

FT PARTNERS FINTECH INDUSTRY RESEARCH

December 23, 2016



YgreneWorks Raises \$95 million in Financing From Lightyear Capital

LIGHTYEAR 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 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



The Information

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



Ranked #4 Most Influential Person in all of FinTech in *Institution Investor* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

steve.mclaughlin@ftpartners.com

SUBSCRIBE



Ygrene Raises \$95 million in Financing

Transaction Overview

Transaction Summary

- Ygrene Energy Fund (aka YgreneWorks) provides home improvement financing for energy efficiency upgrades
- On December 21, 2016, the Company announced it had raised \$95 million in funding from Lightyear Capital
- Ygrene will use the funding to continue its growth and expand into new markets
- The round brings the Company's combined assets and operating capital raised to over \$1 billion
- Ygrene has approved more than \$1.85 billion in financing volume for home and business owners
 - The projects financed have created over 9,000 local jobs and an estimated \$1.5 billion in annual economic stimulus

Recent News

- On November 15, 2016, the Company announced it had completed a \$184 million public asset-backed security offering, which was the industry's first AAA-rated PACE financing asset
- On November 10, 2016, the Company announced it had secured a \$30 million financing facility from the New Energy Capital Infrastructure Credit Fund
- On May 25, 2016, the Company announced it had secured a \$250 million revolving credit facility

Transaction Commentary

"This investment represents a critical component of our expansion strategy and marks a new and exciting chapter of growth for Ygrene. We are extremely pleased to have the support of Lightyear as we set our course toward future success and continue to provide world-class service to all of our customers."



Rocco Fabiano
President & CEO



"We are pleased to have completed an investment in Ygrene. The demand for affordable clean energy property improvements is increasing, and we see tremendous opportunity in the PACE sector. We look forward to working with the company to continue its record of strong growth."

LIGHTYEAR CAPITAL

Mark Vassallo
Managing Partner



"With the support of our extraordinary capital partners, Ygrene has grown 20-fold in just the last 24 months. In that time, our team has built one of the most capital-efficient PACE financing models to date, garnering interest from a diverse array of investors that see the value of our AAA-rated assets." (1)



Stacey Lawson
Executive Vice Chairman



Ygrene Raises \$95 million in Financing



YgreneWorks Overview


Company Overview



President & CEO:	Rocco Fabiano
Headquarters:	Santa Rosa, CA
Founded:	2010

- Ygrene is a financing provider for residential, multifamily and commercial Property Assessed Clean Energy (PACE) projects
- The Company’s privately funded program provides home and business owners with immediate access to financing for energy efficiency, renewables, climate resiliency and water conservation improvements
- The Company is approved to provide PACE financing in more than 319 cities and counties in California, Florida and Missouri

Selected Previous Equity Financing(s)

Date	Size (\$ mm)	Key Investors
08/13/14	\$30	 VIRGO <small>imagine. reinvent.</small>

Products & Services Overview

Projects

- Ygrene provides PACE financing for several types of qualified home improvement projects



Renewable
Energy



Energy
Efficiency



Water
Efficiency



Hurricane / Wind
Protection

Example Projects:



Solar
panels



LED
lighting



Low flow
plumbing



Impact-proof
windows

Features of Ygrene PACE Financing



Qualifying projects can be consolidated into one project



100% financing with no upfront payment



Up to 30 year fixed term, with payments made through a special property tax assessment bill



Energy savings generated may actually cover the cost of the improvements



Financing may transfer with the property upon sale



Eligibility is based on property equity rather than personal credit

Ygrene Raises \$95 million in Financing



Lightyear Capital Overview

Overview

LIGHTYEAR CAPITAL



Donald Marron
Chairman &
Founder



Mark Vassallo
Managing Partner



Michal Petrzela
Managing Director



Jason Ehrlich
Vice President

Locations

- New York, NY

About

- Lightyear Capital, founded in 2000, specializes in buyout and growth equity transactions within the financial services industry
- Lightyear Capital has raised over \$2.5 bn in capital since inception and Lightyear principals average 25+ years experience within in the financial services industry
- Portfolio companies will gain additional value through diligence, analysis and business development advice from Lightyear's operating partners and extensive network
- Maintain ability to invest in transactions up to \$300 mm with LP participation

Investment Preferences

Investment Criteria

Fund Size:	\$954 mm
Fund Raised:	2011
Investment Range:	\$40 – 150 mm +
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	North America
Transaction Type:	Growth, Buyout, MBO/LBO
Industry Focus:	Banking, FinTech, Brokerage, Insurance, Asset Management, Specialty Finance

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
12/16	YgreneWorks (PE Growth)	\$95	NA	Bnkg
05/16	AIG Advisor Group (Buyout)	NA	NA	CapMkts
11/15	Pathlight Capital (Buyout)	NA	NA	Bnkg
06/15	Wealth Enhancement (Buyout)	107	NA	CapMkts
10/14	Interstate National (Buyout)	200	NA	Ins
12/13	RidgeWorth Capital Management (MBO)	265	Donald Marron, Mark Vassallo, Stewart Gross	CapMkts
07/13	REDI (Thomson Reuters)*	NA	Michal Petrzela	CapMkts
10/12	Cooper Gay Swett & Crawford (Buyout)	NA	Donald Marron, Mark Vassallo, Martin Sullivan	Ins
06/12	Alegeus Technologies (Buyout)	335	Mark Vassallo, Stewart Gross, Michal Petrzela	HCIT
11/09	Cetera Financial Group (Luxor Capital Group, RCS Capital)*	NA	NA	CapMkts
08/08	Higher One (Secondary)**	75	NA	Pymts
03/06	ARGUS Software (Altus Group)*	NA	NA	Bnkg
01/04	Goldleaf Financial Solutions (Buyout)	20	NA	Pymts

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

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

3) Deal Amount in mm

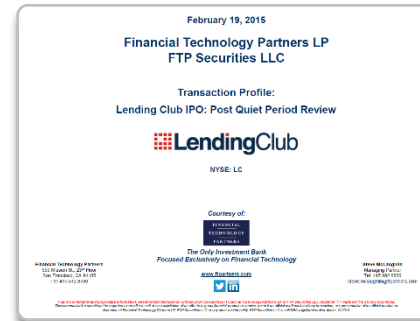
Selected FT Partners' Research – *Click to View*



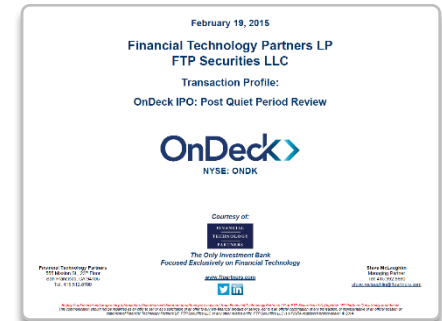
Nav Raises \$25 million in Series B Financing



Optimal Blue's Sale to GTCR



LendingClub IPO: Post Quiet Period Review



OnDeck IPO: Post Quiet Period Review



BlueVine Raises \$49 million in Series D Financing



Nubank Raises \$80 million in Series D Financing



Symantec Acquires LifeLock



Mosaic Raises \$220 million in Equity and Debt Financing

VIEW MORE FT PARTNERS RESEARCH

Track Record of Success in the Alternative Lending / Credit Space

Student / Personal Loan

Financial Technology Partners LP
FTP Securities LLC

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

earnest

in its Series B minority financing led by



for total consideration of

\$ 75,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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



for total consideration of

\$ 50,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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



for approximately

\$ 85,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Contract Financing

Financial Technology Partners LP
FTP Securities LLC

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

**BlueTarp
Financial**

in its financing, including investment from



for approximately

\$ 15,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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



The Only Investment Bank
Focused Exclusively on Financial Technology

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



The Only Investment Bank
Focused Exclusively on Financial Technology

SMB Financing

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



for total consideration of

\$ 135,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Supplier Finance Solutions

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as
financial advisor to

taulia®

in its investment from

**QUESTMARK PARTNERS
ZOUK BBVA edbi**

for total consideration of approximately

\$ 65,000,000











The Only Investment Bank
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FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

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 RRE Ventures AUGUST CAPITAL TIGER B.A.M. DFJ	325,000,000
 GreenSky™	TPG DST ICONIQ WELLINGTON MANAGEMENT	300,000,000+
AVANT	TIGER RRE Ventures DFJ KKR	225,000,000
 MOSAIC	WARBURG PINCUS CORE INNOVATION CAPITAL OBVIOUS VENTURES	220,000,000
 SoFi	THIRD POINT VENTURES AUGUST CAPITAL INSTITUTIONAL VENTURE PARTNERS WELLINGTON MANAGEMENT STAR	200,000,000
PROSPER	CREDIT SUISSE BBVA J.P.Morgan USAA BREYER CAPITAL	165,000,000
 Funding Circle	BLACKROCK TEMASEK HOLDINGS DST SANDS CAPITAL CARLISLE GROUP	150,000,000
 Kabbage	RCP REVERENCE CAPITAL PARTNERS ING Santander InnoVentures Scotiabank*	135,000,000
 earnest	BV Bancroft 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

<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> Google Capital</p> <p>in its latest investment in</p> <p> Credit Karma</p> <p>with additional participation from</p> <p>TIGER B.A.M. Ribbit Capital</p> <p>for total consideration of approximately</p> <p>\$ 85,000,000</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> FST PSY</p> <p>in its growth financing from</p> <p>OAK HC/FT</p> <p>for approximately</p> <p>\$ 15,000,000</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> lighter capital</p> <p>in its growth financing for total consideration of</p> <p>for approximately</p> <p>\$ 9,000,000</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> Upstart</p> <p>in its Series C financing led by</p> <p>THIRD POINT VENTURES</p> <p>with additional participation from</p> <p>khosla ventures</p> <p>for approximately</p> <p>\$ 35,000,000</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> Bluebird</p> <p>in its financing, including investment from</p> <p>HIGHLAND PARTNERS TRINITY</p> <p>for approximately</p> <p>\$ 15,000,000</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> borro</p> <p>in its growth financing for total consideration of</p> <p>for approximately</p> <p>\$ 19,500,000</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> L2C inc</p> <p>in its sale to</p> <p>TransUnion.</p> <p>for approximately</p> <p>\$ 65,000,000</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> taulia</p> <p>in its investment from</p> <p>QUESTMARK PARTNERS ZOUK BBVA edbi</p> <p>for total consideration of approximately</p> <p>\$ 65,000,000</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> ELLIE MAE</p> <p>in its</p> <p>\$45,000,000</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 146,000,000</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> CIBC</p> <p>in its strategic investment in</p> <p>with additional participation from</p> <p>Bank Capital Ventures</p> <p>for total consideration of approximately</p> <p>\$ 70,000,000</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> customcredit systems</p> <p>portfolio company of</p> <p>Triton Pacific Capital Partners, LLC</p> <p>in its sale to</p> <p>MISYS</p> <p>portfolio company of</p> <p>Vista Equity Partners</p> <p>for approximately</p> <p>\$ 70,000,000</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> WebEquity solutions</p> <p>in its sale to</p> <p>Moody's</p> <p>for approximately</p> <p>\$ 70,000,000</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
 MERCURY®	\$420,000,000+
 GreenSky™	300,000,000+
 avidxchange	253,000,000
 liquidnet	250,000,000
 square trade protection plans	238,000,000
 nmi	150,000,000+
 Kabbage	135,000,000
 TradingScreen SIMPLIFYING GLOBAL MARKETS™	110,000,000+
 YAPSTONE™ POWERING PAYMENTS	110,000,000
 CHROMERIVER	100,000,000
 Credit Karma™	85,000,000
 earnest	75,000,000
 taulia	60,000,000

Selected Prominent Investors in FT Partners Led Rounds



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

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



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> Investment Banking Firm of the Year Cross Border Deal of the Year
2015	<ul style="list-style-type: none"> Dealmaker of the Year Technology Deal of the Year
2014	<ul style="list-style-type: none"> Equity Financing Deal of the Year Professional Services Deal of the Year, Above \$100mm
2012	<ul style="list-style-type: none"> Dealmaker of the Year Professional Services Deal of the Year, Above \$100mm
2011	<ul style="list-style-type: none"> Boutique Investment Bank of the Year Deal of the Decade 10 Deal of the Year Nominations Across 9 Categories
2010	<ul style="list-style-type: none"> Upper Middle Market Deal of the Year, Above \$500 mm IT Services Deal of the Year, Below \$500mm Cross-Border Deal of the Year, Below \$500mm
2007	<ul style="list-style-type: none"> Dealmaker of the Year – Steve McLaughlin Business to Business Services Deal of the Year Computer and Information Technology Deal of the Year, Above \$100mm Financial Services Deal of the Year, Above \$100mm
2015	<ul style="list-style-type: none"> Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006 - 2008	<ul style="list-style-type: none"> Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology
2008	<ul style="list-style-type: none"> Equity Financing Dealmaker of the Year – Steve McLaughlin Information Technology Deal of the Year Financial Services Deal of the Year
2006	<ul style="list-style-type: none"> Financing Professional of the Year – Steve McLaughlin Financing Deal of the Year - Equity Financing Deal of the Year - Debt

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> 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 <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	21
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee Recent coverage included V, MA, TSS, GPN, HPY DST, ENV, FISV, FIS, JKHY, WU & EEFT among others 	20
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with J.P. Morgan and UBS Formerly Global Head of Strategy at First Data 	18
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	14
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	10