



# Weekly News Update

Week Ending 7/21/17

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A new Altfin investment aggregator has launched.....	3
Instant cross-border payments is the next logical step: Abdul Naushad, PayCommerce .....	4
PayPal helps SMBs go global in the flip of an API .....	7
Falcon Group launches Bitcoin asset management service.....	9
Global Payments partners with CaixaBank, Samsung, Visa and Arval to establish Payment Innovation Hub in Barcelona .....	10
P2P lender RateSetter sees decline in net lending volumes.....	11
Funding Circle to start afresh in Germany .....	13
CurrencyCloud raised funds from existing investors months before Google Ventures .....	16
Funding Circle SME Income Fund on track but warns of Brexit risks .....	18
Festy unveils digital currency payments wristband.....	20
European Payments Council gears up for pan-European instant payments .....	21
Mastercard and Visa lose share to UnionPay in global Card market.....	22
Fluid which provides interest-free credit to students, expands into 32 states .....	24
Just Eat and fintech startup Funding Circle are partnering on a recipe for takeaway success .....	25
UK fintech shrugging off Brexit in 3 charts .....	26
Samsung Pay partners with PayPal.....	28
IBM partner Mark Fisk explains how Blockchain enables public sector digital transformations .....	29
Revolut launches personal Euro accounts with your own IBAN.....	31
P2P lenders helped British Business Bank fund £717 million of SME loans last year.....	32
“The markets will remain healthy and conducive to fintech companies”: Tony Seto, Freeman & Co.....	33
Bitfury reveals enterprise-grade Blockchain framework for business.....	36
Borsa Italiana partners with IBM to digitize securities issuances for SMEs .....	38
N26 and Lydia announce Apple Pay support in France, but major banks are still missing .....	39
IBM signs up for EU Cloud Code of Conduct, opens four data centres .....	41

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PayPal taps into your Chase Bank and Citibank accounts ..... 43

Visa and PayPal to expand collaboration to Europe ..... 44

Sullivan Brokers enhances Practice Shield Program, adds cybersecurity coverage ..... 46

Mastercard adopts EMVCo spec in push to enable greater QR code payments use ..... 47

Century Business Solutions announces integration of two of its products ..... 48

Ethereum price jumps; Mastercard joining the Ethereum Alliance could be the cause ..... 49

## A new Altfin investment aggregator has launched

10/7/17

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A new platform connecting investors with alternative finance opportunities from around the world has launched.

Amsterdam-based Yieldport acts as a community and search engine, crawling the web for new projects using a custom search algorithm. It currently offers more than 2,000 opportunities – such as business loans, mini-bonds and equity start-up investments – from 30 different countries.

“With interest rates having hit their lowest point in decades, bond markets still inaccessible for the small investor and stock markets reaching all-time highs a lot of consumers find their money being eaten by inflation due to very low rates on their savings accounts,” said the company.

“Alternative finance investments allow people to invest directly into companies or real estate without the need of a middle man.”

It is free for investors to sign up for an account and by doing so, they can follow projects they like and talk to experts within discussion groups, displayed within a personalised timeline. New investment opportunities will present themselves on the dashboard, based on the person’s preferences. The platform is initially being marketed in the UK and the Netherlands.

“With these new tools we try to bring transparency into this market by cutting out traditional lines and let people use the wisdom of the crowd,” said Mark Gesterkamp, managing partner at Yieldport.

<http://www.p2pfinancenews.co.uk/2017/07/11/yieldport-launch/>

## Instant cross-border payments is the next logical step: Abdul Naushad, PayCommerce

10/7/17

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The PayCommerce Network consists of a banking consortium of over 100 banks transacting in more than 80 countries. PayCommerce's network members include banks, financial institutions, global corporates and alternate channel providers.

PaymetEye spoke exclusively to Abdul Naushad, Founder and Executive Chairman of PayCommerce on the future of cross-border payments and why regtech is a trend to watch in 2017.

### **What is your role at PayCommerce?**

I'm the founder of PayCommerce. The company was formed in 2007, we're a cross-border payments network that enables account-to-account credits and debits between more than 80 countries worldwide. Most networks only process payments in one direction, our network processes in dual directions.

We processed over 300 million transactions on our network worth over \$400bn in 2016. The majority of our customers are banks, seven of the top 25 banks in the world use our services, including Citi and Bank of the China. We've recently introduced the instant payments scheme over our entire network.

### **What gap in the market did you spot to prompt you to launch PayCommerce?**

Since the company was created in 2007, the market has of course changed, and companies set up back then have evolved since 2007 in terms of the business model and the concept. We launched with the concept matching with the network, which was initially launched as a domestic network just in the US. As we started building our business we noticed that our customers were driving us towards cross-border payments.

That's when we found our way from the original idea of domestic payments to creating a cross-border network. It has, of course, evolved since we started, but the idea of cross-border payments came in 2009, and now we've built a system where we connect the leading financial services industry on our network. In terms of a gap in the market, there are still a lot of problems today, even with cross-border networks. You learn this over time with any industry you're working in: For the cross-border business, there are basic issues around cost, speed and transparency of the transaction. This goes hand in hand with where the market is heading. We want to address these pain points.

### **Why did you launch the faster payments scheme? How fast is fast enough in cross-border payments?**

These days consumers expect everything to be taken care of instantly due to the rise of social media, technology and messaging in today's society. Payments is lagging behind. It's been 40 years where there hasn't been anything done in the payments space to improve on what was once founded and created as the foundation of payments in the 1970s – that's why we wanted to incorporate faster payments.

When we thought about the idea, we brainstormed how to build on top of our domestic systems so that payments could be much faster. We built on that domestic payments concept – the network, the technology – aiming to make payments more real-time because there are a lot of issues with cross-border payments. This is because it faces the risk of foreign exchange fluctuations and the velocity of trade, and is all dependable on how fast payments can go between borders. That’s a really good business case for us to focus on. The faster the payments can go, the better.

### **PayCommerce recently expanded to EMEA, what was the motivation behind expanding to a new geography?**

The American market is our base, we then also heavily expanded into Europe. I think the infrastructure in the Middle East and Africa is being developed very aggressively, and we certainly think this is the right time to be involved in helping some countries fill their gaps in domestic payments and instant payments. Because our technology enables these payments, our business is mostly focused on cross-border. That’s the premise of us focusing on the Middle East and Africa. We’ve also been expanding in Asia for several years, and continue to do so because we think there are a lot more cross-border transaction coming in and out of that region – mostly in countries such as China and India, as well as emerging markets.

### **What are the different payment trends in each region?**

The general trend of faster payments and making payments instant will be something we’ll see more of in 2017. Globally, there’s supposed to be initiatives in 18 countries worldwide for instant and faster payments. That includes the US and UK. There’s an opportunity for an instant scheme. This trend we’re seeing is certainly going into Europe and the America’s, but also the Asia Pacific.

Other trends we’re seeing geographically is the increase of interest in regtech. It’s gaining traction because of new demands and new models, and regulatory aspects are becoming more challenging. Traditional models of regulatory compliance are hard to implement in the faster payments networks. There needs to be an innovative technology that can do the cleaning in milliseconds – if you want to make an instant payment happen, there needs to be quick screening capabilities, algorithms, predictive models, and a lot of technology behind it that allows it to come together. Regulatory technology is certainly gearing up to catch up with the faster payments and instant payments schemes that are coming out, and are already present in some countries.

The other trend I’m seeing is a lot of payment networks or technologies, whether it’s regtech or payments, starting to offer APIs. There’s an increase in API-driven models and easy access for services that can provide interoperability between technologies and solutions that are already in the market. Predictive analytics is becoming very critical in the payments world, regulatory services as well. These are the key trends I’m finding as I talk to banks worldwide.

### **Which tech trends are you watching closely?**

There are certainly a lot of AI-based technologies that are gaining momentum. Analytics and algorithms are definitely the main ones. The analytics data can be used for patterned learning, and to create actions from the data without having a human intervention in the picture. There are lot of applications for AI in

the fintech world, including payments and regulatory screening, I'm closely watching how that's getting involved in the payments space.

Instant payments will become more common in the next five to ten years and that's going to be seen as the norm. We're already seeing that come into the picture already. We're certainly pioneering in that area by offering a worldwide solution for cross-border for instant payments, and that's primarily our focus for the next few years.

[http://www.paymenteye.com/2017/07/10/instant-cross-border-payments-is-the-next-logical-step-abdul-naushad-paycommerce-interview/?utm\\_source=paymenteye&utm\\_medium=email&utm\\_campaign=newsletter&utm\\_content=2017-07-14-what-happened-this-week-in-payments&mkt\\_tok=eyJpIjoiWVRZeVpEQXI0emhtTldKaCIsInQiOiJjbmQ3aGtlnRiVW50d3o4Ylwwb281TTNxYno1SHI5NExGdVltcjBGUUQxUWdOd0ZhZmdpbjdydHZQekVhNU9WN2QycnFZSUdqVGpDSzA1a3RSc01hc3ViSXFBdInkMlV3cFNHR2F6cUdDaHJHN1wvQXhxb2dmJyVjJTZlBUeVVaIn0%3D](http://www.paymenteye.com/2017/07/10/instant-cross-border-payments-is-the-next-logical-step-abdul-naushad-paycommerce-interview/?utm_source=paymenteye&utm_medium=email&utm_campaign=newsletter&utm_content=2017-07-14-what-happened-this-week-in-payments&mkt_tok=eyJpIjoiWVRZeVpEQXI0emhtTldKaCIsInQiOiJjbmQ3aGtlnRiVW50d3o4Ylwwb281TTNxYno1SHI5NExGdVltcjBGUUQxUWdOd0ZhZmdpbjdydHZQekVhNU9WN2QycnFZSUdqVGpDSzA1a3RSc01hc3ViSXFBdInkMlV3cFNHR2F6cUdDaHJHN1wvQXhxb2dmJyVjJTZlBUeVVaIn0%3D)

## PayPal helps SMBs go global in the flip of an API

11/7/17

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Selling goods across borders is a big opportunity for small businesses in the U.S. and around the world. That's not lost on them. The trouble is in how to get started — so most just don't. According to new figures released by PayPal about the growing digital footprint of American SMBs in the global digital marketplace, less than 5 percent of all U.S. small businesses export.

The opportunity is a big one to be sitting out. PayPal reports that 79 percent of their U.S. merchants export goods cross border, and those who did saw their sales grow 22.9 percent year over year between 2015 and 2016. Those who didn't, suffered — still growing, but a much lower rate: 7.8 percent on average. PayPal's small business merchant base saw even more impressive growth: 32.8 percent year over year between 2015 and 2016.

So, if the opportunity is so big, why aren't more small businesses taking advantage of the chance to up their revenue stream?

According to PayPal's director of global initiatives Melissa O'Malley, it's all about that nasty "f" word — friction. "We hear constantly from merchants that they would like to expand into global sales, but they can't ... between translating their website, managing global shipping logistics, figuring out localized payments and even just deciding what countries to go to first, there is just too much to do."

Large enterprise level firms, she added, have proprietary solutions in place for global sales, but for small and even medium-sized sellers, those solutions are not only too expensive, they're the wrong fit. "If you have an eCommerce site that is up in, say, five countries, it can quickly become almost impossible to manage things like just updating inventory in real time. It became clear to us that there needed to be a solution for merchants who want to play in the cross-border game but don't want to become international logistics experts to do so."

Which leads to today's launch of PayPal Global Sellers, a new suite of cross-border trade tools aimed at making it easier for PayPal merchants in the U.S. to increase their international presence and sales. "This is really about knocking down the barriers that get in the way of a small and medium-sized merchant that wants to expand outside of its domestic market," O'Malley noted. Those barriers include website translation, taxes/customs and duties presentment, international shipping and return facilitation and localized payments acceptance.

### **Push Button Ease for International Service**

O'Malley explained that merchants who use one of the major digital shopping cart services (e.g. Magento, WooCommerce, Shopify) can access Global Sellers via a single API. Once integrated, PayPal Global Sellers — with an assist from Webinterpret — can translate a merchant's entire website for foreign presentation within a week and update it "more or less" in real time from then on.

“So, if I am a merchant and I want to start selling in France, after incorporating the API, my shopping cart would be in French, the euro would be the site currency accepted, PayPal is provided as the checkout and the merchant is now able to sell to French-speaking customers and ship its products there without any hassle.”

But here’s the trick, O’Malley explained: From the merchants’ point of view, they are handling a domestic order which is shipped to a central hub where all local customs and duty issues are managed and addressed. The package is then sent from there to the customer. Global Sellers also supports local currencies, which O’Malley said helps merchants not used to receiving payments in that way do so via their PayPal account.

“We let our merchants look at things like how they want to handle costs and whether they want to just charge the translated price for goods, or if they want to set a premium for some goods in some markets,” O’Malley explained. She said that selling cross border is not a one-size-fits-all approach, and Global Sellers was created to provide that flexibility.

### **Matching to the Right Opportunity**

One of the issues that merchants face in getting started on their cross-border journey is knowing where to target one’s efforts. In the beta phase of the project, for example, they saw that U.S. merchants looked initially in the U.K. and Canada — much as one would expect, given the lack of language barriers. But going beyond that is where merchants could use a helping hand.

Sometimes, O’Malley noted, merchants have some ideas about where they want to sell — based on where they see international demand coming from already. Another is from accessing PayPal data on what consumers want to buy and where so that merchants have every opportunity to optimize their cross-border efforts. This can lead to new insights into market trends that might not otherwise be visible — like the thirst among Brazilian consumers for luxury goods; or Southeast Asian customers’ enthusiasm for vitamins.

The point, she noted, is to take the pain away and make the costs a background consideration so merchants can start finding opportunities for growth.

Small and mid-sized merchants are excited about cross-border sales, and O’Malley said that they keep hearing from everyone that they need to sell internationally. The reality of taking that first step, however, is daunting — and a lot of hard work.

“It is exciting to not only show these merchants the opportunity that cross border provides them but to now give them a complete solution and the ability to do it.”

<http://www.pymnts.com/news/cross-border-commerce/2017/paypal-helps-smbs-go-global-in-the-flip-of-an-api/>

## Falcon Group launches Bitcoin asset management service

12/7/17

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A private bank in Switzerland is offering its clients services to help them better manage their bitcoin holdings.

Falcon Group announced today that it is launching the product, one aimed specifically at allowing customers to buy and hold bitcoin with their traditional accounts. The services are being offered in partnership with Bitcoin Suisse AG, a bitcoin brokerage founded in 2013.

Arthur Vayloyan, global head of products and services for Falcon, said in a statement:

"We are proud to be the first-mover in the Swiss private banking area to provide blockchain asset management for our clients. Falcon is convinced that the time is right to enter this nascent market and it is our firm belief that this new product will fulfill our clients' future needs."

As part of the announcement, Falcon also revealed it has installed a bitcoin ATM in the lobby of its Zurich headquarters that will be open for public use. The integration reportedly came about following the discussion with the Swiss Financial Market Supervisory Authority (FINMA).

While it's rare for a bank to openly embrace cryptocurrency, Switzerland has emerged as active in supporting blockchain-related initiatives in both the public and private sectors. Just yesterday, for example, the Swiss Federal Council revealed the regulator is "swiftly" moving toward a legal designation of digital currencies.

In addition, the city of Zug, which has openly expressed its intent to help move forward the adoption of blockchain technology, and which is backing an industry consortium called the Crypto Valley Association, recently revealed it intends to launch a digital identity service that utilizes the tech this fall.

[http://www.coindesk.com/swiss-bank-launches-bitcoin-asset-management-service/?mc\\_cid=25af557051&mc\\_eid=09a5b83d03](http://www.coindesk.com/swiss-bank-launches-bitcoin-asset-management-service/?mc_cid=25af557051&mc_eid=09a5b83d03)

## Global Payments partners with CaixaBank, Samsung, Visa and Arval to establish Payment Innovation Hub in Barcelona

13/7/17

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Global Payments Inc., a leading worldwide provider of payment technology services, today announced the company, together with CaixaBank, Visa, Samsung and Arval, will establish a Payment Innovation Hub at Barcelona's Pier01. Among the first of its kind, the collaboration center will bring industry leaders together from around the world to develop state-of-the-art payment solutions and create new purchase experiences that align with evolving technology and market trends.

The Hub will have a multidisciplinary team comprised of experts in R&D, technology, market analysis and business development who will work to shape the payment technology needs of the future. Global Payments will leverage its expertise to help develop new solutions using emerging technologies including connected experiences made possible by the Internet of Things as well as omnichannel solutions that buyers and sellers will use to conduct commerce across both physical and virtual channels.

"The culture, infrastructure and spirit of entrepreneurship in Barcelona serve as the perfect backdrop for Global Payments and our fantastic roster of partners to foster innovation," said Frank T. Young, SVP Global Product and Innovation for Global Payments. "This initiative reinforces our company's position as a leader in technology-led, software-driven payment solutions and sets the course for the future of payment innovation."

<http://www.businesswire.com/news/home/20170713006027/en/Global-Payments-Partners-CaixaBank-Samsung-Visa-Arval>

## P2P lender RateSetter sees decline in net lending volumes

13/7/17

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Two of the UK's "big three" peer-to-peer lenders are authorised, and will soon launch their Innovative Finance ISAs. The other, RateSetter, is not yet authorised, and has had to make a few changes to suit the requirements of the regulator in recent months. Mostly notably it has had to put a stop to its wholesale lending business.

It's impossible to say exactly why RateSetter hasn't yet been authorised. Both Zopa and Wellesley & Co. have dropped their provision funds recently. Zopa was authorised shortly before the move. Wellesley has currently paused its peer-to-peer lending business, allowing it time to make changes in keeping with FCA demands. Co-founder Andrew Turnbull said that this move reflected the desire of the regulator to see the exact dynamics of P2P loans passed through to investors. However, Lending Works continues to run a provision fund, and it became one of the first peer-to-peer firms to be authorised back in October of last year.

RateSetter's provision fund been fundamental to the investor offering to date (how many times have we heard the phrase: "no investor has ever lost a penny"?). The platform dynamically matches investors and borrowers, with interest rates set by demand. The return received by investors is fuelled by a wide array of loan and risk types.

Whether or not RateSetter continues to make changes at the behest of the regulator is unclear. But what is clear, using the latest figures from AltFi Data, is that its lending is slowing down significantly. RateSetter posted its first negative month of net lending (new loans net of repayments and defaults) in April, and continued in the same direction in May, with a net lending figure of around -£5m for the month. In June, its net lending fell to almost -£15m.

MarketInvoice is a very different platform to RateSetter, focused as it is on facilitating invoice finance for small businesses, with money coming from institutional and high net worth investors.

MarketInvoice recently sought to boost its monthly lending figures – in tandem to widening its options for borrowers – with the recent launch of MarketInvoice Pro, an open funding line secured against a business's outstanding invoices. The company then enjoyed a record quarter in terms of lending volumes in Q2, with June coming in as its biggest ever month at £64.2m in invoices funded.

Until now, RateSetter and MarketInvoice's monthly lending volumes have never been close, with RateSetter typically lending at least double that of its fellow P2PFA member each month. But in June, for the first time ever, MarketInvoice lent ever so slightly more than RateSetter. The two company's lending volumes have been trending in opposite directions since roughly the start of the year.

To reiterate, RateSetter and MarketInvoice are very different businesses. But a comparison of their lending volumes is nevertheless indicative. RateSetter may well bounce back in the next few months, but for now it appears to be struggling through a period of suppressed volumes.

“Our lending volumes have increased year on year: in the first six months of 2017, we lent £336m, which compares to £314m in the first six months of 2016. To date, RateSetter borrowers have repaid more than £1.27bn,” said Luke O’Mahony, PR manager at RateSetter.

“RateSetter spreads the majority of its fees over the lifetime of loans, meaning that the company has a sustainable source of income and does not need to write new loans in order to generate revenue. That means we can focus on sustainable growth, rather than short term volumes.”

“We are working to increase lending volumes in a measured way over the long term: we have diversified our lending across several sectors, and are continuing to invest in new channels of origination – for example, we recently announced that we intend to launch a hire purchase product.”

[http://www.altfi.com/article/3215\\_p2p\\_lender\\_ratesetter\\_sees\\_decline\\_in\\_lending\\_volumes](http://www.altfi.com/article/3215_p2p_lender_ratesetter_sees_decline_in_lending_volumes)

## Funding Circle to start afresh in Germany

13/7/17

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Germany is a huge SME and VSME (very small business) credit market. But it is not as mature a market for online marketplace lending as the UK, the US, or even the Netherlands. This partly explains why Funding Circle Germany's early loan book underperformed. Now the platform is starting afresh to match its market's reality. We spoke to Thorsten Seeger, the new Managing Director for Germany.

### **The Post-Acquisition Funding Circle Germany**

Why the need to restart? Firstly, because the German and with it all Continental European operations of Funding Circle were unsettled a year ago by the departure of Matthias Knecht, the co-founder and CEO of Zencap which Funding Circle acquired in October 2015 to form a Continental European division. With offices and business in Germany, the Netherlands and Spain, Zencap had originated €35 million in loans to 500 SMEs at the time of its acquisition. Its operations were very small in comparison with the more than \$1.5 billion originated by Funding Circle in the US and the UK at the time (meanwhile Funding Circle passed the \$3 billion mark).

But Matthias Knecht's aimed at growing the Continental business at an accelerated pace, much in the style of the Rocket Internet network of tech startups Zencap was part of. In the months following the acquisition, it became apparent that this acceleration strategy was not endorsed by Samir Desai, the co-founder and global CEO of Funding Circle.

Indeed, after the departure of Matthias Knecht in June 2016, Funding Circle stopped issuing new loans in Spain and drastically slowed down the German business. The Continental European operations moved under the management of Panni Morshedi, Head of International Expansion at Funding Circle, based in London. Christian Grobe, Zencap's co-founder and the company's COO also left shortly thereafter.

In January 2017, after Funding Circle raised \$100 million in Series F from investors led by Accel Partners, the company completed the restructuring of its Continental European operations: Spain which had originated only €16 million worth of loans, was shut down; a new team was appointed to run Germany. The Netherlands' operations were left under the management of Jeroen Broekema, Managing Director since the start.

Samir Desai, the global CEO of Funding Circle, stated; "We will continue to invest in Europe in Germany and Holland, where we are growing fast, and we hope to enter new countries in the future."

### **Recalibrating the German Lending Operations**

The second reason for starting afresh was a need to revisit the credit model. Since January, the new German team has been busy recalibrating and restarting the German operations. The team is headed by Thorsten Seeger, Managing Director for Germany, supported by Belkacem Krimi, Chief Risk Officer for Continental Europe. Both bring to this market a wealth of operational experience. Thorsten Seeger was

Head of Financial Markets for SME at the Lloyds Banking Group in London where he managed SME financing across all asset classes. Before that he held various positions focused on serving SMEs at Barclays, also in London. Krimi was Chief Risk and Compliance Officer at GE Capital where he managed risk for over \$10 billion worth of consumer credit and commercial assets for France and overseas territories.

On July 13, 2017, for the first time ever, the German platform posted its loan book statistics on the web site. This shows that the pre-acquisition loan book has a default rate of 9% and an average negative return of -1%. The high default rate then continued in the first half of 2016. In the second half of 2016, credit conditions were drastically tightened, interest rate raised, and loan volume shrunk from €14.9 million to €4 million. Loan origination resumed at previous level in the first half of 2017 and is expected to grow again in the second half of this year.

In a message to investors, German management acknowledges the default issue and explains how it has been working to fix it: “At the beginning of 2016, we realized that the historic Zencap portfolio was performing below our expectations. We immediately adjusted our interest rates and tightened our credit conditions. In addition, we restructured the German business and reorganized the management team. This led to a controlled but significant reduction in our lending activity in the second half of 2016. Since the introduction of these changes, we are seeing a significant improvement in the performance of the new loans. Today, we are back to sustainable growth and provide more than 4 million euros to German companies every month.”

### **German SME Lending has a Strong Potential but Remains a Tough Market**

So, what is in the cards for Funding Circle Germany now? Thorsten Seeger is very confident in the measures he and his team have put into place, and in particular in the new quantitative credit model they have deployed.

He’s also very confident in Funding Circle’s opportunity in the German market: “Germany has a huge potential. People believe that Germany is overbanked, that money is very cheap for companies, hence, that there is no marketplace lending opportunity. While that may be true for the so-called “Mittlestand” of companies making between €40 million and €50 million in revenue, it is not true for the butcher around the corner and the car repair shop owner who employ fewer than 10 people. These small and very small firms only have two options to get a credit: go to the regional cooperative bank, the Volksbank or to the local savings bank, the Sparkasse. For these small local banks, lending to SMEs and VSMEs is not an attractive proposition, it is too costly.”

Seeger points to a recently published study by the German development bank, KfW, which attests of the SME’s difficulty to access credit: “Small and medium-sized enterprises, in particular, report on a deterioration in the level of credit. Some 26.8% of small businesses with sales of up to €1 million report increased difficulties in accessing credit. This is about seven times as many as among companies with a turnover of more than €50 million. Young enterprises (younger than 6 years) are still more likely to report

difficulties with borrowing, at 28.7%. Even large corporations report a deterioration of 3.8% more than in the previous year, albeit to a small extent.”

Still, the German market is clearly not as mature as the UK’s, the US’ or even the Netherlands’. This for two main reasons: SME maturity and regulation.

“Our biggest challenge is to recruit good SME borrowers. We must make sure that they know about us, consider us, and trust us. Once they get to know us, it is not too difficult to convert them. But German small businesses are relatively conservative. Some of them still want to communicate by fax! Data security is very important to them. It is a completely different context from, say, the Netherlands.” Thorsten Seeger explains.

**To convince SME, Funding Circle will rely on creating a superior customer experience:**

“Speed is very important. We can deliver a loan in 10 days from first approach to money on hand. But SMEs also want somebody who talks to them in a proactive, respectful way, instead of having to wait 6 weeks without any answer, as with some banks do. Our call center of 6 people on the borrower side creates a different experience.” Thorsten Seeger adds.

A second hurdle is the unfavorable regulatory framework. Unlike the British regulator, the German regulator, BaFin, has not taken up as part of its mission to support the emergence of alternative finance. Lending platforms are required to use a fronting bank. German investors who take risks financing SMEs do not benefit from any tax incentives and cannot even deduct their losses. Here again, Thorsten Seeger prefers to be optimistic and sees small signs of positive change at BaFin. He hopes as well that the German government will seize the matter of SME finance.

In conclusion, I asked a keen observer of the German market, Claus Lehmann, from P2P Banking to comment: “It too early to tell the impact of the changes at Funding Circle. The German market is very competitive and Funding Circle is not the first P2P lender who found out the hard way.

<https://www.crowdfundinsider.com/2017/07/119293-funding-circle-germany-takes-fresh-start/>

## CurrencyCloud raised funds from existing investors months before Google Ventures

13/7/17

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A fintech business backed by Google's venture capital arm went to its investors for cash just months before raising money from the search giant, accounts show.

CurrencyCloud, which provides a platform to process international payments, raised £9.5 million from its existing investors in December 2016. The company had £10.5 million in the bank at the end of the month, accounts show, suggesting the platform had around £1 million left at the time of the fundraising.

The company says in its 2016 accounts that the cash call was necessary to "continue to achieve [its] goals" of developing its payment platform, expand its payout network (where people can collect cash that has been sent internationally), and to grow its customer base.

The investment was not announced at the time. CurrencyCloud went on to raise £10.5 million from new backer Google Ventures in February and March of this year and announced both investment chunks in one go.

In a note in its accounts, CurrencyCloud said that it "carried out two fundraising exercises, which enabled the group to be fully funded for the next 12 months from date of approval of the financial statements or at least until the point anticipated profits are expected to be achieved group wide."

CurrencyCloud, founded in 2007, has raised around £45 million to date from investors including Google Ventures, Sapphire Ventures, Japan's Rakuten, and Notion Capital.

CEO Mike Laven denied that the company was in danger of running out of cash in December, saying in an emailed statement to Business Insider: "For administrative reasons, our Series D funding round of £20 million led by GV, Rakuten, Notion and Sapphire closed in two tranches, the first at the end of 2016 and balance in Q1 of 2017. The company has experienced no cash issues and is fully funded going forward while we build out our global platform. 2017 Y/Y growth is currently accelerating with transaction volume up over 100% and revenues over 75%. The company has never been in a stronger position."

CurrencyCloud's accounts show a year of transition for the business as it moved from targeting big payments to higher volume, lower value payments on its platform.

The volume of payments jumped by 110% to 1.5 million but net revenue from currency transactions increased by just 10% to £3.2 million. Meanwhile, administrative expenses rose by 54% to £13.9 million as CurrencyCloud invested in "recruiting staff, developing our technology infrastructure and operations services, and moving to new office premises."

The company made a pre-tax loss of £11 million on revenues of £7.5 million. That compares to a loss of £6.2 million on revenues of £4.8 million in 2015.

<http://www.businessinsider.com/currencycloud-2016-accounts-fintech-raised-from-investors-months-before-google-2017-7?IR=T>

## Funding Circle SME Income Fund on track but warns of Brexit risks

14/7/17

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Funding Circle's listed fund performed in line with expectations in its first full year of operation, which saw its net asset value increase by 11 per cent to £164.8m.

The Funding Circle SME Income Fund, which is quoted on the main market of the London Stock Exchange, launched in November 2015 to give a wider range of investors access to the peer-to-peer platform's loans. In its annual report for the year to 31 March 2017, released on Friday, it said that investors received dividends of 6.5p per share over the last four quarters, in line with the target of 6-7p per share.

"Over its first full year of operation, the company's performance has been pleasing and in line with expectations," said the fund's chairman Richard Boleat.

"We remain focused on providing investors with an attractive risk-adjusted return profile and consistent and sustainable dividend distributions."

In April, the fund raised £142m via a share placing, to purchase investments originated by the Funding Circle platform and boost its working capital. "[The fundraising] will provide expanded funding opportunities to SMEs in the UK, US and Continental Europe," the annual report said.

UK credit asset exposure in the fund is slightly higher than initially expected at the time of the initial public offering, the fund said, due to the balance of Funding Circle originations during the first half of 2016.

The fund said that "changes in administration and political volatility in the company's key markets" – namely the UK and the US – have not had a material impact on its portfolio or returns so far. However, it warned that politically-driven instability in the two countries will continue to be a consideration in the near-term at least.

"Such factors are highlighted in the board's consideration of risk generally, and the board is particularly mindful of the risk posed to certain industry subsectors in the UK from the country's ongoing process of withdrawal from the European Union," it said.

“The board is also keeping a close eye on monetary policy and policy divergence in the company’s chosen markets, particularly the US, which have the potential to both increase portfolio returns over time, and also impact negatively on the costs of the company’s foreign exchange hedging programme.”

Funding Circle co-founder Samir Desai, who stepped down from the fund in May to focus on the P2P lending side of the business, has waived his remuneration, the annual report revealed. Sachin Patel, who was appointed as a director on 18 May, also waived his fee.

The other four directors Boleat, Frederic Hervouet, Jonathan Bridel and Richard Burwood collectively pocketed £170,000 last year.

<http://www.p2pfinancenews.co.uk/2017/07/14/funding-circle-fund-annual-report/>

## Festy unveils digital currency payments wristband

14/7/17

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Combining two of the most hyped trends in fintech, wearables and cryptocurrencies, Irish startup Festy has unveiled a wristband that lets festival-goers make contactless payments in Dash. User add the Dash currency to their QR code and NFC-integrated wristband and then use it to pay for food and drinks at POS terminals where Visa contactless is accepted as well as on phones with NFC tags.

Festy is linked directly to a consumer's Dash account so transactions occur within seconds, while merchants have the ability to cash out their Dash for the equivalent fiat currency.

Dash claims to be the world's leading digital currency for payments and is currently the sixth most valued cryptocurrency at over \$1.3 billion. Festy argues that the currency is ideal for festivals, where party-goers often have long waits in line to use ATMs that can charge several euros per withdrawal.

Graham de Barra, CEO, Festy: "Unlike existing traditional bank payments that take a 2-5% fee, there is no cost on receiving Dash for merchants. Merchants accepting payments will never have a chargeback, and there are potentially enormous savings to be made compared to the crippling fees from existing payment solutions."

[https://www.finextra.com/newsarticle/30833/festy-unveils-digital-currency-payments-wristband?utm\\_medium=dailynewsletter&utm\\_source=2017-7-17](https://www.finextra.com/newsarticle/30833/festy-unveils-digital-currency-payments-wristband?utm_medium=dailynewsletter&utm_source=2017-7-17)

## European Payments Council gears up for pan-European instant payments

14/7/17

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A new voluntary pan-European instant credit transfer scheme that will bring real-time money transfers across the Single Euro Payments Area (Sepa) is on course to go live in November, with five countries onboard from the off.

The European Payments Council is introducing the Sepa Instant Credit Transfer (SCT Inst) scheme in response to concerns that the emergence of new domestic platforms, such as the UK's Faster Payments, might end up creating a fragmented market in Europe, similar to what existed in regular payments in the past.

Under the SCT Inst blueprint, people will be able to transfer up to EUR15,000 within 10 seconds, 24/7/365, across borders between accounts in any of 34 Sepa countries. PSPs willing to increase the amount limit and transaction speed can bilaterally or multilaterally agree to do so.

With SCT Inst set to go live in just five months, Jean-Yves Jacquelin, who chairs the EPC scheme evolution and maintenance working group, says that payment service providers (PSPs) from Austria, Spain, Finland, Italy and Latvia are ready to adhere from the get-go.

More countries - including Germany, Portugal, Belgium, Sweden and some PSPs from the Netherlands - will follow in 2018 and Jacquelin says he is "confident" that others will be onboard by 2019.

Meanwhile, seven large clearing and settlement mechanisms (CSMs) - including EBA Clearing, Equens Worldline, Iberpay and Stet - will be able to support SCT Inst transactions from November.

Despite what is likely to be gentle start because of the quick run-up time to launch, Jacquelin expects SCT Inst to pick up pace, targeting 50% of all Sepa credit transfers instant by 2022.

He says: "This would be a real success story. It is not impossible; it will depend on how PSPs are positioning the instant payments 'products' and the channels at the disposal of customers for making instant payments, which must be mobile, easy and fast.

"The next challenge I see is a real opportunity for cooperation between fintechs and PSPs to make SCT Inst a success story."

[https://www.finextra.com/newsarticle/30838/epc-gears-up-for-pan-european-instant-payments?utm\\_medium=dailynewsletter&utm\\_source=2017-7-17](https://www.finextra.com/newsarticle/30838/epc-gears-up-for-pan-european-instant-payments?utm_medium=dailynewsletter&utm_source=2017-7-17)

## Mastercard and Visa lose share to UnionPay in global Card market

14/7/17

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The global payment cards market has grown to 14 billion cards, with UnionPay consolidating its position as the largest scheme, according to new research from RBR.

### **A billion new cards issued in just one year**

Brand new research from RBR reveals that the number of payment cards worldwide increased by 8% in 2016 to 14 billion. With a billion new cards issued in the space of a year, the global market remains buoyant. The fastest growth is in Asia-Pacific, driven by financial inclusion initiatives, with China contributing by far the most to the rise in card numbers.

By 2022, the number of cards worldwide is forecast to rise to 17 billion as many people, particularly in parts of Asia-Pacific and the Middle East and Africa, still do not hold a payment card.

### **UnionPay, Visa and Mastercard account for 80% of all cards**

According to RBR's Global Payment Cards Data and Forecasts to 2022 study, the continued rapid expansion of the Chinese cards market has helped UnionPay to increase its share of cards to 43% in 2016, and extend its lead over Visa and Mastercard. UnionPay has been the largest scheme globally for card numbers since 2010 and, by the end of 2016, there were more than six billion UnionPay-branded cards in circulation.

RBR found that UnionPay, Visa and Mastercard collectively account for 80% of cards worldwide. The remainder are T&E schemes (American Express, Diners Club and JCB), Discover and domestic-only bank and private label cards. There are significant country-level differences, however; for example, JCB holds a strong position in its home market of Japan.

### **UnionPay will focus on overseas expansion as it faces competition in China**

UnionPay remains a predominantly domestic scheme. Less than 1% of its cards are issued outside China, mainly in other Asia-Pacific countries, but also in Europe. It continues to expand to new markets and the adoption of its chip standards in six Asia-Pacific countries points to the scheme's plans to step up its international expansion.

UnionPay will eventually face greater competition in China, with Visa and Mastercard continuing to await clarification from the Chinese regulator before submitting their applications to operate domestically in the country.

RBR's Daniel Dawson commented: "UnionPay may struggle to maintain its high global share once the international schemes obtain domestic licences to operate in China. It will increasingly look to expand its business abroad to counteract competition in its home market."

[https://www.finextra.com/pressarticle/70063/mastercard-and-visa-lose-share-to-unionpay-in-global-card-market?utm\\_medium=dailynewsletter&utm\\_source=2017-7-17](https://www.finextra.com/pressarticle/70063/mastercard-and-visa-lose-share-to-unionpay-in-global-card-market?utm_medium=dailynewsletter&utm_source=2017-7-17)

## Fluid which provides interest-free credit to students, expands into 32 states

15/7/17

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Fluid, a Fintech and Adtech startup has expanded its service to US students into 32 different states. The App based lender is available on iTunes allowing up to \$500 in credit without any additional interest payments. The description on iTunes explains it is exclusively designed for 22 million college students in the United States. Fluid not only allows for an interest free loan but it empowers users to build a credit profile. Fluid's target market is Generation Zs (Age 7 to 21 as of 2017). Fluid notes there are 75 million and 1.8 billion Generation Zs that will start shaping this world in the coming years.

Founded by Timothy Li, a well-known entrepreneur who has been engaged with many prominent Fintech startups, Fluid is being presenting at LangDi FinTech Conference in Shanghai, China this week.

"Getting Fluid in the hands of all students in the world is our priority. In the United States and before fall semester starts was our first step towards that goal. Today, I am very happy to announce Fluid is now in 32 states." says Li, CEO of Fluid.

"I am very happy that our compliance team's hard work paid off today. Getting this first of its kind credit education and credit building app in the hands our best and brightest is ground breaking. We can't wait to be in all 50 states," he adds.

By using Fluid and receiving a personal loan payable in 3 to 6 installments students start to build a credit history as the information is reported to credit bureaus. As it can be difficult for some young people to acquire credit cards using Fluid can be an important step in establishing credit credibility. Fluid says its main purpose is to deliver financial education and financial literacy to 200 million college students worldwide.

"We know that our students don't have a way to understand credit and how important it is to have credit. While our students are getting a great academic education, Fluid will deliver unique content and short messages to educate, demystify credit score, availability of products and best practices to increase and maintain a great credit score," says Li.

Additionally, Fluid creates a unique ecosystem for online and offline retail offers in the app by learning student's lifestyle, purchasing power, brand loyalty and spending behavior. By combining the power of a closed (invitation only for now) university social network, financial data and mobility attributes, Fluid can create an important promotional channel for retailers and service providers to gain access to the student market.

<https://www.crowdfundinsider.com/2017/07/119370-fintech-fluid-expands-32-states-providing-no-interest-credit-students/>

## Just Eat and fintech startup Funding Circle are partnering on a recipe for takeaway success

16/7/17

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Fintech startup Funding Circle and food firm Just Eat are joining forces on a recipe designed to boost the success of small businesses across Britain.

The peer-to-peer lender will offer the nearly 30,000 restaurants which use Just Eat to get takeaways into people's laps a deal on loans. One business owner has already taken advantage of the offer after failing to find help from the bank to expand.

"Our business is booming. Recently, we were looking to take advantage of an opportunity to expand the business, but the banks were slow and couldn't provide us with the help we needed," said Yilmaz Guney, the owner of Turkish restaurant Petra in Islington.

"Our partners Just Eat directed us to Funding Circle who arranged the loan for us in a matter of days. By not spending months speaking with the banks I was able to get the finance I needed and focus on running the business and planning for the future."

It's just one of several additional services Just Eat is offering to restaurants as the delivery wars heat up with the entrance of Deliveroo, UberEats and Amazon Restaurants.

"Our latest suite of offerings - from flexible funding solutions, help with business rates recovery and even deals for discounted Sky broadband, WiFi and TV - will give our restaurants more opportunities to reduce costs and make their businesses even more profitable and competitive," said Just Eat's restaurant services director Robin Clark, promising "much more to come".

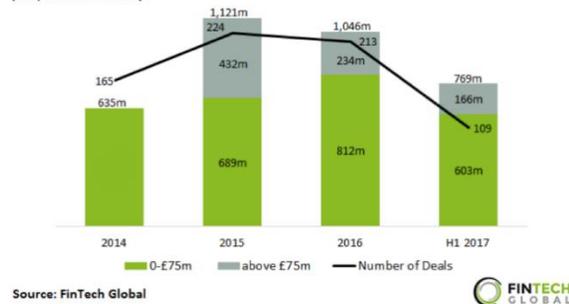
<http://www.cityam.com/268506/just-eat-and-fintech-startup-funding-circle-partnering>

## UK fintech shrugging off Brexit in 3 charts

17/7/17

While the unfolding Brexit process has added to a list of summer worries for UK investors, those with a stake in the disruptive end of financial services have more reasons to cheer. The rapidly growing sector is seeing resilient growth, according to data provider Fintech Global, who has found that growth is robust.

FinTech Investments in the United Kingdom, 2014 - Q2 2017  
(GBP, number of deals)



The firm’s research found UK fintech had seen growth of CAGR of 18.1 per cent between 2014 and 2016. In 2017 this trend has continued with fintech firms receiving funding of £769m. One of the largest investments to FinTech companies based in the United Kingdom in Q2 2017 was to P2P lending firm Zopa which received £32m in a series E deal in June.

FinTech Investments in the United Kingdom, Q1 2016 - Q2 2017  
(GBP, number of deals)



Last year saw fintech funding in the UK falter in the months leading up to the UK’s referendum on membership of the European Union. The first half of this year saw 16.9 per cent more investment than the first half of 2016. Moreover, the total amount invested in Q2 2017 was more than £50m higher when compared with the same quarter last year. While the second quarter of 2017 was only a touch higher than Q2 of 2016 in terms of funding, the number of deals has also picked up for the past three months.

FinTech Investments in London vs rest of UK, 2014 - Q2 2017  
(GBP)



Another pertinent trend is the geographical spread of investments within the UK. While London clearly still dominates, receiving the lion’s share of funding, other parts and regions of the UK appear to be the beneficiaries of investments to a greater extent. This is the case in both absolute and relative terms. In fact, non-London UK received more in the first six months of 2017 than it did in the whole of 2016, representing a 10 per cent increase at £223m versus £199m. In the first

half of 2017 Durham-based Atom Bank raised £83m in Q1 and Altrincham-based Paybreak, which develops retail finance solutions, raised £24.5m in Q2.

[http://www.altfi.com/article/3219\\_uk\\_fintech\\_shrugging\\_off\\_brexit\\_in\\_3\\_charts](http://www.altfi.com/article/3219_uk_fintech_shrugging_off_brexit_in_3_charts)

## Samsung Pay partners with PayPal

18/7/17

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PayPal Holdings Inc. (PYPL) the digital payment company, took a step further in expanding access to its payment method, announcing earlier this week it is partnering with Samsung Electronics (SSNLF).

In a blog post, PayPal announced the South Korean consumer electronics giant will enable it as a payment choice with Samsung Pay, its digital payment service. Under terms of the deal, PayPal will be listed as a payment method in Samsung Pay and can be used anywhere Samsung Pay is accepted (in-store, online or in-app), the companies said.

“This partnership will allow our mutual customers to pay across even more mobile contexts, as consumers increasingly turn to their phones to manage and move their money,” wrote Executive Vice President and Chief Operating Officer Bill Ready. “At PayPal, we’ve seen—and helped enable—a major shift to mobile.

Last year alone, PayPal processed \$102 billion in mobile payment volume and two billion mobile payment transactions. This partnership will give our customers the ability to pay with mobile almost anywhere consumers can swipe or tap a credit card, as Samsung Pay works in almost any in-store POS location in the U.S.” What’s more, Ready said the deal will enable its merchants to accept Samsung Pay.

The new partnership with Samsung comes just a few days after PayPal inked a similar deal with Apple Inc. for Apple Pay, which lifted shares of the stock. With that partnership, customers can pay for Apple App Store, Apple Music, iTunes and iBooks purchases on an iPhone, iPad and iPod Touch devices using their PayPal account.

Customers in the U.S., U.K., Canada, Mexico, Australia, Austria, France, Germany, Israel, Italy, the Netherlands and Spain will be able to use the payment method. Consumers can ask Siri, Apple’s voice-activated virtual assistant to make payments via the PayPal app, under the deal.

Both arrangements are part of PayPal’s push to be everywhere consumers are spending money. “PayPal and Samsung have had a strong partnership for several years now,” Ready noted in the blog post. “In 2014, we worked with Samsung to enable mobile payments with just a fingerprint. The following year, PayPal was added as a payment method within Samsung Smart TVs. This next phase of our relationship combines our reach and leadership in technology and mobile commerce, bringing more choices and functionality to our mutual customers.”

<http://www.investopedia.com/news/samsung-pay-partners-paypal/?lgl=rira-baseline-vertical>

## IBM partner Mark Fisk explains how Blockchain enables public sector digital transformations

17/7/17

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IBM was awarded best “blockchain paper” by the US Department of Health and Human Services, landed a blockchain pilot with Smart Dubai, and published an interesting point-of-view on how blockchain can enable an open government. So, I asked Mark Fisk – an IBM Digital GBS Partner in the Public Service Industry – his thoughts on how blockchain can enable digital transformation in the government sectors.

He has over twenty-five years of experience in executive consulting, release management, project management, software development, and technical leadership roles. As the leader of IBM’s Public Service Blockchain initiatives, Mark is working with federal/state governments, higher education institutions, as well as citizen advocates in order to address dilemmas with the current roadblocks which reduce value and prevent trust, transparency, and accountability in today’s [government] business networks. Here’s our interview:

### **What is blockchain? And, why is it important to government?**

Think of blockchain as a New Capability (not just a technology) which allows me to build new Business Networks between semi-trusted entities that want to transact business - driving more trust, accountability, and transparency in the interactions - and resulting in value for all members of the business network.

It is important to government as government entities are likely to both be participating in commercial blockchain as members of the business network as well as bring together the network to solve some of government’s biggest challenges. In the latter scenario - that could be to solve tactical challenges with short term benefits and results and/or for more digital re-invention types of challenges - where the current business process can completely change when the members of the business network are able to interact via blockchain.

### **What are 2-3 common government segments or functions that would benefit from the introduction and application of blockchain?**

- Government Mission organizations solving a tactical problem involving information sharing between government entities, commercial entities, or a mix of the two. The blockchain can be used to facilitate that data sharing, limit sharing to data needed - what, when, and why, and keep access/log of who accessed what data for what purpose. An example of this is the FDA blockchain project around sharing of data around clinical trials.
- Government organizations with responsibility of delivering value to those outside the business network - such as to citizens, small businesses, etc. - where the government entity can connect the citizen/small business into the blockchain where it can receive the services needed from other

members of the business network. An example of this is the recently announced Digital Trade Consortium in Europe.

- Any area where a superset of information shared amongst members of the business network allow for better visibility to support a business process. A great example is dispute resolution.

[http://www.huffingtonpost.com/entry/ibm-partner-mark-fisk-explains-how-blockchain-enables\\_us\\_596d7451e4b05561da5a5a30](http://www.huffingtonpost.com/entry/ibm-partner-mark-fisk-explains-how-blockchain-enables_us_596d7451e4b05561da5a5a30)

## Revolut launches personal Euro accounts with your own IBAN

17/7/17

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Fintech startup Revolut just raised \$66 million and is already launching new features. Starting today, you can generate your own International Bank Account Number (IBAN) for Euro transactions. This way, you can receive your salary directly on your Revolut account for instance.

While you could already top up your Revolut account with a regular bank transfer, Revolut only had one bank account to receive all your Euro transfers. It would then credit your Revolut account thanks to the transaction reference and the sender's name. But Revolut still remains a digital wallet at heart.

Now, everybody can get their own IBAN and hand it out to their employer, cash out money on PayPal, Lydia or any peer-to-peer payment app and more. And if you're trying to transfer money from your existing bank account to your Revolut account, it's less confusing and more reassuring.

Setting up an IBAN only takes a few seconds. You have to tap on the top up button, then on bank transfer. If you select your Euro balance, you can get your new IBAN. If you haven't confirmed your identity yet, Revolut will ask you to scan your passport or driver's license.

Those IBANs are based in Lithuania. While there's a European rule that says that employers and financial services can't discriminate based on the bank account origin as long as it's part of the Eurozone, some services don't let you add foreign IBANs. So, if you don't live in Lithuania, you may encounter a few issues.

Revolut already launched a similar feature for your GBP balance back in February. The startup doesn't currently support direct debits, but it's planned.

This feature is going to be quite useful if you're a British student moving abroad for an internship, or if you're a freelancer with clients working in multiple currencies.

<https://techcrunch.com/2017/07/17/revolut-launches-personal-euro-accounts-with-your-own-iban/>

## P2P lenders helped British Business Bank fund £717 million of SME loans last year

18/7/17

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P2P lenders were among the delivery partners helping the British Business Bank (BBB) fund £717m of loans to small businesses last year, the firm's annual report revealed.

The state-backed institution, which has channelled funds through P2P platforms such as RateSetter, Funding Circle and MarketInvoice, facilitated 94 per cent of its finance through banks outside of the 'big four' last year, up from 90 per cent in 2015 and 79 per cent in 2014.

The BBB has a key performance indicator of having more than 75 per cent of its finance facilitated through providers other than the four largest banks over five years, so it has already surpassed that aim.

Increasing numbers of small- and medium-sized enterprises (SMEs) also said they were aware of alternative options, at 50 per cent, compared with 48 per cent the previous year.

Overall, the BBB reported an operating profit of £49.8m for the 2016/17 year, with £9.2bn of finance now provided in total across all its SME supporting projects.

"Over the past year, we have delivered strongly against our four key performance indicators, broadening our support to provide more finance and extra choice for smaller businesses, at all stages of their growth," Keith Morgan, chief executive of the BBB, said.

"It has been a year of significant expansion, as our market impact continues to grow, we are well placed to respond flexibly to challenges ahead, helping to increase the amount and range of finance available to smaller UK businesses."

The BBB was set up by former Business Secretary Vince Cable to boost funding to SMEs.

In January, it pledged a further £40m for lending through Funding Circle, bringing the total lent by the UK government through the platform to £100m.

<http://www.p2pfinancenews.co.uk/2017/07/18/p2p-british-business-bank/>

## “The markets will remain healthy and conducive to fintech companies”: Tony Seto, Freeman & Co.

18/7/17

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Tony Seto has recently joined Freeman & Co., a US investment bank specialising in M&A and capital raising advisory services for the financial services industry, to lead its Payments and Banking fintech operations. In an exclusive interview with Payments {R}Evolution, Tony gives his perspective on the state of the fintech M&A market in the US, and looks ahead at where the payments industry can expect growth in the future.

### **What is Freeman & Co.’s position in the investment banking space, and what is your role at Freeman & Co?**

F&Co. is a leading advisor to companies in the financial services space. Our transactions range from as low as \$50m to over a \$1bn, so we have the flexibility to service companies across the size spectrum. The firm provides mergers and acquisitions (both buy side and sell side) and private capital raising advisory services (traditional VC, PE, and debt financings for companies and capital placement services for funds); it has a strong heritage, successfully completing over 100 deals in its history.

Traditionally, F&Co. has focused on providers of financial services such as asset managers, broker dealers, insurance, and specialty finance companies. However, as digital technology has developed and is now an increasingly important facet of the industry, fintech has also become an increasingly important area of focus for F&Co, where Gagan Sawhney and Chris Pedone have led numerous transactions in securities processing tech, asset/wealth tech, capital markets/trading tech, and other areas of “Wall Street Tech”. I joined F&Co. as an executive director and will lead our efforts with companies in the Payments and Banking Fintech/Data sectors. Gagan and Chris will continue to focus on advising companies in the “Wall Street Tech” sectors.

### **Talk us through some of the recent fintech deals that you have been involved in advising on.**

A couple of recent transactions that stand out are engagements with Kount and Transaction Wireless, both of which resulted in marquee announcements in their respective spaces that represented important trends in the evolving payments market.

The Kount deal resulted in an \$80m recapitalisation by CVC Growth Equity. CVC is one of the largest private equity firms in the world and Kount was one of the first investments made out of the CVC’s new Growth Equity Fund. CVC recognised Kount as a leader in the card-not-present (CNP) payment fraud prevention space, which is where the motivation to make the deal came from on their side. Gartner recently concluded in a report that companies will begin to incorporate more data-driven detection and response solutions to combat cyber criminals in addition to prevention-only software. This trend will drive growth in the market for years to come.

As consumers and businesses continue to accelerate their level of commerce via digital channels, criminals are similarly leveraging these channels to commit fraud, meaning that improved security technology has to be implemented at the same rate as omni-channel payments technology is rolled out.

Transaction Wireless, a leading provider of digital gift card solutions, was a client I advised during its sale to First Data. This represented a key deal for First Data's strategy of adding more innovative digital technology solutions. It was the largest acquisition by First Data since the KKR & Co. buyout. Transaction Wireless has since become an important platform within the First Data organisation, leveraging First Data's leadership position in gift card processing.

### **How has investment in the fintech industry evolved over the past five years?**

In general, the investment appetite for fintech has grown considerably. Payments have historically been a less sexy sector of technology, because the focus has been on providing the "plumbing" of commerce, which is often invisible to consumers and seen as a commodity. Despite this, the market is still an attractive investment area supported by strong macro trends (e.g. migration from paper to digital forms of payment, increasing demand of real-time and frictionless transactions by both businesses and consumers, and regulatory changes (like in lending) that force the market to adopt new solutions to enhance existing methods). The recurring nature of payments and relatively high incremental gross margins makes for business models that are both relatively predictable and potentially very profitable, at scale.

Major drivers of fintech's recent momentum include changes in consumer preferences and technological advancements. New consumer-facing fintech companies are having a profound impact on the way people manage their finances and payments. This is attracting new investors who historically have been more focused on more consumer-oriented sectors. There is also an increasing need for financial services to collaborate or acquire fintech companies to stay competitive; making these companies valuable investment opportunities.

The specific factors that we have seen driving the innovation in payments that has sparked investor interest are:

#### ***Consumer technology behavior***

Consumers have increasingly gravitated towards remote methods of commerce in replacement of human interaction in all aspects of their lives (e.g. transportation – Uber, food industry – Seamless, travel – Expedia, ticketing – StubHub, commerce – Amazon). Proliferation of personal devices such as smartphones and tablets have fuelled this growth and enabled on-demand commerce; consumers can bank or buy anything, at any time, from anywhere, thanks to the hardware they keep in their possession at all times.

Because consumer habits and available hardware dictate that payments technology is required to fulfil a market need, fintech has responded to the market forces, developing major advancements in enabling

safer, more efficient, and more cost-effective commerce environments across digital channels, for both businesses and consumers.

In the banking sector, whilst the death of the retail branch has been greatly exaggerated, innovations such as multi-function ATMs and stand-alone kiosks have become necessary to make the in-store banking experience more appealing to today's consumers. Another example is in the lending space, where online platforms have revolutionised the borrowing experience for the consumer.

While the industry certainly has gone through its share of growing pains, there are tremendous opportunities to digitise the entire lending process which will benefit both consumers and lenders.

### ***Data analytics and processing power***

Consumers' digital footprints are more extensive than ever, and growing at an accelerating rate. The expansion of data sources for analysts to record and measure activity creates an opportunity for a better consumer experience and more efficient systems. Data analytics are also becoming more advanced to address applications such as marketing, loyalty and fraud prevention.

The flipside of increased data collection, however, is that the valuable data provides an opportunity for criminals as well. Fintech solutions are needed to protect against activities such as fraud and ID theft.

### ***Regulations***

A changing legislation landscape has always been, and will continue to be, a driving force of innovation in financial services, and with such a proliferation of regulatory changes or uncertainty on the horizon, the market is ideal for fintech to thrive. Past administrations have greatly expanded the power of regulatory institutions through legislation such as Dodd-Frank, with the aim of adding more stringent oversight to the financial sector.

Tech has been called upon to monitor and report in this area. The Trump administration certainly seems to be taking softer stance on regulation, with a rolling back of Dodd-Frank certainly not out of the question, but time will tell what kinds of changes we will actually see and how long it will take to make an impact.

Other key regulations such as the OCC's push for national fintech charters in the United States and the PSD2 in Europe promises to support even more innovation in fintech.

[http://www.paymenteye.com/2017/07/18/the-markets-will-remain-healthy-and-conducive-to-fintech-companies-tony-seto-freeman-co-ed-pt-1/?utm\\_source=paymenteye&utm\\_medium=email&utm\\_campaign=newsletter&utm\\_content=2017-07-18-%e2%80%9cthe-markets-will-remain-healthy-and-conducive-to-fintech-companies%e2%80%9d&mkt\\_tok=eyJpIjoiTm1NNE1ESmhNakppTORJNCIsInQiOiJqYnlKbVpJSzBidXhiVnROZnpIYjRLME1Ub2dmeFpVTXlrSmVSYW9SYWFBb2g0V1haUHZHcEpKSnhUmM3WTI0dIZDbkINRGJDa3B5bFhFbnlIOFcwWHdYVk9pNEhONE81ZnpvQ1pHd05Bd0tFV3JyUThQXC94VVBmUxMS080MVvIn0%3D](http://www.paymenteye.com/2017/07/18/the-markets-will-remain-healthy-and-conducive-to-fintech-companies-tony-seto-freeman-co-ed-pt-1/?utm_source=paymenteye&utm_medium=email&utm_campaign=newsletter&utm_content=2017-07-18-%e2%80%9cthe-markets-will-remain-healthy-and-conducive-to-fintech-companies%e2%80%9d&mkt_tok=eyJpIjoiTm1NNE1ESmhNakppTORJNCIsInQiOiJqYnlKbVpJSzBidXhiVnROZnpIYjRLME1Ub2dmeFpVTXlrSmVSYW9SYWFBb2g0V1haUHZHcEpKSnhUmM3WTI0dIZDbkINRGJDa3B5bFhFbnlIOFcwWHdYVk9pNEhONE81ZnpvQ1pHd05Bd0tFV3JyUThQXC94VVBmUxMS080MVvIn0%3D)

## Bitfury reveals enterprise-grade Blockchain framework for business

18/7/17

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Blockchain software and infrastructure company BitFury Group announced the launch of its enterprise distributed cryptographic ledger technology service on Monday.

The blockchain framework, named Exonum, is aimed at providing businesses and governments a secure and easy way to rapidly bring blockchain solutions online.

“We have seen interest and enthusiasm for blockchain solutions grow every day as businesses, governments and institutions look for the easiest and most secure way to take their next step. Exonum is the next step to blockchain, offering robust and unparalleled blockchain capabilities for asset management and security,” said Valery Vavilov, chief executive of Bitfury Group.

“We have spent almost two years working to create our Exonum blockchain platform, deeply analyzing and modeling different blockchain concepts,” he adds.

The name of Exonum comes from the word “exonomia,” which means tokens or other objects used to for exchange in a community or marketplace. In the past, cultures have used tokens, badges, coins and even paper to represent value. With the advent of computers, exonomia came to include virtual gold in video games such as World of Warcraft. Now, blockchain cryptocurrencies such as bitcoin have made actual digital currencies a possibility.

With this blockchain, Bitfury hopes to add another way for businesses and governments to exchange value and securities safely as digital assets – that is, a way to securely digitize their own public and private exonomia.

The first and most prominent feature of the Exonum blockchain is that it is openly available to third parties and its underlying code and application programming interfaces are open source. Developers can access not only the entire codebase for the platform but also the client software used to manage the blockchain as well.

“Respecting the open and collaborative nature of the blockchain and Bitcoin communities, we elected to make this software available to anyone developing blockchain-based applications,” said Vavilov.

The Exonum blockchain can be audited and controlled via a lightweight JavaScript client that allows the user to connect nodes, request data, send transactions and verify cryptographic proofs on nearly any device.

As for security, BitFury has anchored Exonum to the largest and most robust blockchain in the world: the Bitcoin blockchain. Every time a block is added to the Exonum blockchain, its status is taken as a

“snapshot” and stored in the Bitcoin blockchain as a way to allow an independent audit of its security. Blockchains already provide internal security by providing a mechanism to make previous transactions indelible and difficult to modify, but private, permissioned blockchains can be subverted if all of their nodes are captured and changed. By anchoring to a larger, active and well-trod blockchain, the security of that chain bolsters the security of the private chain.

Exonum boasts a Byzantine consensus algorithm between nodes, common to private permissioned blockchains, that prevents data from being added until enough nodes agree to its authenticity. The algorithm allows Bitfury’s blockchain to handle up to 3,000 transactions per second with a clearing latency of 2.5 seconds – and the capability to bear up to 15,000 transactions per second in custom cases.

By comparison, the Bitcoin blockchain currently manages seven transactions per second and the next largest blockchain, Ethereum, supports roughly 15 transactions per second.

For developers, Exonum is based on the Rust programming language, which is considered a highly secure and safe language. Rust focuses on memory management and fault-tolerance to protect against common errors and exploits.

Now that Exonum has been announced, Bitfury intends to exhibit its platform. After an initial exhibition at the RustFest 2017 conference, an international roadshow will travel to Amsterdam, London, Berlin, Washington, Moscow, San Francisco, Boston, Austin, Astana, Beijing, Kiev and other cities.

Bitfury’s Exonum blockchain enters an ever-growing industry of blockchain platforms aimed at businesses and governments. Existing solutions include PricewaterhouseCoopers’s Vulcan Digital Asset Services, Nasdaq’s Open Assets Protocol and the Linux Foundation’s Hyperledger Project, which powers IBM’s blockchain framework solution.

Exonum’s focus on security and open-source freedom of interoperability is what Bitfury hopes will give its platform a competitive edge in this still developing market for blockchain frameworks. Further details on Exonum are available on the platform’s own website and its source code is available for free on the GitHub code repository.

<https://siliconangle.com/blog/2017/07/18/bitfury-reveals-enterprise-grade-exonum-blockchain-framework-business/>

## Borsa Italiana partners with IBM to digitize securities issuances for SMEs

19/7/17

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London Stock Exchange-owned Borsa Italiana and IBM are using blockchain technology to digitise the issuance of securities for SMEs in Europe.

The project is designed to digitise securities certificate data, replacing the paper commonly issued to private companies today. By creating a distributed shared registry containing a record of all shareholder transactions, the system promises a more streamlined and transparent process, giving various parties - including issuers, regulators and investors - increased insight into company information.

Traditionally, private SMEs lack access to public stock exchange networks or formalized credit structures. By using the blockchain system, Borsa Italiana is aiming to give these firms better access to credit and a link into a broader and more mature investor ecosystem, enabling them to set up new trading networks and obtain funding by sharing financial data in a security-rich and transparent public arena.

"Through our work with IBM on this blockchain solution, Borsa Italiana is taking the lead in transforming the way European SMEs can manage their shareholder data and at the same time expand credit access - all on a trusted digital platform," says Raffaele Jerusalemi, CEO, Borsa Italiana.

Built on Hyperledger Fabric version 1.0, the system is designed to help ensure that highly sensitive securities data can be shared amongst permissioned network participants while remaining secure and gated. The tech is built for interoperability with the LSE's existing systems and is already undergoing a test phase with a small group of partners and clients.

Marie Wieck, GM, IBM Blockchain, says: "Sharing secure and transparent critical network data across shareholder networks is difficult using traditional system. Blockchain is poised to help remove some of these barriers in traditional methods for the transfer of value - much as the Internet did for the exchange of information in the late 1990s."

[https://www.finextra.com/newsarticle/30848/borsa-italiana-partners-ibm-on-securities-data-blockchain-system-for-smes?utm\\_medium=dailynewsletter&utm\\_source=2017-7-20](https://www.finextra.com/newsarticle/30848/borsa-italiana-partners-ibm-on-securities-data-blockchain-system-for-smes?utm_medium=dailynewsletter&utm_source=2017-7-20)

## N26 and Lydia announce Apple Pay support in France, but major banks are still missing

19/7/17

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Apple Pay hasn't really been a major success in France so far. France's biggest banks still don't plan to support Apple's payment service. But two companies announced today that they were going to add Apple Pay support before the end of the year — Lydia and N26. Crédit Mutuel Arkea's banks also recently announced that they were working on that feature as well.

Lydia is a peer-to-peer payment app that lets you send money to your friends and family in no time. Think about it as a sort of Venmo or Square Cash for France and other European countries. The company launched physical cards last year. It lets you spend your Lydia balance in stores that support MasterCard. And soon, you'll be able to add this card to your Apple Pay wallet.

N26 is a German fintech startup that is creating a bank from the ground up. In addition to the French market, the company already announced Apple Pay support for Italy and Spain a few weeks ago.

Crédit Mutuel Arkea operates various banks under the Crédit Mutel brand, as well as Fortuneo, Arkea and an upcoming bank for young people called Max. Orange Bank and Banque BCP are also adding Apple Pay later this year.

Only two banks currently support Apple Pay in France, Caisse d'Épargne/Banque Populaire (it's the same company) and Carrefour Banque. You can also add cards from various wallets, such as Orange Cash, Ticket Restaurant and Boon. But those aren't true bank accounts.

Most big names are still missing, such as BNP Paribas, Société Général, Crédit Agricole, La Banque Postale, their respective digital banks, etc. Comparatively, a ton of banks partner with Apple in the U.K. Starling Bank just added Apple Pay support today.

There are a couple of reasons why those banks are still holding out on adding Apple Pay support. First, there have been multiple reports that banks don't want to pay Apple's fee.

France is a weird market as the vast majority of the population use debit cards for everything. These debit cards are a bit more powerful than your average debit card as you can use them for security deposits without giving money and getting it back later. And banks also support interest-free overdrafts for small amounts.

Apple asks its financial partners to share a portion of the interchange fee with them. But the interchange fee tends to be lower for debit card transactions compared to credit card transactions. That's why Apple's fee has been a point of contention.

Second, major French banks have been working on an alternative called Paylib. While this solution sounds great on paper, I've tried using it and it was a complicated mess. Some of the banks behind Paylib have already given up and added Apple Pay support anyway. Maybe other big banks are going to change their mind now that Crédit Mutuel Arkea is adding Apple Pay support. But customers aren't really asking for Apple Pay support as contactless cards already work well. If it's a small transaction, you can just tap your card on the terminal. So, Apple Pay seems stuck in a chicken-and-egg situation for the time being.

<https://techcrunch.com/2017/07/18/n26-and-lydia-announce-apple-pay-support-in-france-but-major-banks-are-still-missing/>

## IBM signs up for EU Cloud Code of Conduct, opens four data centres

19/7/17

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IBM has signed up to an EU Cloud Provider Code of Conduct initiative and is announcing four new data centres in the UK, Australia and Silicon Valley for the IBM Cloud.

There are two in London, one in Sydney and the fourth in San Jose and they are open now. They take the IBM Cloud global data centre total to almost 60 in 19 countries.

There are now five IBM Cloud data centres in the UK, with an additional one to be launched later this year. IBM says key UK centres are positioned within 40km of each other to have high network resilience and low network latency. Example customers are Dixons Carphone, National Express, National Grid, Shop Direct, Travis Perkins PLC and Wimbledon. It's a good racket for IBM to be in.

Big Blue said in November last year it was adding four new UK data centres, and signed an agreement to lease space within Ark Data Centres in the UK. That would see one of these four fully operational in mid-2017. Ark is a joint venture partner with the UK Government delivering public sector data centre services under the Crown Hosting Framework.

The new San Jose centre is IBM's third in the area and 23rd in the US. It has enough capacity for thousands of physical servers and cloud infrastructure service customers can use it for bare metal servers, virtual servers, storage, security services and networking. Local customers include Nanigans and Sovrn in the advertising and marketing technology industry.

Nanigan's Ben Tregoe, SVP of business development, gave out another canned quote: "IBM Cloud infrastructure has helped put us in a position where we now process billions of post-ad click events, support over 16 million purchase events each day and help our customers track over 1.5 billion user profiles."

The Sydney facility is IBM's fourth cloud data centre in Australia and offers bare metal, private and public virtual servers and object storage covering infrastructure-as-a-service for computing, storage and networking. IBM has recently announced its Sydney and Melbourne data centres are offering a cloud container service based on Kubernetes and Docker.

IBM says it is the only cloud provider in Australia delivering a complete set of IRAP-certified cloud services.

A canned quote from John Considine, IBM's general manager for cloud infrastructure services, said: "IBM operates cloud data centres in nearly every major market around the world, ensuring that our clients can keep their data local for a variety of reasons – including performance, security or regulatory requirements. We continue to expand our cloud capacity in response to growing demand from clients who require cloud infrastructure and cognitive services to help them compete on a global scale."

Clients will use more than 150 APIs and services to deploy applications ranging from cognitive and blockchain to big data and IoT. Customers like Bitly and Haliburton are already doing so.

We're told IBM's data centres have the security and privacy features needed to enable its customers to comply with the European General Data Protection Regulations (GDPR). IBM says it's one of the first signatories to the Cloud Provider Code of Conduct (PDF) in the EU, known without irony as the EU Cloud Code of Conduct, which covers privacy and security and changes in regulations such as the forthcoming GDPR.

[https://www.theregister.co.uk/2017/07/19/ibm\\_signs\\_up\\_for\\_eu\\_cloud\\_coc\\_and\\_opens\\_four\\_new\\_data\\_centres/](https://www.theregister.co.uk/2017/07/19/ibm_signs_up_for_eu_cloud_coc_and_opens_four_new_data_centres/)

## PayPal taps into your Chase Bank and Citibank accounts

20/7/17

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Paypal-owned mobile payment app Venmo opened up third-party app support last year in an attempt to capture more money via more merchant transactions, including those from Poshmark, Parking Panda, and Delivery.com. The service has a competitor, of course, backed by more than 30 major US banks. Zelle promises easy money transfer between the bank's own apps without having to go through a middleman like Paypal or Facebook Messenger. Two of the banks involved with Zelle, Citibank and Chase, however, have just partnered with Paypal.

With the new deal, you can now add Chase and Citibank-issued cards to your PayPal account and accrue reward points from each bank when you use them via PayPal. Chase Pay becomes another way to fill your PayPal Wallet, while you'll also be able to use the service to pay Braintree merchants like OpenTable, Uber and TaskRabbit. Chase cardholders are also in line for an upcoming NFC mobile feature using "tokens" in stores.

"Similar to some of our other issuer and bank partnerships, our partnership with Chase will drive more choice, flexibility and value for our joint customers, enable PayPal to further expand its reach in-store, enable Chase-issued cards to be easily added to newly created or existing PayPal accounts and will allow joint customers to use their Chase Ultimate Rewards Points anywhere PayPal is accepted online and in-app," said PayPal's Dan Schulman in a statement.

<https://www.engadget.com/2017/07/20/paypal-chase-citibank/>

## Visa and PayPal to expand collaboration to Europe

20/7/17

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Visa and PayPal, two businesses already collaborating in the US and Asia Pacific to accelerate the adoption of easy and safe in-app and in-store payments, are rolling the benefits of their partnership out across Europe.

Under its banking license in Europe, PayPal is also joining the Visa networking of client financial institutions and will be able to offer Visa accounts in Europe. This enables consumers and businesses to use PayPal funds to spend wherever Visa is accepted across the world.

### **The following services benefits will be created**

- **Customer Choice:** PayPal and Visa will create a seamless experience for consumers who choose to pay with their Visa card at places that accept PayPal. Through collaboration with Visa bank partners, consumers will be able to add Visa cards into the PayPal wallet easily from other banking apps.
- **PayPal in Europe:** PayPal – under its banking license in Europe - will have the ability to issue Visa accounts to European consumers and businesses. In the future, this would make it possible for PayPal customers to use their PayPal funds wherever Visa is accepted worldwide.
- **Digital collaboration:** Visa and PayPal have agreed to extend participation in the Visa Digital Enablement Program (VDEP) in Europe. VDEP provides Visa's partners with access to tokenisation technology, which enables simple and secure payment on mobile phones or any connected device. This will help expand the use of PayPal to businesses that accept Visa in physical locations.
- **Easier and faster access to funds:** Visa will provide the opportunity for PayPal to leverage Visa Direct in Europe, which will allow PayPal customers to move funds to their Visa accounts in real time across multiple markets.

"Visa and PayPal have a shared goal of giving consumers a safe, convenient way to pay using their preferred device. Expanding our partnership into Europe provides greater consumer choice and benefits merchants," said Bill Sheedy, CEO, Europe Region, Visa Inc. "By having the option to issue Visa accounts in Europe, PayPal will now have the ability to offer customers new and innovative ways to manage and move their money regardless of platform or device."

“The agreement announced today will deepen PayPal’s collaboration with Visa and its partners across our European markets,” said Rupert Keeley, Executive Vice President and CEO, PayPal (Europe) S.à r.l. & Cie, S.C.A. “Our partnership will enable us to offer more choice to millions of consumers and businesses through an expanded range of innovative products. Whether it’s online, in-app or in-store, PayPal with Visa will offer simple, secure and convenient ways to pay and get paid.”

<http://www.businessrevieweurope.eu/technology/1372/Visa-and-PayPal-collaboration-to-roll-out-across-Europe>

## Sullivan Brokers enhances Practice Shield Program, adds cybersecurity coverage

20/7/17

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Sullivan Brokers has launched an enhanced program that offers first party protection specifically tailored to address the exposures healthcare providers face when presenting claims to public or private insurers.

The enhanced Practice Shield program now includes an expanded list of eligible classes, a revised policy with a broadened definition of insured, available prior acts coverage, a separate per physician limit for designated classes, a zero-retention available on most risks, as well as competitive rates, experienced underwriting and claims staff, and short new business and renewal applications. In addition, cybersecurity coverage can be added to the policy with limits up to \$1 million.

“Healthcare entities are exposed to fines, penalties and defense expenses arising from allegations of fraud or overbilling by Federal and State audits that have generated recoveries in excess of \$2.3 billion annually,” said Thom Smith, president of Sullivan Brokers.

“In most cases, these are ‘David and Goliath’ conflicts, where the healthcare entity is fighting the full force of the government, in which even innocent mistakes when submitting claims, such as miscoding, trigger fines and penalties that can run in the tens of thousands of dollars,” he adds.

Sullivan Brokers is a member of the Sullivan Group and has long specialized in the healthcare industry.

<http://www.insurancejournal.com/news/national/2017/07/20/458160.htm>

## Mastercard adopts EMVCo spec in push to enable greater QR code payments use

20/7/17

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Mastercard Inc. is expanding the options for merchants and consumers who want to use Quick Response codes for mobile payments.

The expansion of Masterpass QR, announced Wednesday, will enable a merchant to scan a QR code generated and displayed on a consumer's smart phone and process the payment through the Mastercard network, the card brand says. The QR code will adhere to a newly released spec from EMVCo, the EMV standards body, that enables consumers to make QR code transactions using credentials associated with the EMV chip cards previously provisioned to their devices.

Mastercard launched Masterpass QR in 2016 with an eye to enabling consumers with any type of phone to make in-person purchases without a plastic card, says Ajay Bhalla, Mastercard vice president of global enterprise risk and security, in an email. The service debuted in Pakistan, and then quickly launched in six other Middle East and African markets.

"The use of QR codes in certain markets complements the extensive investment in contactless payments to provide merchants of all sizes—from international chains to individual shop owners and street vendors—a fast, secure, and inexpensive way to accept payments," Bhalla says.

Payments via QR code will use Mastercard's M/Chip technology, which relies on the company's EMV infrastructure to process the transaction. The EMVCo spec says transactions made based on its standard are always authorized online.

Mastercard's QR code initiative may even spur some merchants to adopt near-field communication technology, another form of contactless payments, says Bhalla. "In fact, we believe that QR will help drive greater growth of NFC acceptance," he says. "There may be some instances where it is not viable economically for merchants to accept NFC payments. In these cases, we will start with QR and over time begin to introduce traditional or mobile POS."

<http://www.digitaltransactions.net/news/story/Mastercard-Adopts-EMVCo-Spec-in-Push-To-Enable-Greater-QR-Code-Payments-Use>

## Century Business Solutions announces integration of two of its products

20/7/17

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Technology-based merchant services provider Century Business Solutions is announcing the integration of two of its products: EBizCharge for Sage 100 and EBizCharge Connect.

Century Business Solutions' suite of products offers businesses an all-in-one payment solution, connecting the payment gateway, accounting software, and customer payment portal to simplify the process of accepting payments.

EBizCharge for Sage 100 is a payment application that integrates with Sage 100 and gives users the ability to process credit cards directly within the accounting software. The application applies payments to invoices and updates the A/R and G/L automatically. Users of EBizCharge for Sage 100 benefit from the elimination of double data entry from their accounting workflow and have reported saving hours every week on data entry.

EBizCharge Connect is an online customer payment portal that allows merchants to upload invoices to a secure web-based portal. Customers can log in online and pay invoices at their convenience.

"The integration of EBizCharge for Sage 100 and EBizCharge Connect will further simplify invoicing for our clients," said VP of Sales Scott McEwing. Through the integration, invoices paid through EBizCharge Connect's online portal can be applied directly back to Sage 100 with the click of a button.

"We take a hands-on approach to developing solutions. We listen to feedback from our merchants on how we can streamline their accounting workflow. The integration of two of our most popular products will help us achieve that goal," McEwing said.

Century Business Solutions says they will continue to develop their suite of products in their mission to reimagine the payment acceptance space.

EBizCharge for Sage 100 is accompanied by the EBizCharge payment gateway, which gives users advanced reporting tools, additional fraud prevention modules, and unlimited batch history.

<http://www.prweb.com/releases/2017/07/prweb14520047.htm>

## Ethereum price jumps; Mastercard joining the Ethereum Alliance could be the cause

20/7/17

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Cryptocurrency Ethereum price has jumped more than 50 percent, recovering from losses over the last several days.

According to a report, not only did the cryptocurrency that competes against bitcoin have its biggest percent gain during the past 24 hours, but it also had double the volume of bitcoin. The report noted that as of Wednesday (July 19) there is a \$10-billion difference between the market caps of bitcoin and Ethereum, and if the prices for Ether continue to increase Ether will be a real challenger to bitcoin once again.

The price of Ethereum hit an all-time high of \$408 in June and ever since the price had been on the descent.

At its peak the market cap of Ethereum was \$35 billion and was \$3 billion away from surpassing bitcoin. With the price movement Wednesday the report noted the two will probably be battling it out again shortly.

One of the reasons for the jump in the price of Ether could be that Mastercard has joined the Ethereum Alliance. The Enterprise Ethereum Alliance brings together Fortune 500 companies together with startups, academics and technology vendors that are experts with Ethereum, noted the report, citing the company's website.

In the announcement about Mastercard, Ethereum Alliance said it has added more than 34 companies, including Mastercard and Cisco, as well as the Indian government to the alliance. With backing from high-profile companies and the government of India some are betting Ethereum has a real chance to challenge bitcoin, the leader in cryptocurrency.

But it's not only corporations that are interested in Ethereum. Russian President Vladimir Putin is looking into investing in Ethereum, bitcoin's main cryptocurrency competition.

While Russia's central bank has already put an Ethereum-based blockchain pilot project in motion for its online payments, there have been talks of a national virtual currency in the future.

Putin met with Ethereum founder Vitalik Buterin at the St. Petersburg International Economic Forum last week to discuss the possibility of implementing bitcoin-competitor Ethereum in a broader sense

<http://www.pymnts.com/news/payment-methods/2017/ethereum-price-jumps-after-mastercard-joins-alliance/>

