all aspects of financial services. We have had great success doing this through our Belay platform, building companies such as ClearScore, Wagestream, minu, MotoRefi, and two other companies that will be announced later this year, and we have scores of ideas in the pipeline.



## Interview with Nigel Morris (cont.)

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### *How is QED different from other VCs, and why do companies with so many options choose to work with QED?*

There is no shortage of VC options for promising teams solving big problems. We tell CEOs that if they only want money, then QED might not be the optimal fit. We are hands-on, CEO-centric, former operators who CEOs lean on during the best and most challenging times. We have found that CEOs choose QED because:

**We prove our worth** – Before investing in a company, we invariably have spent months working with them, making introductions, and helping them overcome the challenges they face. When it comes time for them to raise money, they have a deep understanding of the value we can add.

**.9 to the power of 6** – Having built Capital One and now made more than 100 investments over 12 years, we have tons of data points on the speedbumps FinTechs face. Say companies face at least six challenges that could cause them to fail – for example, not understanding unit economics, attracting and retaining senior talent, managing misaligned investors, compliance issues, fundraising, ignoring culture, and founder / CEO issues. Even if the best leaders have a 90% chance of overcoming early challenges, they are contingent on each other. The odds of overcoming them all can become daunting. We help our companies through these. By eliminating even a few of them, our companies' chances of success increase dramatically. Being former operators, we have made many of these mistakes ourselves and are uniquely qualified to support founders throughout this learning process. By the way,  $.9^6 = 53\%$ .

**An exclusive club** – Our portfolio is an exclusive club of FinTech specialists. Between our team and our companies, we have faced almost every challenge a new company will face on its path to scaling. Our CEOs have so many opportunities to learn, examples to follow, and mentors to learn from. One way we bring together our CEOs is through our annual CEO Summit – two days of learning and networking. Ken Chenault will give the keynote this year. We could not be more excited.

**Our network** – While building Capital One, we developed deep, long-term relationships with banks. This network has been enormously valuable to our companies. Not only do we introduce them, but we make sure they are connected to the right people and help them navigate their relationships with banks to make sure they are mutually beneficial. Often, these banks have unique assets and skills that benefit our investments. And I'd be remiss if I didn't mention our newsletter, which allows us to keep our network close to QED and our investments. Our latest Issue is [available here](#), and anyone interested can subscribe on our website ([www.qedinvestors.com](http://www.qedinvestors.com)).

**Loyalty** – We stay with our CEOs through good times and bad, even when other investors are tempted to give up. Many VCs lean into their winners and go dark on everyone else. As former operators, that is not in our DNA. When our companies face problems, we dive in and try to solve them. It can be lonely at the top when things don't go according to plan.





## Interview with Nigel Morris (cont.)

***“We are fortunate to work with some of the most talented CEOs in the world who are solving some of the biggest problems in financial services. And we are grateful for their belief and trust in us. They are the main reason we have enjoyed so much success.”***

***You have invested in 9 unicorns – almost 10% of your portfolio – and a handful of other near-unicorns. How have you generated such a high hit rate?***

We are fortunate to work with some of the most talented CEOs in the world who are solving some of the biggest problems in financial services. And we are grateful for their belief and trust in us. They are the main reason we have enjoyed so much success.

But our team deserves credit too. We roll up our sleeves with each CEO, commit to the long-term, and put all our weight behind them. My previous answer lays out some of the ways we do that. A big part of our job is to increase our companies' chances of becoming unicorns. I'd like to think we do that with every company in our portfolio.

***What are key lessons you learned in building Capital One that you draw upon in your investing activity at QED?***

I constantly draw on lessons I learned while building Capital One to guide my leadership and investing at QED. Some key tenets – politics is poison, hire and develop the best, go long on ambition and curiosity, data is truth, be hypothesis-driven, try and fail fast, everything is written in pencil, and growth is life. For FinTech in particular, the lessons include: prioritization is key, be agile, put the customer first, and stay focused on unit economics. The only thing that entrepreneurs know for sure is that their plan as written won't work out – so they need to think in decision trees, test everything, build in contingencies, and be opportunistic.



## Interview with Nigel Morris (cont.)

***“Although data today provides great opportunity, data and analytics is an art on top of a science. It is important to not let the data take over and to remember that ‘if you torture the data for long enough, it will tell you anything.’ Intuitive validity still trumps AI.”***

***You have been a pioneer in leveraging data and analytics to make more informed decisions. Is data today more valuable than it was when you were building Capital One?***

I don't think so. It was as valuable then as it is now. The difference is that there is more data today, it's cheaper to access, and it's easier and faster to manipulate. That means we can extract more value from data today than in my Capital One days, and we can use it to iterate more quickly. You can learn at a geometric rate.

Although data today provides great opportunity, data and analytics is an art on top of a science. It is important to not let the data take over and to remember that “if you torture the data for long enough, it will tell you anything.” Intuitive validity still trumps AI.

***What is your typical holding period for an investment? Do you expect most of your companies to be acquired or is an initial public offering (IPO) exit typically on the table?***

If the company is growing, we don't get caught up thinking about holding periods. We still expect to support many of our companies to IPO, but we will probably also see more PE, bank, and strategic exits in the future. I figure there must be some reason why Steve McLaughlin always takes my calls!

***How do you think about valuations right now? How have valuations impacted the way you invest? How do you typically make valuation decisions?***

Valuations are high and are getting higher. At QED, we make sure to watch out for tulips – where valuations peak and then come crashing down. Just like anything else – have a strategy, test and learn, do more of what works and less of what doesn't. Don't get caught up in hysteria. “To thine own self be true.”



## Interview with Nigel Morris (cont.)

### *Can you discuss a few of your recent investments and the theses behind these opportunities?*

We feel very fortunate when it comes to our portfolio. We have cohorts of fantastic companies— **Credit Karma**, **Klarna**, **Signifyd**, **Oportun**, **Flywire**, **Remitly**, **GreenSky**, **SoFi**, **Nubank**, **ClearScore**, **Creditas**, **Konfio**, **QuintoAndar**, and **Loft**, to name a few. And there are so many up and comers. I'm reluctant to single out any because there is not enough room to list them all (our investments are listed on our website [here](#)). But I will highlight a few.

[Ocrolus](#) modernizes financial review processes in lending and a variety of other industries through artificial intelligence and crowdsourcing. They allow their clients to push the boundaries of automation by capturing the full set of data associated with bank statements, tax documents, and other financial documents. This not only makes these processes better, faster, and cheaper, but also allows for advances in audit, fraud, and risk analysis by providing clients much deeper data visibility. This is a good example of our thesis on machine learning, where we believe that vertical applications of these technologies will dominate horizontal applications that bet solely on the advances in the machine learning algorithms. We believe applying new analytics approaches will provide more value more quickly, especially when applied to specific use cases and mixed with deep understanding of the business processes that they are supporting.

We were co-founding investors in [Wagestream](#) in the U.K. The company is on fire right now, and they are one of a handful of companies around the world that we have helped launch to kill payday lending. Hardworking people who need access to their earned but unpaid wages should not need to go through payday lenders. Wagestream is a better option.

[Current](#) is a neobank, initially designed for teens, that has evolved into a platform for customers regardless of income or age whose needs aren't met by traditional banks. They now have more than 400,000 active accounts. They represent a number of themes – unbundling the range of products banks offer, delighting customers, leveraging data, focusing on unit economics, developing a sophisticated tech stack, and then rebundling.

[Mission Lane](#) provides subprime credit cards to consumers whose options are limited because of their lower credit scores or no credit history. There are so many reasons why I'm excited about them. First, subprime customers need to make the same decisions that prime customers need to make, but with fewer, more expensive options. Mission Lane fills this gap with best-in-class, fully functional, transparent products to a historically underserved customer base. Second, the TAM is huge. Half of America has a FICO score less than 660. Mission Lane has a supremely talented team. They are veterans in subprime card, but also focused on fulfilling a greater mission of responsible lending to people who need it most. We know that subprime card can be the most profitable and robust segment in banking. The team at Mission Lane also knows that the credit journey is difficult for this population. That's why Mission Lane goes on that journey with their customers – they have clear pricing and no hidden fees, give consumers the tools to help build their credit, and are by their customers' sides anytime and anywhere.



## Interview with Nigel Morris (cont.)

***“[Challenger banks] provide services de novo that have been provided historically by a handful of age-old institutions. They do it digitally and often delight customers. We have seen many succeed, and SoFi and Nubank are two great examples. Both are unicorns that have grown into monsters in the space.”***

***Challenger banks are getting significant investor attention today. You have investments in SoFi and Nubank in Brazil. How do you see this space playing out?***

Challenger banks, such as QED portfolio companies **SoFi**, **Nubank**, **Current**, and **Albert**, face many advantages, and the barriers to entry have been falling (See our [Falling Barriers to Entry in FinTech](#) white paper for more thoughts on this topic). They provide services de novo that have been provided historically by a handful of age-old institutions. They do it digitally and often delight customers. We have seen many succeed, and **SoFi** and **Nubank** are two great examples. Both are unicorns that have grown into monsters in the space.

Will the neo banks win? We know that banks cannot be all things to all people. That is not a strategy. A strategy is deciding to not do certain things. My partner, Frank Rotman, wrote a terrific piece on this titled [The Copernican Revolution In Banking](#), and his piece titled [But We Have A Relationship...](#) explains why a new banking model is emerging. Banks face a range of other obstacles – talent deficits, outdated tech stacks, sluggish pace, disengaged customers, low NPSs, and the list goes on. But they have deep advantages as well – scale, funding, brand, data, customers, etc. Challenger banks, on the other hand, have great user experiences, high NPSs, transparency, advanced tech stacks, talent, and verve. But the jury is out on whether they can actually be profitable. Until they can, there will still be a place for traditional banks. There will be no Netflix moment in banking.

***How do you view the credit card business today and any potential opportunities for future disruption?***

Right now, there are five big players, all of which have differentiated advantages – scale, branding, funding cost, etc. I think the untapped opportunity lies in underserved consumers and innovative rewards, hence Mission Lane.



## Interview with Nigel Morris (cont.)

***“[I]ncumbents must partner with (or buy) FinTechs. FinTechs have much higher NPSs, tech, talent, agility, and delightful customer experiences. They are located in ideal, talent-rich geographies and have cutting-edge analytical tools that banks covet. Banks that do not partner with FinTechs will be challenged to copy them whilst managing their legacy platforms.”***

### ***What do you think the large, incumbent banks need to do in order to evolve successfully?***

Incumbents first need to attract and develop talent. Talent is *sine qua non* in financial services. But there is so much more. They need to test and learn quickly, modernize their tech stacks, and leverage their comparative advantages – scale, customer base, customer data, deep pockets, regulatory sophistication, and infrastructure.

Last, but certainly not least, is that incumbents must partner with (or buy) FinTechs. FinTechs have much higher NPSs, tech, talent, agility, and delightful customer experiences. They are located in ideal, talent-rich geographies and have cutting-edge analytical tools that banks covet. Banks that do not partner with FinTechs will be challenged to copy them whilst managing their legacy platforms.

As I mentioned above, one thing QED uniquely provides to our companies is access to banks. We have especially close partnerships with Fifth Third and Scotiabank. They have added huge value to our portfolio, and we are extremely grateful to them. We can speak both FinTech and bank!

### ***Can you compare and contrast the opportunities you see in the U.S. and Latin America?***

The U.S. market is bigger and more developed than the LatAm market, but LatAm is on fire right now. There is terrific opportunity in LatAm to grow, earn big margins, and add value. There also are plenty of similarities. For example, consumers in both markets care about the same things – value, visibility, and fairness. Consumers are often poorly served and are mobile enabled so they’re fast switchers/adopters.



## Interview with Nigel Morris (cont.)

***“We will grow carefully doing what we do well. We are FinTech specialists with a unique differentiated business model. We believe we’re riding a digital wave that will transition retail financial services in ways we can only imagine. To harness the future of financial services, the best CEOs and companies will need the best advice they can find – we want them to choose QED.”***

### ***How do you see QED evolving over the next five to ten years?***

If you asked me in 2007 what I thought QED would become, I’d love to tell you that I planned all along to have a team of 15+ people and have made more than 100 investments across the U.S., U.K., and LatAm. But the truth is that we didn’t have a long-term plan. Our plan was to build QED incrementally, day-by-day, to hunt for opportunities to grow, and to remain nimble enough to seize opportunities that came up.

We will grow carefully doing what we do well. We are FinTech specialists with a unique differentiated business model. We believe we’re riding a digital wave that will transition retail financial services in ways we can only imagine. To harness the future of financial services, the best CEOs and companies will need the best advice they can find – we want them to choose QED.

### ***What advice would you give to potential entrepreneurs on the fence about going out on their own?***

Be sure about going out on your own. Know that it is incredibly hard but must also be exhilarating. Solve a problem. Get a partner. Choose your investors wisely. Go to school. Challenge everything, always and never give up. Believe.



# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Proven Track Record of Success Across FinTech

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>Heartland</b></p> <p>in its sale to</p> <p><b>globalpayments</b></p> <p>for total consideration of</p> <p><b>\$ 4,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>MERCURY®</b></p> <p>in its cash sale to</p> <p><b>vantiv.</b></p> <p>for total consideration of</p> <p><b>\$ 1,650,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>checkout.com</b></p> <p>in its Series A Financing led by <b>INSIGHT DST</b></p> <p>with participation from <b>GIC</b> <b>endeavor</b> <b>ELIUM</b></p> <p>for total consideration of</p> <p><b>\$230,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>MARQETA</b></p> <p>in its Series E financing led by <b>COATUE</b></p> <p>with participation from new investors <b>VITRUVIAN</b> <b>SPARK</b> <b>GEODESIC</b></p> <p><b>LONE PINE CAPITAL</b></p> <p>for total consideration of</p> <p><b>\$260,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>REPAY™</b></p> <p>Realtime Electronic Payments</p> <p>in its merger with <b>Thunder Bridge Acquisition</b> (NASDAQ: TBRG)</p> <p>for a total implied enterprise value of</p> <p><b>\$665,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>ASSURANCE</b></p> <p>on its sale to</p> <p><b>Prudential</b></p> <p>for total consideration of up to</p> <p><b>\$ 3,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>TRANSFIRST™</b></p> <p>in its sale to</p> <p><b>Vista Equity Partners</b> from <b>WCAS</b></p> <p><b>\$ 1,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as sole strategic and financial advisor to</p> <p><b>Cambridge</b></p> <p>Global Payments</p> <p>in its sale to</p> <p><b>FLEETCOR®</b></p> <p>for total consideration of</p> <p><b>C \$ 900,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>square trade</b></p> <p>in its sale to</p> <p><b>Allstate.</b></p> <p>for total consideration of</p> <p><b>\$ 1,400,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>CAYAN™</b></p> <p>in its 100% cash sale to</p> <p><b>TSYS®</b></p> <p>for total consideration of approximately</p> <p><b>\$1,050,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>cardconnect.</b></p> <p>in its sale to</p> <p><b>First Data®</b></p> <p>for total consideration of approximately</p> <p><b>\$ 750,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>avidxchange</b></p> <p>in its Series F minority financing from <b>mastercard</b></p> <p>Centre de dépôt et placement du Québec <b>TEMASEK</b></p> <p><b>THIEL</b></p> <p><b>\$ 300,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as IPO Advisor to</p> <p><b>GreenSky™</b></p> <p>in its</p> <p><b>\$1,010,000,000</b> Initial Public Offering</p> <p>for a total enterprise value of</p> <p><b>\$4,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>CentralPayment®</b></p> <p>in the sale of its remaining stake to</p> <p><b>TSYS®</b></p> <p>for a total valuation of</p> <p><b>\$ 840,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>wave</b></p> <p>on its sale to</p> <p><b>H&amp;R BLOCK™</b></p> <p>for total consideration of</p> <p><b>\$405,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>Remitly</b></p> <p>on its Series E equity financing led by</p> <p><b>generation</b></p> <p>as part of a total financing consideration of</p> <p><b>\$ 220,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>lynk</b></p> <p>in its sale to</p> <p><b>The Royal Bank of Scotland</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 525,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive IPO Advisor to</p> <p><b>stone<sup>co.</sup></b></p> <p>in its</p> <p><b>\$1,400,000,000</b> Initial Public Offering</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>








# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Significant Experience Advising Large Financing Rounds and “Unicorns”













































































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
 stone <sup>co.</sup>	\$1,400,000,000	Accel DST VISA ANT FINANCIAL
 GreenSky™	1,010,000,000	ICONIQ RCP REVERENCE CAPITAL PARTNERS TEMASEK PIMCO
 MERCURY®	420,000,000	BainCapital PRIVATE EQUITY TPG Premji Invest
 GreenSky™	300,000,000	INSIGHT PARTNERS GREENSPRING ASSOCIATES
 avidxchange	300,000,000	BainCapital VENTURES CDPQ Great Hill PARTNERS
 MARQETA	260,000,000	capitalG CIBC Scotiabank®
 avidxchange	253,000,000	nyca QED INVESTORS khosla ventures
Liquidnet 	250,000,000	KeyBank WELLINGTON MANAGEMENT ING BBVA
 square trade protection plans	238,000,000	maveron Santander InnoVentures nabventures nab
 checkout.com	230,000,000	ADAMS STREET PARTNERS Elavon BV Battery Ventures THIEL edbi
 GreenSky™	200,000,000	Redpoint PayU edisonpartners
 better.com	160,000,000	QUESTMARK PARTNERS COATUE SUMMIT PARTNERS
nmi	150,000,000	SILVERLAKE PARTHENON CAPITAL PARTNERS
 stone <sup>co.</sup>	145,000,000	
 ADDEPAR	140,000,000	
 Kabbage®	135,000,000	
 Remitly	135,000,000	
 Remitly	115,000,000	
 TradingScreen SIMPLIFYING GLOBAL MARKETS®	110,000,000	
 MoneyLion	100,000,000	
 POYNT	100,000,000	

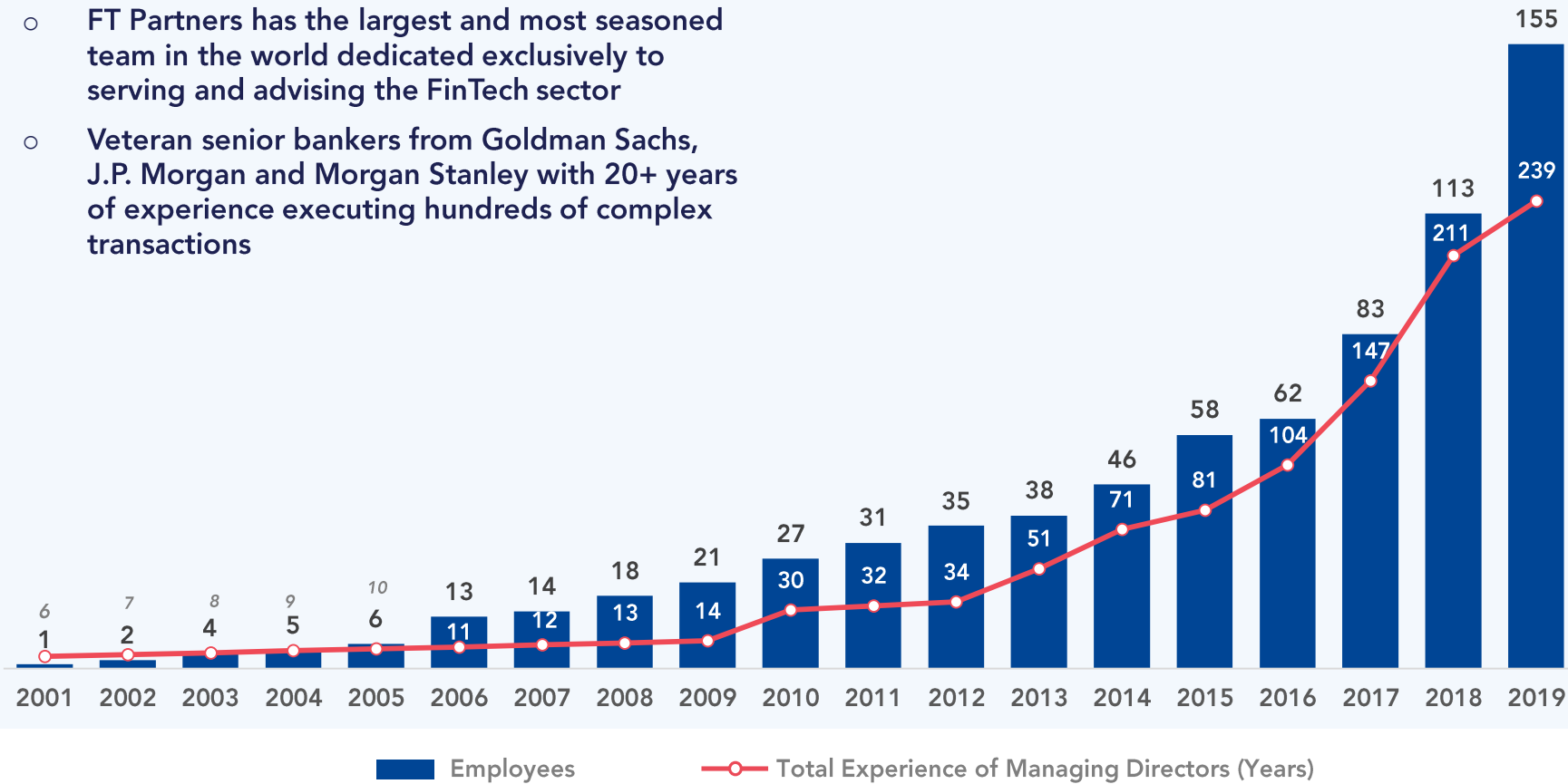
## FT Partners' International / Cross-Border Capabilities (Selected Examples)

FT Partners' global presence offers capabilities reaching far beyond North America, as demonstrated by our numerous international clients and successful transactions with international firms & investors

Target	Buyer / Investor	International Aspect
	  	 
		
		 
	 	 
		
		
	 	
		 
		 
		 
	  	
	  	 
	 	
		
		
	 	
	  	
		
		

## Platform of Choice for Clients and Bankers Alike

- 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)



## The FT Partners Senior Banker 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 in New York and San Francisco from 1995-2002</li> <li>Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>24</b>
<b>Mohit Agnihotri</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Managing Director and Global Head of Payments Investment Banking at J.P. Morgan</li> <li>Wharton M.B.A.</li> </ul>	<b>17</b>
<b>Kate Crespo</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Raymond James' Technology &amp; Services investment banking</li> <li>12+ years of FinTech transaction execution experience</li> <li>Dartmouth M.B.A.</li> </ul>	<b>17</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004</li> <li>Wharton M.B.A.</li> </ul>	<b>23</b>
<b>Osman Khan</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Managing Director and Head of FIG M&amp;A at Alvarez &amp; Marsal</li> <li>15+ years FIG deal, consulting and assurance experience at PwC</li> <li>40 Under 40 M&amp;A Advisor Award Winner in 2013</li> </ul>	<b>22</b>
<b>Andrew McLaughlin</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>20+ years experience executing / implementing financial and operational strategy</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>13</b>
<b>Mike Nelson</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly head of FinTech M&amp;A at SunTrust Robinson Humphrey</li> <li>Kellogg M.B.A.</li> </ul>	<b>19</b>
<b>Timm Schipporeit</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Morgan Stanley as Senior Executive Director of European Technology Investment Banking Team in London</li> <li>Formerly a Venture and Growth Investor focused on FinTech at Index Ventures</li> </ul>	<b>16</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 and Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	<b>23</b>
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs from 2000-2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>17</b>