August 25, 2016

Financial Technology Partners LP

FT Partners Research – Transaction Profile

LendUp

raises

$47.5 million

in Series C financing led by

Y Combinator

Courtesy of:

FINANCIAL TECHNOLOGY PARTNERS

The Only Investment Bank
Focused Exclusively on Financial Technology

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LendUp Raises $47.5 Million in Series C Financing

Transaction Summary

Transaction Summary [1]

- **On August 22, 2016, LendUp announced it raised $47.5 million in a Series C funding round**
  - The round was led by Y Combinator Continuity, with participation from Google Ventures, Thomvest Ventures, QED Investors, Data Collective, Susa Ventures, Radicle Impact, Bronze Investments, SV Angel and angel investors
- **The financing will be applied toward scaling out the Company's L Card product**
- **LendUp recently raised $100 mm of debt and $50 mm of Series B equity financing in January 2016**

Commentary

"LendUp is well on its way to building not only a very successful company but also a very important one. By combining true software innovation with a strong values-based culture, LendUp brings essential financial services to nearly half of the US population that currently cannot access credit in a sufficient way. In the process, LendUp endeavors to help its customers improve their credit scores, gain access to more financial services, and ultimately improve their lives." [1]

Ali Rowghani
Partner
Y Combinator

Company Overview

Co-Founders:	Jacob Rosenberg, Sasha Orloff
Headquarters:	San Francisco, CA
Founded:	2011

- **LendUp was launched in 2011 to design safe, transparent credit products, available online or through a mobile phone, for the under-banked population in the United States**
  - The Company's first product, the LendUp Ladder, is a payday loan alternative that is currently available in 24 states; the Company also offers financial education courses
  - LendUp customers can earn access to installment loans at rates as low as 29% APR
- **The Company's newest solution, L Card, is a credit card that is aimed at overlooked / underbanked customers that are often not served by traditional banks**
  - If you pay on time, it's free, compared to the average payday loan that costs 500% to 700% APR [2]
- **LendUp has over 130 employees, up from 30 at the end of 2014 and is looking to double its staff by the end of 2016**

Source: Company website, TechCrunch.
(1) TechCrunch: "LendUp fights big banks with $47M for compassionate credit cards".
(2) TechCrunch: "LendUp Scores $150M For A Credit Card That Won't Screw You Over".

LendUp Raises $47.5 Million in Series C Financing

LendUp Product Overview

LendUp Ladder

The LendUp Ladder is a fast, secure and convenient alternative to payday loans

Over time, customers can earn points to climb the LendUp Ladder to larger loans at lower rates

Credit reporting to major bureaus is offered at the top levels, helping customers increase their credit scores

The Company uses multiple data sources to make underwriting decisions

L Card

LendUp's L Card is the Company's issued credit card and is currently in beta

The Company hopes to graduate Ladder customers onto its L Card solution

The product has no hidden fees and a flexible payback schedule

Companion smartphone app helps users track and maintain financial health

Learn

- LendUp offers online courses in personal financial management topics

Topics include:

- Credit scores
- Budgeting
- Interest
- Identity Protection
- Credit Card Risk

- People who complete courses earn points, which allow them to earn lower interest rates on LendUp loans

Source: Company website.

Overview of FT Partners

FT Partners' Track Record of Success in the Alternative Lending Space

Student / Personal Loan

Financial Technology Partners LP
FTP Securities LLC

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

earnest

in its Series B minority financing led by

BV Battery Ventures · Adams Street Partners · maveron

$ 75,000,000

FINANCIAL TECHNOLOGY PARTNERS
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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to

GreenSky™

in its minority investment from

DST · ICONIQ · TPG · Wellington Management

for total consideration of

$ 300,000,000

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Consumer Marketing / Credit Lead Generation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to

Google capital

in its lead investment in

Credit Karma

with additional participation from

TIGER · SIG Susquehanna Growth Equity, LLC · Ribbit Capital

for approximately

$ 85,000,000

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Contractor Financing

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

BlueTarp Financial

in its financing, including investment from

Highland Capital Partners · longridge · Trinity Ventures · Flybridge

for approximately

$ 15,000,000

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Asset Backed Loans Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to

borro®

in its growth financing for total consideration of

$ 19,500,000

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SaaS-based Loan Origination

Financial Technology Partners LP
FTP Securities LLC

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

WebEquity solutions™

in its sale to

Moody's

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SMB Financing

Financial Technology Partners LP
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is pleased to announce its role as advisor to

Kabbage

in its Series E minority financing led by

RCP Reverence Capital Partners · ING · Santander InnoVentures · Scotiabank®

$ 135,000,000

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Supplier Finance Solutions

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

taulia

in its Series E financing led by

zouk

$ 46,000,000

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Overview of FT Partners

FT Partners Advised on Three of the Largest Alternative Lending Transactions

Company	Investor(s)	Amount Raised
SoFi	SoftBank	$1,000,000,000
AVANT	General Atlantic, Tiger, RRE Ventures, August Capital, B.A.M, DFJ Growth	325,000,000
GreenSky	TPG, DST, ICONIQ, Wellington Management	300,000,000+
AVANT	Tiger, DFJ, RRE Ventures, KKR	225,000,000
SoFi	August Capital, Third Point Ventures, Lake Star, Institutional Venture Partners, Wellington Management	200,000,000
PROSPER	Credit Suisse, J.P.Morgan, BBVA, Breyer Capital, Neuberger Berman, USAA	165,000,000
Funding Circle	BlackRock, DST, Temasek Holdings, Sands Capital, Baillie Gifford	150,000,000
Kabbage	RCP Reverence Capital Partners, ING, Santander, InnoVentures, Scotiabank	135,000,000
earnest	BV Battery Ventures, Adams Street Partners, maveron	75,000,000

In addition to recent rounds for Earnest, Kabbage and GreenSky, FT Partners has advised on a number of other prominent Lending Tech / Alt Lending transactions

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its role as advisor to Google Capital in its lead investment in Credit Karma with additional participation from Tiger, SIG, Ribbit Capital for approximately **$ 85,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as sole strategic and financial advisor to Fast Pay in its growth financing with Oak HC/FT for total consideration of approximately **$ 15,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its role as exclusive strategic and financial advisor to lighter capital in its Series B financing led from Summit Capital, Voyager for total consideration of **$ 9,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as sole strategic and financial advisor to Upstart in its Series C financing led by Third Point Ventures with additional participation from khosla ventures for approximately **$ 35,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as sole strategic and financial advisor to Blue Tarp Financial in its financing, including investment from Highland, longridge, Trinity Ventures, Flybridge for approximately **$ 15,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as financial advisor to borro in its growth financing for total consideration of **$ 19,500,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as sole strategic and financial advisor to L2C inc in its sale to TransUnion

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as financial advisor to taulia in its Series E financing led by zouk **$ 46,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as Capital Markets & IPO Advisor to Ellie Mae in its $45,000,000 Initial Public Offering valuing the equity at approximately **$ 146,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its role as advisor to CIBC in its strategic investment in Dwolla with additional participation from MasterCard, Bain Capital Ventures for total consideration of approximately **$ 70,000,000**

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as sole strategic and financial advisor to customcredit systems, a portfolio company of Triton Pacific Capital Partners, LLC in its sale to MISYS, a portfolio company of Vista Equity Partners

Financial Technology Partners LP / FTP Securities LLC is pleased to announce its exclusive role as sole strategic and financial advisor to WebEquity solutions in its sale to Moody's

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Financial Technology Partners

Overview of FT Partners

FT Partners Advises GreenSky in its $300mm Minority Investment

Transaction Overview and Rationale

Overview of Transaction

- GreenSky completed a minority $300 million financing round from TPG, DST, Iconiq and Wellington Management
- The Company provides an online loan platform that allows businesses to offer flexible credit programs to their customers – promoting higher transaction values and driving sales growth
- GreenSky's proprietary, technology-driven platform enables partners to make informed, real-time credit decisions and allows for real-time transaction processing
- The Company has grown to be a leader in the emerging Alternative Lending space, with a particular focus on home improvement financing

Significance of Transaction

- Represents the largest private equity financing in the Alternative Lending space to date
- Demonstrates a fundamental shift in lending customer acquisition models away from traditional banks and towards specialists like GreenSky
- This transaction positions GreenSky as a clear leader in Alternative Lending and enables the company to continue to innovate and bring additional products to market

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to GreenSky and its Board of Directors
- FT Partners leveraged its deep knowledge, extensive experience and broad industry relationships to help achieve a highly favorable outcome for the Company
- Transaction demonstrates FT Partners' continued success advising top-tier financial technology companies

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 WELLINGTON MANAGEMENT

for total consideration of

$ 300,000,000

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Overview of FT Partners

FT Partners Advises Kabbage on its $135mm Minority Financing

Transaction Overview and Rationale

Overview of Transaction

- On October 14, 2015, Kabbage announced a minority $135mm Series E equity financing round
- The round was led by Reverence Capital Partners as well as ING, Santander InnoVentures and Scotiabank
- Additional new investors include China's Yuan Capital and Japan's Recruit Strategic Partners; existing investors BlueRun Ventures, UPS Strategic Enterprise Fund and Thomvest Ventures also participated in the round
- In conjunction with the equity raise, Kabbage also increased its credit facility by more than threefold to over $900mm to fuel the expansion of its direct lending business
- Kabbage is the leading technology and data platform powering automated lending; the Company leverages numerous data sources generated through business activity to better understand performance and deliver fast, flexible funding in real time

Significance of Transaction

- The transaction represents one of the few times in recent history that multiple global financial institutions have invested in a U.S.-based financial technology company, suggesting the potential for Kabbage's world-class platform to change the landscape of lending worldwide

FT Partners' Role

- FT Partners served as strategic advisor to Kabbage in this groundbreaking transaction
- Transaction demonstrates FT Partners' continued success advising on $100mm+ financings for leading, world class financial technology companies while also building on the Firm's deep domain expertise in the Alternative Lending space

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to

Kabbage

in its Series E minority financing led by

RCP REVERENCE CAPITAL PARTNERS

ING

Santander InnoVentures

Scotiabank®

for total consideration of

$ 135,000,000

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Overview of FT Partners

FT Partners Advises Earnest on its $75mm Minority Financing

Transaction Overview and Rationale

Overview of Transaction

- On November 17, 2015, Earnest announced a minority $75mm Series B equity financing round
- The round was led by Battery Ventures with participation from Adams Street Partners and existing investors, including Maveron
- Earnest plans on using the equity financing to continue building out current technology, data and engineering teams
- In conjunction with the equity raise, Earnest also announced an additional $200mm of institutional lending capital from New York Life and others
- Additional lending capital will enable Earnest to introduce new products, tools and resources in the near-term as the Company is planning expansion into additional consumer finance verticals
- Earnest is a leading technology-enabled alternative lending company that is intent on disrupting consumer lending; the Company utilizes superior technology to provide lending and refinancing solutions to consumers at better rates than traditional lenders

Significance of Transaction

- This transaction capitalizes on Earnest's strong growth and traction to further establish the Company as a leading technology-enabled alternative lender
- Firmly positions the Company to expand its products and services and continue to disrupt the consumer lending space

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Earnest and its Board of Directors in this monumental transaction
- Transaction demonstrates FT Partners' continued success advising on large financings for leading, world class financial technology companies while also building on the Firm's deep domain expertise in the Alternative Lending space

Financial Technology Partners LP
FTP Securities LLC

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

earnest

in its Series B minority financing led by

BV Battery Ventures

Adams Street Partners

maveron

for total consideration of

$ 75,000,000

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FINANCIAL TECHNOLOGY PARTNERS

Overview of FT Partners

Selected FT Partners' Alternative Lending Research *(click to view)*


August 15, 2016

Financial Technology Partners LP

FT Partners Research – Transaction Profile

FINOVA financial

raises

$52,500,000

including equity from

and a credit facility from

Courtesy of:

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Finova Raises $52.5 mm in Equity Financing and Credit Facility


August 11, 2016

Financial Technology Partners LP

FT Partners Research – Transaction Profile

MOSAIC

raises

$220,000,000

in financing led by

WARBURG PINCUS

Courtesy of:

The Only Investment Bank Focused Exclusively on Financial Technology

Mosaic Raises $220 mm in Financing led by Warburg Pincus


July 21, 2016

Financial Technology Partners

FT Partners Research – Transaction Profile

CommonBond

raises

$300 million in lending capital,

$30 million in Series C equity financing led by

NEUBERGER BERMAN

and acquires

Gradible

Courtesy of:

The Only Investment Bank Focused Exclusively on Financial Technology

CommonBond Raises $30 mm in Series C Financing led by Neuberger Berman


July 15, 2016

Financial Technology Partners

FT Partners Research – Transaction Profile

趣分期

Qufenqi.com

raises

$449 million

in financing from

Hangzhou Liaison Interactive Information Technology

&

Beijing Phoenix Wealth Holding Group

Courtesy of:

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Qufenqi Raises $449 mm in Financing


May 27, 2016

Financial Technology Partners

FT Partners Research – Transaction Profile

微贷网

weidai.com.cn

raises

$153 million

in Series C financing from

Courtesy of:

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Weidai Raises $153 million in Series C Financing


April 18, 2016

Financial Technology Partners LP

FTP Securities LLC

Transaction Profile:

affirm

raises

$100 million

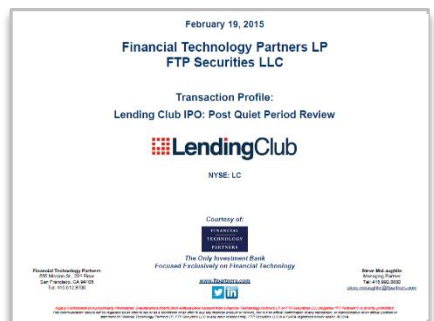
in financing round led by

FOUNDERS FUND

Courtesy of:

The Only Investment Bank Focused Exclusively on Financial Technology

Affirm Raises $100 mm in Financing led by Founders Fund


February 19, 2015

Financial Technology Partners LP

FTP Securities LLC

Transaction Profile:

Lending Club IPO: Post Quiet Period Review

LendingClub

NYSE: LC

Courtesy of:

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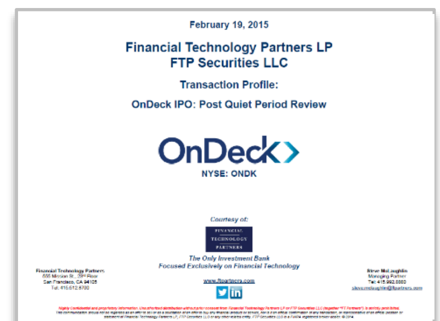
Lending Club IPO: Post Quiet Period Review


February 19, 2015

Financial Technology Partners LP

FTP Securities LLC

Transaction Profile:

OnDeck IPO: Post Quiet Period Review

OnDeck

NYSE: ONDK

Courtesy of:

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OnDeck IPO: Post Quiet Period Review

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	**2016**	■ **Investment Banking Firm of the Year** ■ **Cross Border Deal of the Year**
	2015	■ **Dealmaker of the Year** ■ **Technology Deal of the Year**
	2014	■ **Equity Financing Deal of the Year** ■ **Professional Services Deal of the Year, Above $100mm**
	2012	■ **Dealmaker of the Year** ■ **Professional Services Deal of the Year, Above $100mm**
	2011	■ **Boutique Investment Bank of the Year** ■ **Deal of the Decade** ■ ***10 Deal of the Year Nominations Across 9 Categories***
	2010	■ **Upper Middle Market Deal of the Year, Above $500 mm** ■ **IT Services Deal of the Year, Below $500mm** ■ **Cross-Border Deal of the Year, Below $500mm**
	2007	■ **Dealmaker of the Year – Steve McLaughlin** ■ **Business to Business Services Deal of the Year** ■ **Computer and Information Technology Deal of the Year, Above $100mm** ■ **Financial Services Deal of the Year, Above $100mm**
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**
Middle Market Financing Awards	**2008**	■ **Equity Financing Dealmaker of the Year – Steve McLaughlin** ■ **Information Technology Deal of the Year** ■ **Financial Services Deal of the Year**
	2006	■ **Financing Professional of the Year – Steve McLaughlin** ■ *Financing Deal of the Year - Equity* ■ *Financing Deal of the Year - Debt*

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

Overview of FT Partners

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin *Founder, CEO and Managing Partner*	Goldman Sachs	▪ Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 ▪ Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) ▪ Wharton M.B.A.	***21***
Larry Furlong *Managing Director*	Goldman Sachs	▪ Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 ▪ Wharton M.B.A.	***21***
Greg Smith *Managing Director*	Merrill Lynch J.P.Morgan	▪ Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee ▪ Recent coverage included V, MA, DFS, GPN, TSS, HPY DST, ENV, FISV, FIS, JKHY, WU & EEFT among others	***20***
Steve Stout *Managing Director*	J.P.Morgan First Data	▪ Formerly with J.P. Morgan and UBS ▪ Formerly Global Head of Strategy at First Data	***18***
Tim Wolfe *Managing Director*	Goldman Sachs	▪ Formerly with Goldman, Sachs & Co. beginning in 2000 ▪ Started at FT Partners beginning in 2002 ▪ 40 Under 40 M&A Advisor Award Winner 2013 ▪ Harvard M.B.A.	***14***
Andrew McLaughlin *Managing Director, Research & Business Development*	Deloitte.	▪ Leads FT Partners' Research and Business Development Team ▪ Formerly with Deloitte Consulting	***10***