



Evolve
Capital Partners

Weekly News Update

Week Ending 05/18/18



SPECIALIZED INVESTMENT BANKERS AT THE INTERSECTION OF FINANCE AND TECHNOLOGY

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Preface










Each week, Evolve Capital Partners compiles relevant news and press releases across the finance and technology sectors. We analyze publicly available information and source each article. We also release a weekly summary of M&A and financing transactions.

Evolve Capital Partners is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology. We are a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements. Founded in 2012, we are based in New York.

You can learn more about us at www.evolve-capital.com. We post past weekly transaction and news updates on our website, plus in-depth industry research reports.

To contact us, please email admin@evolve-capital.com or call (646) 688-2792.

Sectors we cover at the intersection of finance and technology include:

 Bank Technology Solutions	 Healthcare Tech	 Securities
 BPO	 Insurance	 Specialty Finance / Alternative Lending
 Financial Management Solutions	 Payments	 Data & Analytics / IoT

News Count

Sector	Number of News	% of Total
Bank Technology Solutions	5	11%
BPO	3	7%
Financial Management Solutions	5	11%
Healthcare Tech	0	0%
Insurance	4	9%
Payments	12	27%
Securities	10	23%
Specialty Finance / Alternative Lending	3	7%
Data & Analytics / IoT	1	2%
Others	1	2%
Total	44	100%



BANK TECHNOLOGY SOLUTIONS

Equifax works with HSBC on Open Banking credit applications

Bank Technology Solutions

5/17/18

HSBC UK has created the first live use case of open banking for credit applications using the InterConnect platform from Equifax, the consumer and business insights expert. The solution will facilitate quick affordability assessments by allowing individuals to submit their bank transaction information electronically, in less than five minutes, during an application for credit.

Each submission is presented directly to HSBC UK Underwriting in real-time, providing the bank with a fast and informed view of a customer's affordability and facilitating faster lending decisions.

The Equifax InterConnect platform is a flexible cloud-based decision management platform, which consolidates insight on credit applicants and streamlines the risk decision process. The Equifax platform collates consumer current account transaction information from its third party fintech partners, classified according to FCA guideline categories; committed spend, basic quality of living, essential spend, and discretionary spend.

Jake Ranson, Banking and Financial Institution expert and CMO at Equifax Ltd, said: "This work with HSBC reflects our ongoing commitment to the open banking initiative and our drive to deliver to our banking and financial services clients the best solutions for their customers in this new world of open data.

"We've produced a next level data service that helps the industry make the most of new data sharing, and empowers customers with more control over their own financial information. Part of the open banking challenge is educating consumers on what it means in a real life context, and a streamlined credit application process that helps them get a faster decision is a great example."

https://www.finextra.com/pressarticle/73944/equifax-works-with-hsbc-on-open-banking-credit-applications?utm_medium=dailynewsletter&utm_source=2018-5-18&member=93489

Atom Bank launches mortgages for first-time buyers

Bank Technology Solutions

5/16/18

Digital banking app Atom has launched first-time buyer products on its standalone Digital Mortgages platform.

The new loans will offer first-time home-buyers £500 cashback, along with a free valuation and no product fee. The newly-launched range will be available for mortgages between 80-95 per cent loan-to-value (LTV). The range consists of two, three and five-year fixed rates mortgages, with rates starting at 2.24 per cent.

The platform has also extended its existing range by adding 95 per cent LTV products for its purchase and remortgage products.

Furthermore, Atom has removed the £300,000 limit on first-time buyer applications and increased its maximum mortgage term from 35 to 40 years – changes meant to increase its flexibility and in line with broker feedback.

“It’s great news that we’re expanding our mortgage range, offering our mortgages to a wider range of customers. These deals will be attractive to first-time buyers who want to get onto the property ladder – it’s hard enough to find the money for your first home and we know that taking away fees and giving cash-back helps,” said Maria Harris, director of intermediary lending at Atom.

Atom launched in 2016 after receiving its banking licence the previous year. The bank blends fixed savings accounts and secured business lending with a cutting-edge mobile interface. It has raised close to £400m in equity funding to date, including a £149m round earlier this year, and has lent around £1.2bn.

https://www.altfi.com/article/4431_atom-bank-launches-mortgages-for-first-time-buyers

PayThink PSD2 will turn banks into 'Amazon.'

Bank Technology Solutions

5/15/18

Despite the threat felt by banks from PSD2-driven open banking, it's possible to survive, even thrive in the new environment.

But in order to do so, banks will have to channel the innovation being accomplished by the new kids on the block—fintech companies—if they are to compete on a similar plain.

Open banking, or open data, is necessitating the adoption of not only a new set of rules and a lot of technology, but a whole new mindset, the fintech mindset. In the U.K., some banks moved slowly and missed their initial deadlines to open up their data. And hitherto, U.S. banks have been similarly resistant to getting on board ship, sailing into new and uncharted waters.

The hesitancy is easy to understand. In this new world, legacy U.S. banks fear disintermediation—they have everything to lose and nothing to gain, while the rest of the tech-driven business world has nothing to lose and everything to gain.

To put a finer point on it, the tech companies stand ready to take over a huge share of customers' business, due to their innovative approach, the user-friendliness of their apps, and the fact that they have their data—legacy banks could find that customers ask them to share that data with the new players. How can a bank respond to that challenge?

The fintech companies have been charting this boat's course. Indeed, they were the upstart-startups that first put consumers center stage, not only in banking, but in just about every other market, be it retail, insurance or consumer products. And data is fueling the transformation they're effecting.

As the U.K. moves into a rollout of open banking that includes not only the EU's PSD2 requirement for banks to open up their data, but to do so in a standardized format, it is surely inevitable that the U.S. will be adopting some form of open data regimen sooner rather than later, whether by industry consensus or by regulatory directive.

As such, it's useful to take a look at some of the benefits we will start to see in the U.K. While it would seem that the balance of power has shifted away from the bank, if we understand that the benefits of adoption begin and end with the consumer, it's possible to map where financial institutions can reinsert themselves into this upended world.

The model is not so very different from what Amazon brought about in retail. By "putting themselves out there," empowered consumers gain the ability to sit back and let the best value offers, the lowest prices, and the most suitable products come their way. In our industry, this

means that consumers will soon expect and demand a different approach to getting a mortgage or car loan, or accessing funds from their paycheck.

Though legacy financial institutions are threatened on all fronts, rising to the challenge of becoming part of this new environment presents itself with advantages too. One key opportunity is for banks to move away from a model that depends on a few low-risk, high-end customers generating most of their revenue. Particularly in the world of financial services, we're now seeing that the opposite approach is far more sustainable—having a lot of customers, and earning small amounts of money from each of them.

This new reality turns the low-risk customer mantra on its head—and legacy banks need to throw out their outmoded weaponry and embrace the new, more inclusive model. In the old model, banks would rely on income streams such as charging big fees for inadvertent customer overdrafts. Or they have benefited from the use of customer deposits earning minimal interest.

What's happening everywhere is that consumers expect return value. And this is one of the things the tech companies are getting right.

In the current financial services revolution, the banks who win will be very big, have lots of customers and do as much as they can for them—or risk having their customers switch to another bank. Open data is the key that opens this door. Reinvention is already beginning to happen in the U.K., as the small, competitive market there leads consumers to expect the same level of experience from banking as they get from Amazon.

Comparison thinking—seeing all the products and prices in one place—is a real and interesting threat to banking, because a nothing-to-lose challenger brand can present all available offerings to the customer, optimizing the user experience in order to become a one-stop shop for everything they might need.

In the U.K., our comparison sites for mortgages and retirement plans have evolved beyond being informational to being breathtakingly simple to use. The interesting thing is that by opening ourselves up 360 degrees to everything that's available on the market, and striving for sheer user-friendliness, we're witnessing the start of a new kind of competition, one based on quickly pivoting the customer in a new direction or toward a new product, without having to start them from the beginning.

Can you imagine having to input your address or credit card number or account number every time you ordered from Amazon? They already know you. They don't need to know you again from scratch. So why do banks act like that for every new product?

So, in the move to a less formal, more app-oriented banking model, everything, from managing retirement savings to home refinancing to auto loans, is in one place. Add to that an application that provides an easy, non-usurious way to give consumers advances on their paychecks, and customers will actually start loving their bank.

It's clear to me that staying focused on simply gussying up existing technology is not going to help U.S. banks move into this necessary new mindset. Our biggest imperative is making sure that the products and services we provide are accessible to as many people as possible, at the lowest cost to them.

These data-driven technological innovations are desperately needed right now. If we can use them to help and empower the largest number of people with more choices and more products that will help their lives, the power of open banking will come back to reward the bank that's open to this concept.

https://www.paymentsource.com/opinion/open-banking-requires-amazon-style-marketing?utm_campaign=payments%20update-may%2015%202018&utm_medium=email&utm_source=newsletter&eid=612c38991240c132b70c2ae0a0cb16f9

Citizens to launch online-only bank in bid to boost deposits

Bank Technology Solutions

5/14/18

Citizens Financial Group in Providence, R.I., is launching an online-only bank aimed at boosting its consumer deposit base, the company said Monday.

Deposits gathered through Citizens Access, the new online bank, will help fund the \$153.5 billion-asset Citizens' other retail offerings, like student loan refinance, merchant finance and home equity lending.

“Over the past several years, we have invested heavily in data and analytics to better understand and react to customer needs, and we are excited to engage with them in one of our industry’s fastest-growing deposit channels,” Brad Conner, Citizens' head of consumer banking, said in a press release. “Over time we believe this will better position the bank to further innovate, acquire new customers and deliver expanded digital capabilities.”

Over the past year, regional and national banks have increasingly begun rolling out digital, direct-to-consumer offerings. PNC Financial Services Group, BBVA Compass and Citigroup are among those that launched their own digital loan products both to increase consumer lending and keep pace with fintech lenders that popularized those online loans in the first place.

Now, Citizens is joining the ranks large or regional banks launching digital banks in an effort to bolster deposits. Others include JPMorgan Chase, Goldman Sachs and MUFG Union Bank.

A spokesman said that Citizens Access will have no lending component, and it will offer savings accounts and certificates of deposit. Citizens Access is expected to launch next quarter and the bank expects it to generate rough \$2 billion of deposits this year, according to an investor presentation scheduled for Tuesday that was posted on Citizens' website midday Monday.

Deposits, and particularly low-cost deposits, are becoming ever more important as banks strive to keep funding costs down in a rising rate environment. Citizens said recently that its non-interest-bearing deposits increased by 2% in the first quarter when compared with a year earlier.

Citizens Access is expected to officially launch in the third quarter.

<https://www.americanbanker.com/news/citizens-to-launch-online-only-bank-in-bid-to-boost-deposits>

Britain's first 100 per cent 'born in the cloud' bank celebrates Microsoft collaboration

Bank Technology Solutions

5/11/18

Redwood Bank partnered with Microsoft to deliver a 'fast and fantastic' service to its customers and colleagues using an IT system which was completely internet-based from the first moment it opened its doors in August 2017.

At an event held in central London and attended by IT experts involved in the project, the Bank's leadership team revealed how they used secure, cloud-based technology and hand-picked expert partners to build and launch Redwood Bank in under six months following the receipt of its initial banking licence.

Chief Executive Officer (CEO) and Co-Founder of Redwood Bank, Gary Wilkinson said: "We are very proud that Redwood Bank was not only 'born in the cloud', but also achieved one of the fastest 'licence-to-launches' in UK banking history. Microsoft and our other expert partners, have given us access to a secure, powerful digital infrastructure which would not be feasible to build in-house."

The event celebrated the successful collaboration with Microsoft and the Bank's other partners.

Redwood Bank marked the event by publishing its blueprint for creating a bank in the cloud, with the launch of its white paper Redwood Bank: Born in the Cloud.

Gary Wilkinson continued: "Our strapline at Redwood Bank is 'It's about time' and we're certainly proud of what our technology platform has helped us to achieve in such a short amount of time.

"We think it's about time that a bank invested in security, speed and simplicity to the benefit of the customer experience, and that's exactly what we delivered. We wanted to share this achievement and that's why we've published our 'Redwood Bank: Born in the Cloud' whitepaper."

Richard Peers, Microsoft's Global Director of Financial Services, said: "We applaud Redwood Bank's pioneering approach and adoption of this technology."

The event, which took place on Thursday, April 19th, included presentations from Mr Wilkinson – CEO, Mike Harriman – Director of IT, Dave Patel – Group CEO of DPR (core banking platform partner), and Richard Peers – Director of Financial Services at Microsoft (cloud services partner).

Mr Peers continued: "The cloud is enabling a wave of innovation, empowering financial institutions to create new value chains that cross business and industry boundaries. You can turn data into insight, transform ideas into action, and turn change into opportunity. This is exactly what

Redwood Bank has delivered and we applaud their pioneering approach and adoption of this technology.”

The whitepaper explores the benefits of using this technology to enhance data security, information management, data controls and compliance with industry standard certification.

Redwood Bank was launched in August 2017, becoming Britain’s newest challenger bank for small to medium sized businesses.

The Bank’s products include individually-assessed mortgages for business owners and professional landlords, as well as a range of Best Buy savings accounts, which is offered to charities, clubs and associations as well as businesses.

https://thefintechtimes.com/britains-first-100-per-cent-born-in-the-cloud-bank-celebrates-microsoft-collaboration/?mc_cid=38234a163c&mc_eid=6bfd7c95b6



BPO

PowWow Mobile announces strategic alliance with HCL Technologies to deliver application transformation to enterprises

BPO

5/18/18

PowWow Mobile, the leader in enabling enterprises to simplify and extend business apps to mobile, today announced that it has established a strategic alliance with HCL Technologies, a leading next-generation global technology company, to deliver application transformation to enterprise customers around the world.

The partnership combines PowWow's SmartUX Platform with HCL's DRYICE to accelerate the creation of unified experiences through the mobilization of business systems and workflows. In addition, HCL Technologies is now a platinum service provider for PowWow customers. The combined offering delivers enterprise customers with benefits such as enhanced user experience, improved productivity, faster time to market and lower costs.

"Today's enterprises are expected to deliver consumer like experiences to compete in the ever-changing digital business landscape. This partnership will empower dynamic requirements of businesses for our clients by reducing time, complexity and cost associated with developing smart applications for enterprise mobility," said Kalyan Kumar, CVP & Chief Technology Officer, HCL Technologies.

This engagement transforms the way customers work, providing ability to maximize and extend existing application ecosystem. This capability spans across on-premise SAP, Oracle, Microsoft, Salesforce, Workday, ServiceNow, or bespoke applications based on the web, Windows, Java or Mainframe interfaces and allows to create cutting-edge apps for use on any endpoint (smartphone, tablet, or PC) with native user interface (UI) or user experience (UX).

SmartUX Platform facilitates rapid design and deployment of enterprise apps enabling digital transformation with best-in-class speed, performance, and control.

"Globally, mobility has become a crucial differentiator in today's business landscape, and enterprises are looking for ways to maximize their productivity, agility and ultimately, their competitive differentiation," said Kia Behnia, CEO at PowWow Mobile. "Our partnership with HCL will not only bring the power of our SmartUX technology to DRYICE and other applications and strategic initiatives for their customers, their own products and third-party products; but also, enable PowWow customers with world-class platinum service partner."

PowWow Mobile disrupts the speed, complexity and economics commonly associated with delivering productivity-enhancing apps to an increasingly mobile-first workforce. The PowWow SmartUX Platform simplifies and extends business apps to mobile, delivering modern omni-channel experiences that transform how work is done in the digital era.

With SmartUX, users can easily connect to any application or data source and rapidly design and deploy personalized, intelligent and secure apps that run anywhere, on any device (PC, laptop, tablet, phone or watch), and any OS (iOS, Android, Windows 10 or HTML5).

<http://www.prweb.com/releases/2018/05/prweb15480135.htm>

DXC Technology announces new offering to transition and transform SAP solutions to Amazon Web Services

BPO

5/14/18

DXC Technology (NYSE: DXC), the world's leading independent, end-to-end IT services company, today announced DXC Platform as a Service (PaaS) for SAP® solutions on Amazon Web Services (AWS). The new offering is an extension of DXC PaaS for SAP solutions, which provides clients with a cost-efficient option to transition and transform their SAP solutions to an automated, on-demand cloud platform.

DXC PaaS for SAP solutions on AWS provides clients with the full stack in a consumption-based delivery model, enabling up to 35 percent operational cost savings. In addition, the solution lets clients adjust their SAP solutions to address changing business needs.

The new service demonstrates DXC's strong strategic relationship with SAP and AWS, both of which are in the DXC Partner Network.

DXC PaaS for SAP solutions on AWS is a next-generation digital and innovation platform that supports enterprises when transitioning, transforming and managing SAP S/4HANA and other market-leading databases such as SAP ASE and SQL Server.

“As the leading hybrid IT services company, clients look for DXC to bring together the power of industry leaders for synergies to enable their business outcomes,” said Eugene O’Callaghan, senior vice president and general manager, Cloud and Platform Services, DXC Technology. “That’s exactly what DXC PaaS for SAP solutions on AWS provides — it brings the value of industry-leading enterprise software on a major on-demand, computing cloud platform; along with DXC PaaS automation, best practices and experience gained from delivering thousands of SAP solution deployments.”

The new PaaS solution provides enterprise-grade service delivery for SAP solutions, delivering full stack management of SAP solutions on AWS with operations security and automation for production, development and quality assurance landscapes.

“Leveraging PaaS and developer services on the cloud accelerates application delivery and contributes to digital transformation initiatives that most companies have embarked on today,” said Larry Carvalho, research director for IDC’s Platform as a Service (PaaS) practices. “IT service companies can use appropriate tools and experience in transformation and transition methods to minimize enterprise-wide disruptions while providing cost savings and agility.”

Benefits of DXC PaaS for SAP solutions on AWS

- SAP solution landscape optimized automation that provides clients with access to SAP full stack provisioning and reduces SAP solution landscape provisioning time from weeks

to hours. The full stack management also accelerates life-cycle operations including start, stop, suspend, resume, copy, clone, refresh and resize.

- Reliable, audit-compliant cloud workload transition and transformation using SAP best practices and tools enabled by certified SAP specialists.
- Continuous operation underpinned by SLAs of up to 99.9 percent and application-level disaster recovery options that minimize application downtime.
- Stronger governance using a single point of accountability for management of the client's stack that leverages industry-accepted tools and standardizes their SAP application development and life-cycle management ecosystem.
- Up to 35 percent operational cost savings for SAP applications with the adoption of cloud services and a consumption-based pricing model across the entire stack.
- DXC experience transitioning thousands of SAP solution environments and managing them efficiently for more than 15 million named users and over 500 enterprises.

<https://www.businesswire.com/news/home/20180514005118/en/DXC-Technology-Announces-New-Offering-Transition-Transform>

Accenture, SAP team on new defense offering

BPO

5/7/18

Accenture and SAP have announced they will collaborate on ways for defense and security agencies to accelerate digital transformation.

The offering will be based on SAP S/4HANA, an enterprise resource planning suite. Both companies are working with select defense customers to develop the solution.

“This work will help clients derive the maximum benefit from their defense investments, delivering better outcomes faster in support of their mission,” said Ger Daly, who leads Accenture’s global defense and public safety business.

Their joint solution will have enhanced analytics capabilities and enable greater use of digital applications by military personnel, the companies said in a release.

“This solution gives defense agencies the capabilities to operate in challenging and fast-changing geo-political environments that require an intelligent platform with deployment agility, increased situational awareness and industry-specific capabilities,” said Antti Kolehmainen, managing director of Accenture’s Defense business.

The solution will also power Internet of Things applications, which will help defense agencies to adopt and connect new devices that will collect and exchange data.

<https://washingtontechnology.com/articles/2018/05/07/accenture-sap-partnership.aspx>



FINANCIAL MANAGEMENT SOLUTIONS

CBA, Microsoft and KPMG team on SME business management platform

Financial Management Solutions

5/16/18

Commonwealth Bank of Australia has teamed up with Microsoft and KPMG to launch a business management platform for SMEs. Dubbed Wiise, the cloud-based platform promises to help small firms take control of their business by combining accounting, payroll and banking, and operational functions, including HR, inventory and manufacturing.

Launching in July, the platform will operate as a standalone venture based at the Stone & Chalk fintech lab in Sydney.

Wiise will integrate with CBA's invoicing platform and its banking data feeds, and users will be able to enquire, and in some cases apply, for specialised business banking products directly through the system.

Adam Bennett, group exec, business and private banking, CBA, says: "We're always looking for ways to better support SMEs to run and grow their business. Wiise is a great example of this commitment, and of our openness to working with leading business tools that bring our customers' banking to wherever they're doing business."

The platform is being targeted at SME's that have outgrown off-the-shelf accounting and book keeping tools and are looking for software that combines business management capabilities with online banking and payments.

Steven Worrall, MD, Microsoft Australia, says: "As businesses mature, they experience the inevitable 'growing pains' and complexity that come with growth.

"The technology solutions that served them well when they first started out are no longer fit for purpose and they just want a solution that makes their business simpler to run and faster to grow but without the complexity of deploying large, expensive Enterprise Resource Planning solutions."

https://www.finextra.com/newsarticle/32107/cba-microsoft-and-kpmg-team-on-sme-business-management-platform?utm_medium=dailynewsletter&utm_source=2018-5-17&member=93489

Pegasystems introduces AI capabilities to Client Lifecycle Management

Financial Management Solutions

5/16/18

Pegasystems Inc. (NASDAQ: PEGA), the software company empowering customer engagement at the world's leading enterprises, today introduced new artificial intelligence (AI) capabilities in the latest version of Pega® Know Your Customer (KYC) and Pega® Client Lifecycle Management (CLM) applications. For the first time, global banks can use AI unified in their CLM solution to recommend relevant products and services during the customer onboarding process. The software provides banks with complete AI control and transparency, ensuring banks remain in regulatory compliance while driving additional revenue and providing exceptional customer experiences.

Regulations designed to prevent predatory sales practices require banks to ensure all product offers are suitable for each customer. These important standards complicate the use of powerful technologies like AI, which can make decisions that aren't always explainable to regulators. With new enhancements in Pega KYC and Pega CLM, banks can confidently deploy AI during the onboarding process to provide more personalized and differentiated service. Pega's product suitability controls help ensure banks provide the right offer to the right customer with full transparency.

Pega KYC and Pega CLM use proven AI capabilities that analyze customer profile data in real time. Pega CLM leverages these insights to continually personalize the onboarding journey for each new customer with only the most appropriate products and service offers. This means customers receive the best recommendations to drive personalization and customer-centric service while increasing the bank's competitive advantage. Pega lets banks set appropriate thresholds of transparency or opacity in their AI models to reduce risk and comply with regulations while still achieving business goals.

These new AI capabilities are among several new features in the latest versions of Pega KYC and Pega CLM, including:

- Expanded KYC regulatory coverage to over 26,000 rules: Pega continues to update Pega KYC for the latest Anti-Money Laundering (AML) regulations such as FATCA, CRS, Dodd-Frank, EMIR, MiFID, and others. By adding AML regulations from nearly 60 countries, Pega will now provide over 26,000 pre-built due diligence requirements and logic rules from corporate through to consumer. Pega KYC is also the only application that allows for modification of rules with no coding in its automated rules configurator. The application keeps banks ahead of regulatory changes with automatic quarterly updates implemented in just minutes.
- Interactive customer relationship visualization: Pega CLM provides an enhanced interactive map of all key related parties for any given customer, from institutional through

to consumer. Adding or removing related parties for the customer will now dynamically trigger or withdraw the appropriate due diligence activities and cases, ensuring all necessary due diligence is assessed prior to completing the customer journey.

- Auto-triggered customer reviews: Even the smallest change to customer data, such as an updated address or an expiring identification document, must be tracked and evaluated. Pega CLM automatically and seamlessly triggers appropriate customer review journeys, including automated refresh and re-review cases.

Named the top category leader in CLM and KYC applications by leading risk technology analyst firm Chartis, Pega CLM and Pega KYC provide large complex financial institutions with pre-defined industry best practices and out-of-the-box functionality for onboarding and KYC. Pega is the only vendor that provides cross line-of-business (institutional, wealth to consumer) and globally scalable CLM and KYC applications with inherent digital process automation, rules, process, case management, AI, and robotics. These industry-leading applications can be deployed at the world's largest institutions in as little as three months to speed time to revenue with new and existing clients. Pega provides deep in-house industry KYC and customer due diligence (CDD) regulatory and onboarding expertise coupled with best-in-class partnerships and a regulatory rules engine. Pega's global team of experts have deployed onboarding and KYC solutions for more than 10 years at more than 45 global financial institutions.

http://www.risktech-forum.com/news/pegasystems-introduces-ai-capabilities-to-client-lifecycle-management?utm_medium=email&utm_campaign=Newsletter%2020180516%20-%20every%20Wednesday%20in%20May&utm_source=Risk%20Tech%20Forum%20Newslette
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Thomson Reuters enhances World-Check One platform with AI

Financial Management Solutions

5/16/18

Thomson Reuters has enhanced its World-Check One platform with the launch of Media Check, a unique media screening and processing feature powered by artificial intelligence (AI) that helps address the regulatory and reputational consequences of overlooking key data in the fight against financial crime. Media Check's machine learning capability increases efficiency by filtering unstructured content from over 11,000 global print and web sources, giving financial institutions more accurate and relevant data faster.

Thomson Reuters is committed to innovative solutions to assist its customers in the global fight against financial crime, and alleviate the considerable challenges associated with risk screening.

"Institutions need to digest an increasing amount of relevant information to help prevent financial crime. The next-generation AI technology in Media Check lets them navigate this crowded environment to help comply with regulatory and other requirements and avoid the reputational risk of missing critical information that could result in criminal activity," said Phil Cotter, Managing Director, Risk Segment, Thomson Reuters. "Adding a machine learning dimension to our World-Check One platform gives clients an exceptional means to help pinpoint the most relevant media information, thereby maximizing the efficiency of their due-diligence processes."

World-Check One's Media Check has many benefits that include enhanced compliance workflow, and the assurance that only relevant content is presented to compliance professionals. This is achieved through intelligent searching, a unique AML taxonomy informed by 15 years of industry leading World-Check experience, and machine learning algorithms honed by the World-Check research team. The result is a reduction in false positives and improved content navigation leading to better and more informed decision-making. Media Check also provides continuous, up-to-date media and data monitoring.

Since its inception in 2014, World-Check One has been at the forefront of innovation, bringing customers the latest in screening capabilities. In March 2018 the Customer Risk Screener app was introduced, integrating World-Check data into the Salesforce AppExchange. Earlier this year, a Watchlist Screening functionality was launched, enabling users to upload and manage their internal and public third-party lists for screening alongside the World-Check data in one simple workflow. Since 2017, the platform has offered an expanding language review capability beyond English, encompassing Japanese, French, Spanish, Simplified Chinese and Russian.

http://www.risktech-forum.com/news/thomson-reuters-enhances-world-check-one-platform-with-ai?utm_medium=email&utm_campaign=Newsletter%2020180516%20-%20every%20Wednesday%20in%20May&utm_source=Risk%20Tech%20Forum%20Newslette

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ENACOMM and FedFis forge unique partnership to bring financial institutions first-of-its-kind analytics combining behavioral and industry data to guide investments in customer technologies

Financial Management Solutions

5/15/18

Financial institutions will now be able to maximize the power of their customer service technologies and their marketing dollars, thanks to a new partnership between ENACOMM—a FinTech company that empowers banks, credit unions and credit card companies with solutions for improving the customer experience (CX), fighting financial fraud, and increasing operational efficiency—and FedFis, creators of The FinTegration Ecosystem, comprehensive data on the U.S. Banking industry with unique insights and analytics on Financial Technology (FinTech) service providers. ENACOMM and FedFis are joining forces to leverage their extensive data on customer channel interactions and vendor integrations, in order to provide financial institutions with empirical guidance on how to better leverage and target their technology decisions.

“FedFis is the only company with sweeping financial and vendor data on every bank and credit union across the U.S., and no other company collects in-depth data on customer service channels usage by bank customers and credit union members like ENACOMM,” explained ENACOMM CEO Michael Boukadakis. “Knowing what one’s customers are doing across interaction channels and what one’s peers are spending across interaction channels, and then being able to evaluate these metrics relative to each other, is an extraordinary opportunity for financial institutions.”

Boukadakis added, “Not only can we provide metrics to a bank or credit union that reveal what its mobile banking application adoption is, for instance, compared to its other customer interaction channels, we can also shed light on how its technology spend for that mobile banking app compares to its industry peer group, as well as which vendors and products its peer group is using most often. This information enables a financial institution to determine whether it’s spending too little or too much on each customer service technology channel.”

ENACOMM tracks customer interactions in the online banking, mobile banking, IVR, and conversational banking (via digital assistants, such as the Amazon Alexa or Google Home) channels. Beyond tallying transactions that take place in each channel, ENACOMM reports in real-time who is conducting the transactions—by group, anonymized—and which specific actions they are taking during each interaction.

Offering a holistic view of the financial services industry, FedFis positions the engagement data ENACOMM provides into measurable context. The partnership allows U.S. banks and credit unions of all sizes to drill down and compare feature-to-feature customer service technology spend with other financial institutions in their peer group for the first time.

“The science of big data continues to evolve, which fuels the growth of its benefits,” commented Tanner Mayo, President of FedFis. “We immediately recognized the significance of what ENACOMM is doing for its bank and credit union customers and are excited to team up in order to extend the value of our full-picture industry analytics. Only through this partnership can financial institutions sit in the cockpit and determine, with accurate instruments, what level of spend on each technology channel maximizes ROI and customer satisfaction. It’s a true competitive advantage.”

<http://www.globenewswire.com/news-release/2018/05/15/1502681/0/en/ENACOMM-and-FedFis-Forge-Unique-Partnership-to-Bring-Financial-Institutions-First-of-its-Kind-Analytics-Combining-Behavioral-and-Industry-Data-to-Guide-Investments-in-Customer-Tech.html>

Research reveals 87% of technology professionals believe “blockchain will be as transformative for business as the internet has been”

Financial Management Solutions

5/11/18

New research from Intrinsic Insights commissioned by BTL Group, has revealed that after reduced costs, the main benefits of blockchain technology are greater data security and protection against cyber threats.

The research also revealed:

- Privacy of data is the highest priority amongst people in IT at the moment
- Two thirds of respondents have trialed or are using blockchain technology
- Nearly half of respondents who have not worked with blockchain tech yet will do so in next 2 years

Nearly 9 in 10 technology professionals believe blockchain technology will be as transformative for business as the internet has been. At a time that concerns over data are at their highest, blockchain technology is considered a very adept way to provide greater privacy.

Dominic McCann, CEO of BTL Group said: “In a world of increasing concerns over the security and integrity of our data, individuals and businesses are realising the inherent benefits that applications built on blockchain technology can provide when keeping people’s data private. This research also illustrates just how many businesses are looking at using blockchain and of those that are yet to explore it, there is a significant proportion looking to do so in the next two years.”

After two years of high profile and successful blockchain projects, learning how blockchain can be developed better, BTL Group will be test launching Interbit’s multiple blockchain platform – a next-generation platform that has unique “chain joining” capability specifically created so that developers and businesses can quickly, easily and securely build applications.

Tackling these issues head-on, after two years of development and investment, Interbit’s unique “chain joining capability” has the capacity to inter-connect many thousands of Interbit blockchains per solution, in completely private, secure and horizontally scalable manner, addressing the shortcomings of.

A token-free blockchain platform, Interbit has been developed for ease of use. Whether users be a global enterprise, business innovator or software developer, the platform has been written in JavaScript to produce a level of simplicity that is efficient for users and requires no need to learn new programming languages or tools.

Tom Thompson, CTO of BTL Group Ltd. said: “After two years of successfully completed high profile proof of concepts, significant investment and committed development, we are ready to release our Interbit platform for testing and feedback. What we have built is a next generation blockchain platform that allows users to benefit from our chain joining capability by easily and quickly building fast, scalable and secure blockchain applications. Developers can be up and running on an Interbit blockchain within minutes.”

BTL are the perfect example of a tech success story, with the knowledge and experience on how blockchain can be used to better address the privacy of data issue that is so topical at the moment.

https://thefintechtimes.com/research-reveals-87-of-technology-professionals-believe-blockchain-will-be-as-transformative-for-business-as-the-internet-has-been/?mc_cid=38234a163c&mc_eid=6bfd7c95b6



INSURANCE

The data age of insurance is here: USAA analytics leader

Insurance

5/17/18

The insurance industry is entering the “data age,” a time where carriers must compete on insights obtained from consumer information, not just the convenience of services provided through digital apps, according to Patrick Kelly, AVP of emerging technologies at USAA.

In this era, virtual assistants, augmented reality, autonomous vehicles, machine learning and the pending 5G mobile network reign supreme, Kelly told a room of industry peers during his day three keynote address at Digital Insurance’s Dig | In the Digital Future of Insurance conference in Austin, Texas. The previous “connected age” commenced after Apple’s launch of the iPhone in 2007 and was defined by offering online interactions on the insurers’ terms. Now, carriers can leverage advanced data and analytics to provide customers an experience that they seek.

“Data is our coal—the raw material we use to create the products customers demand from us,” Kelly explained. “Features on a mobile app or website are not our competitive advantage anymore.”

The influx of data available today also requires insurers to engage with customers where they are to provide aforementioned insights. The sleeper technology in the data age—5G—will make this faster than ever before, Kelly noted. 5G is rumored to be 250 times faster than its predecessor, 4G, with an average download speed of 1.2 gigabytes per second.

“You can download the new ‘Avengers’ movie in two seconds,” he joked. “And also transmit data from drones or connected cars at speeds never seen before.”

Emerging technologies will prove critical in future engagement with policyholders, Kelly continued. Being able to communicate with policyholders through virtual assistants or by embedding new products into the apps they use most frequently will allow carriers to interact with customers on their terms, and in their language.

This strategy removes friction in engagement at a time where policy discounts are not enough to receive millennials’ permission to use their data, Kelly says. Rather than of providing usage-based insurance or smart-home discounts in return for behavioral data, a better use case for sensor technologies is alerting insurers when their tires need replacing or a water heater is about to result in a very costly claim, he suggests.

On the virtual reality front, carriers can use 360 degree cameras in the field to transmit video back to call centers, resulting in agents getting a better understanding of what customers are facing. Augmented reality could also prove pivotal in training claims adjusters.

“Training adjusters with cheap \$200 headsets is much faster than flying them in, housing and training them in a classroom before sending them into the wild,” he concluded. “Evolution never stops. It’s not the smartest or the strongest that will survive. It’s the one that best adapts to change.”

<https://www.dig-in.com/news/the-data-age-of-insurance-is-here-usaa-analytics-leader>

Lemonade launches an open source insurance policy that anyone can edit

Insurance

5/16/18

Lemonade, an AI-powered insurance company, has launched what it calls the world's first open-sourced insurance policy.

According to a news release, the policy is open to editing from the 'wisdom of the crowd', turning the traditional way of crafting an insurance policy on its head. Because the policy is open source, it's not copyrighted, which means the community can edit it on Github and all of Lemonade's competitors have access to it, too. The policy is also written in English and is intended for US renters, but the company plans to expand it to cover other lines, languages, and legal jurisdictions.

The insurance industry should expect nothing less from a company that's made disruption its mission.

"When we set out to create an unconflicted insurance company, we had to rethink the very business model of insurance," commented Daniel Schreiber, Lemonade's CEO and co-founder. "Today, we're taking a run at its foundational document: the policy itself. Policy 2.0 reflects our determination to drag insurance into the 21st century, kicking and screaming if needs be."

The goal is to make insurance "simple, fair, and approachable to everyone," said Shai Winger, Chief Lemonade Maker and co-founder in a release, adding, "As avid open source evangelists, we believe that bringing consumers and professionals together in an effort to co-create an insurance policy, will result in a better and fairer insurance product for the 21st century."

Lemonade's also been active lately on other fronts, raising \$120 million in Series C funding, which was led by Japanese telecom corporation SoftBank Group, the aim of which is to take the company global.

<https://www.insurancebusinessmag.com/us/news/breaking-news/lemonade-launches-an-open-source-insurance-policy-that-anyone-can-edit-100774.aspx>

Next up for Investnet: Insurance

Insurance

5/16/18

The technology and platform giant will begin offering insurance products on its platform later this year, Investnet President Bill Crager said at the company's annual conference.

"We're going to fully integrate insurance into the life cycle of advice on the Investnet platform," Crager said, while addressing the conference's opening general session.

Annuities from various insurance companies will be on the platform, Crager said, but he didn't provide more details. Instead, he and Investnet CEO Jud Bergman spent most of their opening presentations describing the company's vision of enabling advisors to help clients achieve "financial wellness" as a key strategic goal.

Envision will aggregate data within Investnet and Open ENV APIs, says Investnet CEO Jud Bergman.

Investnet sees planning, budgeting, investing, managing credit and protection through insurance as the cornerstones of financial wellness, Bergman said. "We want to continue to find ways to expand what advice means," he stressed.

Getting into insurance is "a great move for Investnet," says consultant Craig Iskowicz, principal of the Ezra Group. "This sets them apart from their platform competitors. Insurance is something no one else has. It's one less reason for an advisor to get off the Investnet platform."

Investnet's primary market will be insurance broker-dealers, Iskowicz says. While most RIAs don't offer insurance, having the products on Investnet's platform will make it easier if they choose to do so, he adds.

Bergman also unveiled Investnet Envision, a new enterprise data-management product that combines data aggregation, machine learning, and performance reporting and advanced analytics.

Envision will aggregate data within Investnet and Open ENV APIs, Bergman said. Advisors will be able to gather data from various systems, import market and competitor data into internal reports, and adapt conventional systems such as books and records data, he added.

Investnet will also focus more on predictive analytics in the coming year, Crager said.

For example, data and "forensic analytics" will allow advisors to see what types of funds and product assets are flowing in now and in the future, Crager said. Predictive analytics can also be

used to let advisors know what issues their clients can expect to face and will want to talk about — and can also predict which clients are most likely to leave.

Technology rollouts notwithstanding, Crager told advisors that emotion and storytelling were key to an advisors' success.

"The human mind is hard-wired to hear stories," he said, "The human element is what will help drive better outcomes."

Craig described what he called "the life cycle of advice" as aggregating data, having a goals-based plan, making recommendations and overseeing and monitoring the ways to achieve the plan.

Artificial intelligence and better data will continue to improve, he said, but advisors will remain essential to "helping clients navigate the path to reach their financial goals," Craig says.

<https://www.financial-planning.com/news/envestnet-to-offer-insurance-on-its-platform>

MGA boost insurance secures reinsurance facility to back its insurtech development platform

Insurance

5/16/18

Boost Insurance has nailed down a dedicated reinsurance facility to help support its B2B InsurTech development platform.

Nephila is leading the facility with participation from Markel Digital, the InsurTech group within Markel Corp., and RenaissanceRe Holdings, Ltd.

New York-based Boost is an MGA appointed by State National that provides infrastructure to InsurTechs. Founder and CEO Alex Maffeo, via email, explained that the company develops bespoke insurance products for their programs on State National paper, and the InsurTech then sells them and handles the customer directly.

In other words, Boost handles InsurTechs' back-end functions such as policy administration, claims and reporting through a proprietary API-driven technology system.

“Our top priorities are 1., Making it easier for InsurTechs to prove their concepts, and 2., giving our carrier and capital partners early access to these startups so they can create better offerings for their customers,” Maffeo said. “It’s a highly collaborative effort.”

In the release announcing the reinsurance facility, Maffeo explained that the arrangement “makes us a truly one-stop shop for InsurTech startups looking to bring their ideas from concept into reality.”

Boost’s management team includes venture capital, insurance and technology professionals who help identify, vet and support InsurTech startups.

Boost said it will announce its first InsurTech partners in the weeks ahead.

<https://www.carriermanagement.com/news/2018/05/16/179375.htm>



PAYMENTS

OFX introduces global currency account

Payments

5/18/18

OFX Foreign currency exchange company OFX (ASX: OFX) today introduced the new OFX Global Currency Account designed to simplify cash flow management for online sellers trading on international marketplaces. With the Global Currency Account, eCommerce merchants can manage multiple currencies - in Euros, British Pounds, US Dollars, Hong Kong Dollars, Australian Dollars and Canadian Dollars - all in one convenient place, saving money on exchange rates, and, freeing up time.

“The world is moving to new ways of making money that require new ways of moving money, securely and easily. We are excited to be a part of creating efficiencies in the global economy for our eCommerce customers. And we are just getting started”

With the incredible growth of online marketplaces¹ more and more eCommerce merchants are using digital to expand and access global markets. Historically, it has been difficult to obtain a local bank account without being physically present in a country, making it challenging to do business in another currency. Borderless business solutions are on the rise and OFX is at the forefront of empowering eCommerce merchants to be fully globally active with a true multi-currency account.

David Nicholls, Director of Enterprise Development at OFX commented: “OFX has been committed to growing eCommerce business for online sellers with local currency accounts. We asked our customers what would help them better manage their global revenue and, based on their feedback, responded with a product that efficiently manages every account, balance and transfer from multiple marketplaces, in multiple currencies, simply and easily.”

Global Currency Account users can also hold balances and make secure payments to their global suppliers and even pay taxes, directly from the account. To keep track of each marketplace, users can nickname accounts to correspond to the marketplace where their proceeds originate from. For additional flexibility, sellers can provide instructions to have account balances automatically paid to their domestic bank account when they prefer. The Global Currency Account is meant to give online sellers advantages usually reserved for much larger global businesses.

“The world is moving to new ways of making money that require new ways of moving money, securely and easily. We are excited to be a part of creating efficiencies in the global economy for our eCommerce customers. And we are just getting started,” said Skander Malcolm, CEO and Managing Director of OFX.

<https://www.finextra.com/pressarticle/73954/ofx-introduces-global-currency-account/wholesale>

Nuggets payments and ID privacy platform moves into alpha

Payments

5/17/18

Nuggets, the award-winning e-commerce payments and ID platform, has opened up its mobile app Alpha to iOS users. Nuggets uses blockchain technology to enable consumers to make e-commerce payments, log in to services, and verify their identities without having to share or store their personal data with anyone, not even Nuggets. Already, the company has had thousands of applications from consumers wanting access to the Alpha.

In the wake of the scandal surrounding Facebook and Cambridge Analytica, consumers are becoming far more concerned about protecting their identities online, and regaining control over their data.

“Using blockchain technology, we’ve developed a platform that will revolutionise the way we store personal data and make transactions online,” said Alastair Johnson, CEO and co-founder of Nuggets.

“Nuggets is all about giving consumers the chance to take back control of their data. Our Alpha offers the chance to become one of the very first people to do so.”

Nuggets is giving access to the Alpha in limited batches to users who joined a whitelist, to enable initial testing. Users will be able to download the Alpha, test the onboarding process, experiment with the login feature and offer feedback.

The app is just one expression of the platform’s potential. And this Alpha release is one of several imminent milestones for Nuggets. The company is releasing an Android Alpha in the coming weeks, and will be integrating the payment function within months.

“We’re really looking forward to gathering feedback on the Alpha, and using that to show businesses how they can win back consumer confidence after the numerous data breach scandals of the past year,” said Johnson.

Retailers and e-commerce providers looking to offer greater protection for their customers’ data can easily integrate Nuggets’ technology with legacy systems - opening up the potential for Nuggets to quickly become a popular form of payment and identity verification online.

https://www.finextra.com/pressarticle/73935/nuggets-payments-and-id-privacy-platform-moves-into-alpha?utm_medium=dailynewsletter&utm_source=2018-5-18&member=93489

Is tokenization the answer to RTP fraud?

Payments

5/16/18

The introduction of real-time payments increases risk for financial institutions, as they now have seconds instead of days to identify fraudulent transactions. Earlier this week, Rambus announced the launch of its Payment Account Tokenization solution to secure account-based transactions, such as automated clearing house (ACH) and real-time payments. The solution will enable central banks and clearing houses to replace sensitive account numbers with unique tokens and reduce the impact of fraud for transactions including direct credit, direct debit and person-to-person (P2P) payments.

“Real-time” payments come at the price of not being able to do slower legacy risk and fraud management checks, particularly any manual checks often triggered by large batch processes which many ACH systems heavily relied on when there was a business day or more to investigate before the transaction cycle completed”, a spokesperson from Rambus told PaymentEye. “Instead these systems need fast and secure automated checks, such as token domain controls, to provide an alternative level of assurance.”

Payment Account Tokenization secures card payments by replacing the valuable account credentials with a cryptographic token. This process significantly reduces the risk and impact of account-based fraud as the foundation of a safe and secure instant payments framework. When implemented by a centralized body, like a central bank, Payment Account Tokenization reduces fraud and enables key use cases like P2P, direct credit, and push payments in real-time.

By removing account numbers from the transaction process completely, tokenization can significantly reduce the risk and impact of account-based fraud and create secure real-time payments frameworks.

“In card payments, tokenization has already proven its effectiveness for securing (card) account data at rest, such as eCommerce card on file, and context specific (token domain controls), as used in Mobile Payments, including insuring the integrity of the underlying credential if a data breach exposes any token – only that one specific payment relationship is impacted, and only that one token needs to be replaced.”

“For (bank) account payments, with account numbers to protect on both sides, and the opportunity for both push (direct credit) and pull (direct debit) transactions, the same security properties from tokenization can be used to provide protection of the underlying account credential, and automated (token validity and domain) checks to protect both parties accounts during any transaction.”

<http://www.paymenteye.com/2018/05/16/is-tokenization-the-answer-to-rtp-fraud/>

123FormBuilder launches new app for a major e-commerce platform

Payments

5/16/18

123FormBuilder is proud to announce the launch of a new, dedicated form-building app designed for all Shopify users. The new release will help e-commerce users simplify their customer interactions and payment collection on their online stores with access to powerful online forms.

With this new integration, the team behind 123FormBuilder provides Shopify store owners with online forms that make customer interactions and payment collection easy to track and manage. The 123FormBuilder app collects all form submissions in one place and lets store owners view each one individually inside their 123FormBuilder account. The platform offers over 200 free form templates that users can choose from to get started quickly. Users can also create their own forms from scratch by using the intuitive drag-and-drop editor to choose from a large variety of fields and question types.

“Given all the positive feedback about our payment collection forms that we received from our users with online stores, building a dedicated app for the online store ecosystem on Shopify became a clear goal. We aim to provide an easy way for store owners to handle orders and payment collection through 123FormBuilder, as well as collect data for other purposes, such as lead generation and customer feedback,” said Tudor Bastea, Chief Technology Officer at 123FormBuilder.

Orders and payments are the bread and butter of any online store, and 123FormBuilder provides a simple solution that makes both processes smooth for both the customer and the seller. With support for leading payment processors such as PayPal, Stripe, Square and others, Shopify store owners can focus on selling their products and don't need to worry about money being sent into their accounts.

<https://www.realwire.com/releases/123FormBuilder-Launches-New-App-for-a-Major-e-Commerce-Platform>

Goldman Sachs just launched a new cryptocurrency

Payments

5/16/18

Soon, you may be able to use cryptocurrency to pay for anything from your morning coffee to happy hour drinks (or, you know, maybe some things that aren't a beverage). And you could do it as easily as you use your credit card or Venmo today. Circle, a payment startup owned by Goldman Sachs, announced yesterday that it's launching a new cryptocurrency called the Circle USD Coin. The new currency is basically a digital version of the dollar that you'll be able to purchase by trading in, you know, real money.

The USD Coin is the first cryptocurrency released by a major financial institution. While this sort of goes against the whole point of decentralized and distributed cryptocurrencies like bitcoin, Goldman Sachs and Circle hope to bring some stability to the cryptocurrency market, which has crashed and rebounded an exhausting number of times this year alone.

Circle doesn't want its USD Coin to be subject to the instability and inflation inherent to other unregulated cryptocurrencies, so it will tie the value of a coin to that of a US dollar, according to CNBC. Again, this pretty much goes against the whole point of cryptocurrencies, which were originally designed to present a transparent financial market free of regulation from federal government and the influence of big banks. And though it has seemed increasingly likely that regulation and corporate influence will play a bigger role in the space, some, including Silicon Valley investor Sam Altman, staunchly believe that any USD-based cryptocurrency must remain under distributed control.

While other cryptocurrencies can be mined when users lend a part of their computer's processing power to help maintain the updated ledger of all transactions, it seems like the only way to acquire new USD Coin — which will operate on the Ethereum platform for the foreseeable future — is to purchase them. So your extensive rig won't help you get more USD Coin — looks like you'll just have to buy it. With USD.

Since you need to give Circle one (1) dollar every time you would like one (1) dollarcoin please, it seems like the currency will serve more as an open-source Venmo, where you can pay for things with a digital cryptocurrency instead of paying with a debit or credit card. Given Goldman Sachs' recent investments in the crypto realm and announcement that the firm would trade Bitcoin on behalf of investors, it makes sense that the financial giant is trying to control the market as best it can.

So for now, the USD Coin doesn't seem to have any practical purpose beyond introducing a stable and maybe accessible cryptocurrency. For the foreseeable future, a dollar in your hand is about the same as a dollar on the USD Coin blockchain.

<https://futurism.com/goldman-sachs-launched-new-cryptocurrency/>

CardFlight and Paya team for EMV-ready mPOS solutions

Payments

5/16/18

Mobile POS and Software-as-a-Service (SaaS) payment solutions provider CardFlight has partnered with paytech firm Paya, reports David Penn at Finovate. The agreement will enable Paya to offer CardFlight's SwipeSimple payment acceptance solutions to its merchants.

Paya president Greg Cohen calls SwipeSimple a "perfect fit" for its own payment services. Paya has more than 100,000 clients who rely on the Reston, Virginia-based company's adaptive solutions and two decades of experience in payments technology.

SwipeSimple enables merchant service providers, financial institutions and independent sales organisations to offer their business customers a turnkey, EMV-ready mPOS solution. With CardFlight's platform, Paya's small business customers will get access to Bluetooth Low Energy or audio jack EMV Quick Chip, NFC contactless-enabled card readers; mobile and web apps to accept payments in-store or remotely; a back office merchant portal for business management and reporting; and a virtual terminal to enable merchants to accept CNP transactions using any device.

Founded in 2013 and headquartered in New York City, CardFlight claims 15 of the top 50 merchant acquirers in the US among its partners and over 40,000 SMEs as end user customers. This spring, the company introduced countertop payment terminals for small businesses, and announced that more than 80% of its SwipeSimple merchants had been upgraded to EMV quick chip payment acceptance.

CardFlight has raised \$6.6 million in funding and includes MATH Venture Partners and ff Venture Capital among its investors.

<https://www.bankingtech.com/2018/05/cardflight-and-paya-team-for-emv-ready-mpos-solutions/>

Chase Pay Buy Button comes To BigCommerce

Payments

5/16/18

Chase has announced that small and mid-sized retailers who sell on the eCommerce platform BigCommerce will soon be able to accept Chase Pay on their online stores.

In addition, BigCommerce will enable immediate merchant onboarding with WePay, a Chase company.

The additions, expected to happen this summer, will enable faster checkout for 61 million Chase Visa credit and debit cardholders.

“We are working together to make great digital storefronts even stronger by streamlining the checkout and payments experience and making payment options more accessible to our customers,” said Rob Cameron, president of partnerships for merchant services at Chase.

Retailers working with BigCommerce are able to customize their sites, manage shipping and payments, and list products on Amazon, eBay and Facebook. Through the addition of Chase Pay as a checkout option, merchants can use their own loyalty programs, while eligible customers can also redeem Chase Ultimate Rewards.

“Checkout optimization represents one of the single biggest challenges that online retailers continue to face. One way that BigCommerce is driving superior conversion rates is by giving merchants and their consumers access to the industry’s most trusted payments technologies,” said Russell Klein, chief development officer at BigCommerce. “Not only does WePay simplify and speed up the checkout process on merchant sites, but as part of the Chase family, it gives consumers more confidence in their online purchase decisions.”

Last month, BigCommerce revealed that it had closed a \$64 million round of funding led by Goldman Sachs, with participation from current investors General Catalyst, GGV Capital and Tenaya Capital. With the new funding, BigCommerce said it has now raised over \$200 million.

“Our mission is to help every business selling online maximize success through the benefits of SaaS,” said Brent Bellm, CEO of BigCommerce. “eCommerce is constantly evolving, and brands need technologies that allow them to stay current and competitive. With this funding, we will continue investing aggressively in our platform, technology and team to serve customers’ needs at every phase of their growth.”

<https://www.pymnts.com/news/mobile-payments/2018/chase-pay-buy-button-comes-to-bigcommerce/>

Plate IQ announces integration with Square for restaurants

Payments

5/15/18

Plate IQ, a technology company that helps restaurants improve and automate their Accounts Payable (AP) processes, today announced its integration with Square for Restaurants, the new fully integrated point of sale (POS) solution from Square, Inc. (NYSE:SQ) tailor-made to match the pace, complexity, and needs of today's restaurants. Beginning immediately, Plate IQ's Daily Sales software allows restaurants to automatically input guest payment data from Square for Restaurants into many existing accounting software platforms and create valuable summaries of daily transactions, alleviating the typical manual-entry demands placed on general managers.

Specifically, the integration allows restaurant operators to:

- Automatically attribute daily sales to the correct general ledger account for more accurate and detailed bookkeeping.
- Review revenue from multiple locations on a single screen, without having to rely on general managers to input data.
- Fully integrate sales data with Plate IQ's full suite of software, including its AP automation features, to access real-time sales and purchase reporting that empowers restaurateurs to estimate their cost of goods sold

"As every operator knows, too many processes in the restaurant industry still rely on paper, pencil and manual data entry. In addition to creating room for error, these outdated practices place burden on already busy managers," said Bhavuk Kaul, co-founder and CEO of Plate IQ. "Plate IQ's integration with Square for Restaurants gives owners and operators access to last night's sales accurately accounted for, automatically, by morning."

Plate IQ solutions are specifically designed to help restaurants optimize their operations, unlock actionable expense data and reduce costs. Plate IQ Daily Sales integrates with existing accounting software including QuickBooks™ Online, Sage Intacct® and Xero™, and the company plans to announce integrations with other third-party accounting platforms soon.

Square for Restaurants is a cloud-based POS system that handles everything from menu updates, floor layouts, employee scheduling and performance tracking to tip-splitting, enabling complete front- and back-of-house management. Square for Restaurants works seamlessly with the rest of the company's ecosystem, including its Caviar ordering and delivery service.

Plate IQ will display its full suite of solutions including its integration with Square at the National Restaurant Association Show at McCormick Place in Chicago, June 19-22, in booth #6379.

<https://globenewswire.com/news-release/2018/05/15/1502683/0/en/Plate-IQ-Announces-Integration-with-Square-for-Restaurants.html>

McDonald's selects Ingenico as long-term payments provider

Payments

5/15/18

McDonald's, along with its franchisees, in the UK and Ireland has selected Ingenico Group, the global leader in seamless payment, to handle the growth in demand for cashless transactions for the next five years. McDonald's cites capacity, reliability, performance and security as the drivers for its Next Generation Cashless Solution.

In the UK, electronic payments have overtaken cash in many places. With the sharp uptake of contactless technology - now more than 1 in 3 transactions according to UK finance - this shows no signs of slowing down.

McDonald's has enjoyed considerable growth with around 3.7million visits every day to its restaurants. Lovers of the Golden Arches can now pay for their fast food favourites in a variety of ways that are convenient to them; via the McDonald's Click and Collect app, through in-restaurant self-service order screens or when using a Drive Thru.

Ingenico has worked closely with McDonald's and its franchisees, who make up over 80% of the estate, to deliver the technology to cope with the forecasted growth of cashless payments, as well as new payment technologies such as Apple Pay and Google Pay. The solution has been successfully deployed to all McDonald's restaurants across the UK and Ireland.

Jon Braithwaite, Director of IT, McDonald's Restaurants Limited, said: "We believe that this payment solution is one of the most advanced in the retail sector and is a critical component to delivering excellent experience for our customers. Leveraging Ingenico's experience of implementing complex payment programmes, our teams have been able to deliver the new service ahead of schedule, on budget and with the outstanding performance level we expected. Ingenico's payment security expertise, scale and commitment to innovation give us the confidence that we have the right partner to support our needs now and into the future."

Ian Benn, Senior Vice President, Commercial, Enterprise Retail, Ingenico Group, added: "Throughout its history, McDonald's has been a leader in customer service innovation. Ingenico is very proud to be able to play a part in that story, speeding up service, adding new payment options and staying ahead of the pace".

https://www.finextra.com/pressarticle/73876/mcdonalds-selects-ingenico-as-long-term-payments-provider?utm_medium=dailynewsletter&utm_source=2018-5-16&member=93489

Alipay partners with The Bicester Village Shopping Collection

Payments

5/15/18

Chinese tourists can now use the Alipay mobile wallet app to make purchases in almost 160 boutiques from high-profile brands across all nine destinations in The Bicester Village Shopping Collection in Europe, thanks to a partnership between Alipay and The Bicester Village Shopping Collection.

The cashless mobile payment will be accepted in 300 boutiques by June.

Alipay's mobile wallet utilises geo-location technology and push notifications, allowing guests to find their favourite boutiques, discover tailored promotions and seek assistance with purchase decisions. It also allows Alipay users to receive preferential foreign exchange rates.

The partnership caters to the growing number of Chinese tourists visiting Europe every year. Recent figures from Visit Britain show that more than 250,000 Chinese tourists visited the UK in 2016, spending more than £500 million*, while French Tourism Bureau Atout France reports that almost two million Chinese tourists visited the country in 2017.

“Alipay is building a platform that enables Chinese consumers to seamlessly travel internationally, and our marketing partnership with The Bicester Village Shopping Collection is a huge step towards providing a holistic retail experience across Europe. Chinese visitors will be able to use their Alipay wallet app for their entire experience at the Villages, right through from their travel to shopping and dining on-site,” said Pamela Hsieh, Head of Marketing, EMEA at Alipay.

“The marketing partnership will also empower the retailers found at each of the Villages within The Bicester Village Shopping Collection, who will find it easier to engage with the growing number of high-spending Chinese tourists visiting Europe, by offering them the retail and payment experience they are used to at home,” Pamela Hsieh continued.

“We are continuously looking for new ways to deliver an outstanding guest experience across The Bicester Village Shopping Collection,” said Marcelo Molinari, Global Tourism Director. “We know that an increasing number of our Chinese guests prefer to use their smartphones to make payments and facilitate their shopping experience, which is why we are delighted to be partnering with Alipay and embracing the future of retail.”

Alipay is available for Ecommerce payments and at bricks-and-mortar shops in 18 European countries, while its tax-refund service is supported at airports in 23 European countries.

<http://www.paymenteye.com/2018/05/15/alipay-partners-with-the-bicester-village-shopping-collection>

Cashplus launches international payments service to help put Britain's SMEs on the world stage

Payments

5/14/18

Cashplus is on a mission to bring fairer, more transparent outbound international payments services to its fast-growing number of SME customers, as it seeks to level the playing field for small businesses wanting a fairer deal from financial services providers.

The company, Britain's original challenger to banks, has teamed up with Currencycloud, one of the best established global payments operators on the market to launch direct, secure, international payments to business customers later this summer.

The new service, which will also be available to Cashplus personal account customers, is especially designed to help SMEs do better business abroad by getting a fairer, more transparent deal on the international payments they make each year and will be available online and via mobile app later this summer. By integrating with Currencycloud, Cashplus give its clients the ability to access live foreign exchange rates, and convert into 35 currencies, simply and securely.

It is the latest addition to a range of 'Now generation' banking services and specialised lending products offered by the company.

Says CEO Rich Wagner, "The Government talks about making exporting great but as uncertainty abounds regarding Brexit, we saw a need to level the playing field for British SMEs to make slick transactions with overseas operators. These small companies make £163bn of international payments each year (Accourt 2016), often navigating less competitive rates and hidden charges in the process. As one of the best-established disruptors in our sector, we've partnered with Currencycloud to develop this new product as we see their network and technological expertise as on a par with our own and able to deliver a smooth experience to our thousands of customers seeking to move from kitchen table to world stage."

Mike Laven, CEO at Currencycloud, said: "Cashplus has an impressive reputation and a solid long-term strategy that makes it a force to be reckoned with in the competitive banking market. We believe that making international payments should be fast and easy. Partnering with Cashplus to deliver the newest international payment service in its Now generation portfolio means taking the friction out of cross-border payment processes for small and medium businesses, giving them the ability to truly compete on a global scale."

<https://www.prnewswire.com/news-releases/cashplus-launches-international-payments-service-to-help-put-britains-smes-on-the-world-stage-682631711.html>

Paysend launches Global Account with smart card and cryptocurrency functionality

Payments

5/11/18

Payments disrupter Paysend opened pre-registration for its new platform this week, with a headline feature of a new smart card allowing customers to select and spend from any currency. Customers can manage their fiat and crypto currencies as part of the new Global Account, from the convenience of one e-wallet, and will avoid international transaction charges.

Presenting the solution at Finovate in Silicon Valley Ronald Millar, CEO of Paysend, said: “Digital currencies and the blockchain technology will become an established part of everyday life over the coming years and Paysend is seeking to make them available to as many members of the public as possible, and as easy to use as traditional currencies.”

The new Global Account will allow users to pay with multiple fiat currencies, and initially with Bitcoin, with more crypto currencies to be added over time too. The smart card - a payment card - attached to the account is both a physical and virtual card, enabling whatever currencies are in the account to be spent online or at retail outlets.

Ronald added: “Be it a card, a bank account or a crypto wallet, customers are looking for a universal solution to pay and move their funds in a secure and simple way. If you want to pay for your latte with pounds, dollars or bitcoin you should be able to do so – and we take care of the complex financial processing seamlessly in the background.”

A key feature of the new Global Account is the ability to instantly switch between currencies to choose which will be spent when the smart card is used. This allows consumers to avoid huge currency exchange rates. Secure online purchases are built in to the account by the smart card acting as a virtual card. Transfers between Global Account holders are free of charge and the customers can also withdraw cash at millions of ATMs with the smart card.

https://www.finextra.com/pressarticle/73852/paysend-launches-global-account-with-smart-card-and-cryptocurrency-functionality?utm_medium=dailynewsletter&utm_source=2018-5-14&member=93489



SECURITIES

SmartTrade adds cryptocurrencies to trading platform

Securities

5/17/18

smartTrade Technologies, a multi-asset electronic trading solutions pioneer, announces today the addition of Cryptocurrencies to its award-winning FX Trading Platform, LiquidityFX (LFX). The Cryptocurrency market is growing fast, and a large percentage of the current trading volumes is concentrated on the top ten cryptocurrencies, which accounts for about 70% of daily turnover. It is also highly decentralized and finding the best price is, at best, opaque and challenging when trading.

smartTrade overcomes these challenges with its Cryptocurrencies offering. LiquidityFX (LFX) platform includes connectivity to the major cryptocurrency exchanges and clients can leverage the sophisticated LFX aggregation system to obtain a normalized view of the cryptocurrency liquidity, to place orders and manage algorithms with Smart Order Routing (SOR) logic in a transparent manner.

All other existing LFX functionalities such as pricing engines, price distribution, auto-pricing and auto-hedging, order management, hosting and colocation as well as analytics and TCA, are available for cryptocurrencies, making LFX a feature-rich solution for this growing market.

For the past 19 years, smartTrade has successfully been the technology partner of several financial services institutions and has disrupted the market with a transparent and cost-effective business model while not charging any volume-based commissions and has no ambitions to provide brokerage services, dark pools or any other exchange-like services for cryptocurrencies.

“Where inquiries and discussions in 2017 were mainly related to Bitcoin, we now start to see an increasing interest from institutions to be able to trade multiple cryptocurrencies,” commented David VINCENT, CEO of smartTrade Technologies “Therefore, we decided to explore and invest in connectivity to various Crypto Exchanges, providing our customers with electronic trading access to hundreds of different cryptocurrencies,” he added.

https://www.finextra.com/pressarticle/73909/smarttrade-adds-cryptocurrencies-to-trading-platform?utm_medium=dailynewsletter&utm_source=2018-5-18&member=93489

Fidelity creates virtual reality chatbot

Securities

5/16/18

Fidelity Investments has created a virtual reality financial advisor to answer client queries using a suite of tools from Amazon Web Services. The VR advisor, dubbed Cora, was developed as a proof of concept with Amazon Sumerian, the new service for building and running virtual reality, augmented reality, and 3D applications from Amazon Web Services.

Fidelity Labs, the innovation arm of the investment firm which created Cora, believes the combination of virtual reality for exploring investment goals and a voice-commanded bot, makes for an alluring combination.

States the firm: "This proof of concept is a prototype. But imagine what experiences like this could mean for how you interact with your finances in the future?"

"Virtual reality can help you imagine your savings goals... Add in a virtual coach who can answer your questions and give you the information you need to make decisions without 'data overload'."

This is not Fidelity's first step into the VR domain. In 2014 the company created StockCity for Oculus, combining virtual reality with data visualisation to transform an investor's stock portfolio into a city where building size indicates volume and price data. More recently, Fidelity applied the technology to assess the impact of elements such as age, tenure and asset allocation on its workforce.

More recently it has developed an 'empathy training' programme for employees which transport staff into the homes of fictional customers so that they can see the impact of their responses to queries both during and after a simulated telephone call.

https://www.finextra.com/newsarticle/32113/fidelity-creates-virtual-reality-chatbot?utm_medium=dailynewsletter&utm_source=2018-5-17&member=93489

Morgan Stanley to offer market insights on Alexa devices

Securities

5/16/18

Morgan Stanley is to offer voice-powered market insights and investment ideas available to clients using all Alexa-enabled devices. Listeners will be able to tune in to timely insights drawn from Morgan Stanley's Equity and Fixed Income Research as well as podcasts and other original content.

Users will have access to flash briefings on emerging trends and market developments alongside original content such as 'Get to Know Morgan Stanley', an audio clip describing the bank's culture and what it's like to work with Morgan Stanley and 'Jargon Buster', a jeopardy-style financial term game.

“This new channel will allow us to easily and quickly share valuable Morgan Stanley insights,” says Mike Wilson, chief US equity strategist and chief investment officer for Institutional Securities and Wealth Management. “Incorporating our latest thought leadership into voice assistants is part of how we are adapting to client needs and integrating ourselves into how people increasingly consume information today.”

Morgan Stanley follows in the footsteps of JPMorgan and TD Ameritrade who have already begun offering market moving news and stock quotes via Amazon's voice-controlled home pods.

https://www.finextra.com/newsarticle/32111/morgan-stanley-to-offer-market-insights-on-alexa-devices?utm_medium=dailynewsletter&utm_source=2018-5-17&member=93489

Coinbase just rolled out 4 new crypto trading tools, and they offer a big clue to where the platform might be headed next

Securities

5/16/18

When cryptocurrency trading platform Coinbase launched in 2012, it was laser-focused on attracting individual investors to trade bitcoin. But years later, and after branching into other cryptocurrencies like ethereum, the San Francisco-based company is once again broadening its product offerings.

This time, its sights are set on Wall Street.

On Tuesday, the company announced the launch of four services, all centered on attracting financial institutions to its platform. The new tools include options like Coinbase Custody, a custodian partnership similar to the custodian offerings typically provided by banks to secure customers' cash, and Coinbase Prime, a platform centered on research and market data geared toward institutional clients.

Coinbase's focus on attracting interest from bigger financial institutions started sometime last year, when general manager Adam White announced the company's intentions to build out a future custodian service.

"When we speak with [financial] institutions, they tell us that the number one thing preventing them from getting started is the existence of a digital asset custodian that they can trust to store client funds securely," White wrote in a Medium post.

Already, the company's tailor-made security offerings have snagged partnerships with cryptoasset investment firms like Walden Capital and Boost VC.

"Our goal is to invest in the emerging digital asset space," Coinbase Custody product lead Sam McIngvale told Business Insider. "We see ourselves as hoping to bring the infrastructure that's needed, and bring more investments to the space." While McIngvale said that the company's offerings might not yet be ready to bring on traditional heavyweight Wall Street investors, he did say that in the future, Coinbase hopes to attract a number of various financial institutions.

"As a whole, Coinbase is moving toward an open financial system, and we plan to achieve that through a number of different means," said McIngvale.

Coinbase isn't the only cryptocurrency platform that's hoping to make its mark on the established financial market. Platforms like Gemini and Circle have also introduced iterations of their platform focused on handling bigger deals, which means that there might be more in store for big institutions looking to enter the crypto market in the near future.

<https://www.businessinsider.in/coinbase-just-rolled-out-4-new-crypto-trading-tools-and-they-offer-a-big-clue-to-where-the-platform-might-be-headed-next/articleshow/64182502.cms>

Investnet announces new enterprise data management solution at annual advisor summit

Securities

5/16/18

Investnet (NYSE: ENV) today unveiled Investnet Envision, its new enterprise data management solution, to thousands of industry professionals at the 2018 Advisor Summit in New Orleans. Investnet Envision seamlessly combines intelligent data, machine learning and advanced analytics to deliver client-centered insights.

"As clients' needs evolve and wealth management becomes more complex, today's enterprises are increasingly motivated to provide the most timely and actionable advice possible," said Jud Bergman, Chairman and Chief Executive Officer of Investnet. "With Investnet Envision, advisors and enterprises can find connections in data to not only provide actionable insights for clients, but also to stay competitive and efficient."

Leveraging Investnet's robust operating system for wealth management, Investnet Envision addresses several commonplace data problems that advisors encounter, such as difficulties with gathering data from various systems, the inability to import market and competitor data into internal reports, and challenges with adapting from conventional systems such as books and records data. Investnet Envision aggregates data within Investnet and Open ENV APIs and then reconciles and enriches the data—providing insights, applications, and analytics through easy-to-use portals. Envision's client centered intelligence enables better and faster decision making for firms and their clients. Data is continuously updated to deliver advanced intelligence.

Along with Envision, the company also announced Investnet Envision IQ, a new tool that leverages the data connectivity and machine learning capabilities found in Envision. Envision IQ can be accessed through desktop and mobile visualizations, as well as by voice using Alexa-enabled devices, allowing users to get the information they need with as little disruption as possible, including daily briefings in the car or on the way to work. The Alexa Skill is enhanced by Quill, a natural language generation (NLG) platform developed by Narrative Science. Quill helps find insights in the data to create narratives and then generates the text response that Alexa speaks aloud.

"Offering Envision IQ via easy-to-use dashboards and Alexa-enabled devices is the result of really understanding our industry and where our customers and their clients are going to consume information now and in the future," said Frank Coates, executive managing director at Investnet | Yodlee. "Envision IQ is all about asking questions and getting answers, and people wanting answers quickly without going out of their way to get them. We have built a groundbreaking solution that leverages cutting-edge systems from two of the most advanced companies in artificial intelligence - Narrative Science and Investnet | Yodlee - to integrate the product seamlessly into the user's day."

<https://www.prnewswire.com/news-releases/investnet-announces-new-enterprise-data-management-solution-at-annual-advisor-summit-300649199.html>

First robo-advice approval granted by the FMA

Securities

5/16/18

Kiwi Wealth has received FMA approval to offer personalised financial robo-advice, the first financial advisory service in New Zealand to gain exemption from the existing law.

Current laws only allow personalised financial advice to be delivered by humans, but the FMA has been looking at making exemptions since October of last year. Submissions to the FMA have expressed strong support for exemptions to current laws, but have stated that all exemption applicants should be pre-approved, and that robo-advice should meet the same standards as those that apply to authorised financial advisers (AFAs).

According to Kiwi Wealth, this is a major step forward towards improving the financial future of all New Zealanders and is likely to spill over to other providers, particularly insurers and insurance brokerages. Brokers have been testing the waters of robo-advice for some time now, and, according to Kiwi Wealth general manager Joe Bishop, the technology is here to stay.

“Robo-advice is here,” says Bishop. “This is a giant leap forward for financial advice in New Zealand. It will reinvent the way Kiwis manage their finances and give access to personalised financial advice that’s previously been out of reach for most people.”

According to Bishop, there is a recognition that with only around 1,600 AFAs in the country, the demand for financial advice is heavily outweighing supply. Robo-advice will level the playing field and ensure easy digital access to personalised advice for everyone who requires it.

A number of insurers and brokerages have also applied to the FMA for permission to utilise robo-advice, and further decisions from the regulator are expected in the coming months.

“There are also additional changes anticipated with the Financial Advisers Act and the Financial Services Legislation Amendment Bill (FSLAB),” Bishop continues. “But that isn’t likely to take effect until next year, so this exemption process really shows the FMA reacting to the need from the industry and the customers to ensure that scalable advice is available to everyone in New Zealand. While we’re the first to obtain that extension, I anticipate that others will soon follow.”

Digital and AFA-delivered advice will work best if they work hand in hand, says Bishop. While some customers will be happy with end-to-end digital support, others will invariably require the input of a financial adviser.

“That is where advisers will really come into their own, because they can focus on great quality conversation with their clients and helping and supporting them through the process without having to focus on the more transactional information,” Bishop explains.

“Advisers will play a crucial and ongoing part in ensuring that everyone in New Zealand has access to a form of advice that works for them.”

<https://www.insurancebusinessmag.com/nz/news/breaking-news/first-roboadvice-approval-granted-by-the-fma-100662.aspx>

eToro enters the US market by offering cryptocurrency trading

Securities

5/16/18

Social trading brokerage eToro is launching a brand new initiative. The company is opening up to the massive US market to deliver its cryptocurrency trading products in the land of the free. The forex and CFDs industry is facing an enormous burden with prohibitive capital requirements. Those only left a couple of brokers operating in the US, and the cryptocurrency industry which is still loosely regulated is wide open to tap the market across the United States.

eToro will start its operations in the US with a waiting list which will be gradually expanded. Clients from across the Atlantic will have the option to register ahead of the platform going live. eToro's users will gain access to a demo trading environment.

The US subsidiary of eToro will start with 10 cryptocurrencies: Bitcoin, Ethereum, Litecoin, XRP, Dash, Bitcoin Cash, Stellar, Ethereum Classic, NEO, and EOS. The company has plans to introduce more cryptocurrencies throughout 2018. eToro's move comes as the company has committed to offer only cryptocurrencies that are traded physically.

The Plan Ahead

Speaking to Finance Magnates the CEO of eToro Yoni Assia said that the company is strongly committed to the US market and has been able to invest in such a venture thanks to its latest \$100 million funding round.

"eToro is one of the leading online brokers that combines multiple asset classes. We see tremendous opportunities in the US crypto space. We believe that an expansion into the US is only a natural next step for our company," Mr Assia shared.

The company has been working closely with regulators around blockchain and cryptocurrencies and eToro USA is registered as a money transmitter in the US.

"We are looking at all the required regulatory processes in order to operate in the US. Our recent \$100 million fund raising effort allows us to expand geographically and enabled us to setup eToro in the US as well as to launch our crypto to crypto exchange and wallet. We have always thought that this is a very big endeavour especially for a company that is coming from Europe into the US, but we have the resources and the passion to execute our plans," the CEO of eToro explained.

https://www.financemagnates.com/forex/brokers/breaking-etoro-enters-us-market-offering-cryptocurrency-trading/?utm_source=daily_newsletter&utm_medium=email&utm_campaign=16.05.18

Coinbase unveils institutional grade solutions for cryptocurrency trading

Securities

5/16/18

Digital asset platform Coinbase has launched a set of new tools and resources designed to help institutional investors take advantage of the boom in cryptocurrencies. The solutions, according to Coinbase GM Adam White, represent the sort of “institutional grade products and services” that will enable financial institutions to participate in the cryptocurrency markets.

First up is Coinbase Custody. Designed in partnership with an SEC-regulated broker-dealer, Coinbase Custody provides secure crypto storage and third-party auditing and financial reporting validation. We first reported on Coinbase Custody last fall when the company announced that access to an early version of the technology would be available in 2018.

Second, Coinbase announced further development of its electronic marketplace, Coinbase Markets, with the launch of a new engineering office in Chicago. The company plans to leverage the area’s “large talent pool of engineers with deep exchange infrastructure experience” to add new features to Coinbase Markets, such as low latency performance, on-premise data centre colocation services, institutional connectivity and access, and settlement and clearing services. The goal, White says, was “tighter markets, deeper liquidity, and increased certainty of execution”.

Third, Coinbase Prime will give institutional investors the specialized resources they need in order to effectively trade cryptocurrencies. This includes lending and margin financing for qualified customers, high touch and low touch execution services, as well as new market data and research products. Coinbase Prime will also feature multi-user permissions and whitelisted withdrawal addresses.

Last in the company’s suite of solutions launched today was the Coinbase Institutional Coverage Group. These sales, research, operations, and client services support professionals work exclusively with institutional clients and bring years of experience from companies like the New York Stock Exchange and Morgan Stanley, and agencies like the SEC and CFTC.

“The cryptocurrency market is maturing rapidly as more sophisticated institutional participants enter the space,” White says. He notes that 100 hedge funds have been created to speculate and invest in cryptocurrencies in recent months and that “some of the world’s largest financial institutions” have gone on record with plans to develop crypto trading desks.

Founded in 2012 and based in San Francisco, California, Coinbase added its first CTO last month, appointing Balaji Srinivasan to the post as part of the its acquisition of a digital currency start-up, Earn. Also in April, Coinbase launched a new fund, Coinbase Ventures, to support early-stage crypto startups.

With a valuation of \$1.6 billion, Coinbase is one of fintech’s more recent unicorns (startups with more than \$1 billion valuation) and the first Bitcoin company to achieve unicorn status.

<https://www.bankingtech.com/2018/05/coinbase-unveils-institutional-grade-solutions-for-cryptocurrency-trading/>

AlphaPoint launches framework for real estate blockchain Tokens

Securities

5/14/18

Crypto services firm AlphaPoint unveiled a new framework Monday aimed at supporting the launch of blockchain tokens backed by regulated assets.

Tokenized registered securities continue to be a hot topic as doubts swirl around the retail variety, and there have been a number of efforts seeking to put real estate on the blockchain. To that end, AlphaPoint has launched its Regulated Asset Backed Token (RABT) framework at CoinDesk's Consensus 2018 conference in New York City.

According to the company, it has developed software that allows a token to be freely traded while also ensuring compliance with securities laws (such as, for example, selling a security token solely to accredited investors who live in the United States). The idea is to use blockchain as a conduit for introducing more liquidity into the real estate market.

A longstanding real estate and private equity firm, Muirfield Investment Partners, has joined with AlphaPoint in an effort to offer its investors a more easily tradeable way to participate in the property market.

"As a technology company and infrastructure providers, we can blend both public blockchains and the tokenization of securities and assets of any type," Igor Telyatnikov, AlphaPoint's chief operating officer, told CoinDesk, adding:

"There are huge penalties of the illiquidity discount, real estate being one of them."

Thomas J. Zaccagnino, Muirfield's founder, explained that due to their illiquidity, real estate funds tend to be highly structured in ways that might not be ideal.

While it is generally a profitable asset class over time, it can be too rigid, he contended - often, the funds have defined "lifespans" within which they operate.

That's fine in normal times, but if your fund hits its deadline to exit - and it just happens to be 2008, or shortly after the US real estate market collapsed - that might not be the right time to sell for your investors.

He hopes that tokenizing real estate will allow for a "far more innovative and profitable investment vehicle."

AlphaPoint's plan is to see everything go on the blockchain. The actual asset won't be on paper and tokenized, but that documentation will be stored using the tech. Further, it can use software

to pay out dividends, if those are part of the deal, and to ensure that assets aren't transferred to people they shouldn't be.

"We can use trusted execution environments and oracles to govern what addresses these assets can be moved to and from and be able to apply the rules and smart logic onto a public blockchain or private blockchain," Telyatnikov said.

<https://www.coindesk.com/alphapoint-launches-framework-real-estate-blockchain-tokens/>

Securities regulators to set up Fintech Network and ICO framework

Securities

5/11/18

International securities regulators are to establish a 'Fintech Network' to share information and knowledge on emerging technologies and risks to the financial system. At its annual meeting in Budapest this week, the International Organisation of Securities Commissions (Iosco) earmarked the challenges of fintech and digitisation as one of four top areas of focus for the coming year.

The global policy body last year released a financial technology research report which highlighted the growing intersection between fintech and securities markets across a number of critical business areas, including financing platforms, robo-advisory services, innovations in bond trading and applications of distributed ledger tech.

It noted the way in which regulators are adopting differing tactics to deal with emerging fintech platforms, from setting up dedicated fintech offices, creating sandbox frameworks, and opening labs and accelerators.

The divergence in views was brought to the fore this week when newly-established SEC Commissioner Hester Peirce took a swipe at the global trend for establishing fintech sandboxes, arguing that they place regulators and the regulated too close together and instead calling for an arms-length relationship with non-bank firms.

The aim of the Fintech Network is to pull together the different strands and reach a consensus on the best ways to approach the market without stifling innovation. Iosco says the Network will act as a forum for regulators to share experiences and exchange information on regulatory issues, trends, and emerging risks.

A similar tactic is being adopted in an attempt to clarify the regulatory approach to Initial Coin Offerings (ICOs), with the development of a Support Framework to assist members as they consider how to address the domestic and cross-border issues that could impact investors or consumer protection.

The European Union General Data Protection Regulation (GDPR) and its impact on Iosco's Multilateral Memorandum of Understanding (MMoU) on cooperation and exchange of information was identified as a potential fly in the ointment. Pointing out that the MMoU is the primary instrument used by securities regulators to combat cross-border misconduct in financial markets, Iosco says it will continue to engage with European authorities to address any issues that are identified as the GDPR is implemented.

Ashley Alder, chair of the Iosco Board, says: "Iosco members have taken important steps this week to advance Iosco's priority work in focus areas such as market resilience, financial

technologies, and information sharing among securities market regulators, while addressing the biggest risks to investor protection, market integrity and financial stability.”

https://www.finextra.com/newsarticle/32086/securities-regulators-to-set-up-fintech-network-and-ico-framework?utm_medium=dailynewsletter&utm_source=2018-5-14&member=93489



SPECIALTY FINANCE / ALTERNATIVE LENDING

Branded credit card program provide flexible and frictionless consumer financing options for fast-growing home goods online retailer appliances connection

Specialty Finance / Alternative Lending

5/17/18

Alliance Data Systems Corporation (NYSE: ADS), a leading global provider of data-driven marketing and loyalty solutions, today announced its Columbus, Ohio-based card services business, a premier provider of branded private label, co-brand and business credit card programs, has signed a new agreement to provide private label credit card services for Appliances Connection, a growing online destination for appliances and home furnishings.

Based in Brooklyn, New York, Appliances Connection was founded in 2011 and features more than 30,000 products for the home and outdoors, with brands such as Viking, Sub-Zero, Wolf, Bosch, Whirlpool, Thermador, GE, Franke, and more through its online store and Brooklyn showroom.

Under the terms of the new agreement, Alliance Data will create a loyalty-driven credit card program informed by customer insights for Appliances Connection shoppers and will also create and implement a full suite of data-driven marketing services for the card program, designed to drive brand loyalty and top-line sales. Additionally, Alliance Data will leverage its digital expertise throughout the customer's shopping journey, including a seamless card application process and its SelectCheckout SM capability, which allows cardmembers to redeem rewards and pay with their store-branded credit card with a simple click of a button.

"The customer experience is at the core of everything we do at Appliances Connection. Our search for a credit card partner that understands and can help deliver the unmatched brand experience we've created led us to Alliance Data," said Albert Fouerti, founder and chief executive officer of Appliances Connection. "With Alliance Data's innovative, market-leading capabilities, the card program will offer a level of convenience and flexibility that will make our quality merchandise accessible to even more loyal shoppers."

Alliance Data's portfolio of brand partners in the online and home goods retail categories – areas of strong expertise and industry leadership for the company – continues to grow. The growth of both the online and home goods segments is driven by consumers' increasing comfort level with making major home purchases online, and the Millennial shift toward purchasing first homes. For the 12 months ending in September 2017, online purchases of major home appliances grew 47 percent, according to research firm NPD Group. In 2016, they hit \$4 billion, up 38 percent over the previous year¹.

"We are delighted to be selected as Appliances Connection's loyalty marketing partner as it continues on its strong growth trajectory," said Melisa Miller, president of Alliance Data's card services business. "This partnership demonstrates our ability to drive deeper customer

connections for our brand partners by leveraging our innovative credit marketing tools and the strongest, most predictive data in the market today. This expertise will help Appliances Connection grow its credit program and increase loyalty among existing customers. This agreement also extends our reach into the online retail and home improvement categories, and really speaks to consumer interest in these segments."

<https://www.prnewswire.com/news-releases/alliance-data-to-launch-branded-credit-card-program-provide-flexible-and-frictionless-consumer-financing-options-for-fast-growing-home-goods-online-retailer-appliances-connection-300650135.html>

Bondora Go & Grow – Bondora rolling out new product

Specialty Finance / Alternative Lending

5/14/18

Bondora has been rolling out a new product called Bondora Go & Grow to select users since March. It will be officially launched in June, but existing users can contact support and ask for the product to be made selectable in their accounts.

Go & Grow is designed for the passive investors as hands off p2p lending. One of the main advantages is that Bondora says it is tax optimised.

The Bondora Go & Grow product features a target interest rate of 6.75% which will accrue daily. It runs completely on autoinvest. The investor just needs to join it and pay money into the Go & Grow account (or transfer it from the normal Bondora account). The Go & Grow account promises daily liquidity. There is a 1 EUR withdrawal fee making small withdrawals expensive but for portfolios of 1000 EUR or more and usual investment horizons this fee is negligible.

How does Bondora Go & Grow work?

Simplified it is an autoinvest tool where Bondora invests the deposited money in loans on the Bondora marketplace (the investor does not see the individual loans). The investor automatically sells any claims for repayments and interests from these loans to Bondora which in return agrees to pay the 6.75% interest to the investor. Note that the 6.75% are not guaranteed but Bondora is very confident (based on their over 10 years experience) that they can achieve this yield. So basically Bondora invests the money on the market's interest rates which are higher than 6.75 and the results influenced by defaults, late payments and cash drag, but Bondora is confident they are higher than 6.75%. Bondora pays the 6.75% to the investor and uses the surplus as reserve, which will be kept separate from Bondora's funds.

What does tax optimized mean?

Bondora mentions two advantages:

The product is net of any defaults. This can be advantageous for investors in countries where it is not possible to offset default losses against interest earned for tax purposes.

Interest accrues and is only credited at (final) withdrawal. This delays the point in time where interest is taxable according to Bondora.

So is this better than the 'traditional' Bondora product?

In my opinion this product is only the better choice, if the investor really does not want to be bothered with making minimal choices the Portfolio Pro requires and some monitoring. As described Bondora invests the money in the very same loans that are available in the traditional product and expects a higher yield than 6.75%.

For that very same reason I would caution investors to carefully consider, if they do want to take up the offered option to sell out their existing 'traditional' portfolio when opening/funding a

Bondora Go & Grow account. I assume that investors are very likely better off keeping that portfolio than selling it to Bondora at the price Bondora offers. However for an investor that really wants to sell an exiting portfolio completely this offers a way to cash out (edit: see reader comment below) as the cash is than in the Bondora Go & Grow account and can be withdrawn instantly. One caveat of course is that according to the T&C the liquidity for Bondora Go & Grow is subject to market conditions and not guaranteed. It reads a bit like the 'normal market conditions' wording that Assetz Capital uses for its Quick Access Account.

<https://www.p2p-banking.com/countries/baltic-bondora-go-grow-bondora-rolling-out-new-product/>

BuildDirect partners with Affirm to offer a simple way to purchase home improvement & renovation products online

Specialty Financing / Alternative Lending

5/14/18

BuildDirect, the first technology platform for the home improvement industry, today announced its partnership with Affirm Inc., a financial technology company that provides transparent payment alternatives to traditional credit. Now, U.S.-based BuildDirect customers have easy access to flexible and transparent financing options to pay for home improvement and renovation materials over time. At the point of sale, shoppers will see exactly how much they'll pay in fixed monthly installments over the term they choose.

“A key hurdle for many working on home remodeling projects and renovations is cost, as large or bulk purchases of products such as flooring can be very expensive,” said Dan Park, CEO of BuildDirect. “We are committed to making home improvement and renovation projects simple and convenient which is why we're pleased to partner with Affirm. Customers now have the flexibility of buying today and making payments later, which reduces the price at checkout and supports any budget.”

Customers can select the Affirm payment option upon checkout and are provided with real-time approval of their loan amount, interest rate, and the total amount of interest they will pay. Customers can select 6, 12, or 18-month payment terms at competitive rates based on sophisticated underwriting that looks beyond traditional credit scores. To make payments easy, customers can sign up for autopay and reminders are sent via email and SMS.

“The traditional credit model is fundamentally misaligned with what's in the best interest of consumers,” said Rob Pfeifer, Chief Revenue Officer at Affirm, Inc. “People want to have more control over their finances and appreciate having transparent, simple payment options when making purchases for things like major renovation projects, where every dollar counts. Affirm gives BuildDirect's customers the ability to spread costs out over time without hidden fees and compounding interest.”

<http://www.globenewswire.com/news-release/2018/05/14/1501490/0/en/BuildDirect-Partners-With-Affirm-To-Offer-A-Simple-Way-To-Purchase-Home-Improvement-Renovation-Products-Online.html>



DATA & ANALYTICS / IoT

Insurtech start-up 'makes you safe' with workplace wearable tech

Data & Analytics / IoT

5/16/18

More than 1,000 people a day worldwide will never return home from work because of fatal workplace accidents. In addition, around 500 people around the world are injured in the workplace every minute.

Keeping employees safe at work is no easy task. Workplace environments vary enormously and slip, trip and fall hazards tend to present themselves in the most unexpected places and scenarios. That's why workplace accidents are currently costing hundreds of billions of dollars in workers' compensation claims every year in the US alone.

Imagine a Fitbit-type wearable device that captures workplace environmental data and hazards to improve workplace safety and helps insureds and carriers better process workers' compensation claims. That's effectively what MākuSafe, a Des Moines, Iowa-based insurtech SaaS/data startup has developed.

The MākuSafe wearable is worn by employees on the company floor and is constantly gathering real-time environmental and motion data designed to help manufacturers better understand workplace risks and automatically report near-miss or risky situations.

Live data collected by the wearable band is processed immediately in the MākuSmart cloud platform and presented on a dashboard that helps workplace safety managers identify trends, locate frequent problem areas and even proactively order equipment or supplies that will help mitigate workplace safety events or reduce downtime following an incident.

"We set out with the purpose of trying to solve two problems. We wanted to gather data constantly and in real-time, so we can identify before someone ever gets close to a dangerous exposure. Secondly, we wanted the device to be a wearable. The environment in manufacturing facilities is always changing, which is another reason why constant real-time data monitoring is so important. Things like lighting and temperature can vary greatly in the space a few feet. All of those things can impact the health, wellbeing, happiness and safety of a worker," said MākuSafe CEO and Co-Founder Gabriel Glynn.

The MākuSafe idea was born out of a long family history and an iTunes podcast. Glynn's father was a machinist and now works as a safety manager in a facility with more than 1,000 employees. This inspired Glynn to set up the Advanced Manufacturing Podcast, which provided him the opportunity to tour manufacturing companies across the country and find out about their safety procedures.

During one of these tours, Glynn came across a facility where all of the employees were wearing dosimeter buttons. The company was being audited by the Occupational Safety and Health Administration (OSHA) because one of their employees had lost their hearing, potentially from exposures in the workplace.

“It got me to thinking: How do you manage environmental exposures? What kinds of environmental exposures impact workers? What are the rules and regulations around these things? I started doing some research and quickly became aware of just how big the problem of facility accidents really is,” Glynn told Insurance Business.

“I saw an opportunity to make a difference so I reached out to my friend Mark Frederick [now chief technology officer at MākuSafe] and we worked together to build a solution. One of the most compelling things about our software is the massive amount of data points we’re gathering. Front-line safety managers like my father are not data scientists, but at MākuSafe we visualize data in a way that’s easy and consumable for everyone, and we use machine learning to highlight high impact trends. They can identify risks and mitigate them before they become a problem.”

Not only does the MākuSmart dashboard help safety managers increase efficiency, but insurance carriers can also use the data collected by the wearables to create more accurate P&C policies for businesses and access detailed information for workers’ compensation policies. It’s also an effective tool for insurance brokers looking to implement risk control strategies and reduce client loss trends.

“Our platform acts as a collaboration tool between the insurance carrier and the insured. We believe we’ve identified a way to help insurance carriers better deploy their risk reduction resources to their customers based on proactive data. Whereas now, carriers deploy risk reduction resources based on claims, with MākuSafe solutions they can be more proactive about their customer service,” Glynn added.

“Everybody in this equation is in alignment. The goal is to send workers home safe at the end of the day.”

<https://www.insurancebusinessmag.com/us/news/workers-comp/insurtech-startup-makes-you-safe-with-workplace-wearable-tech-100755.aspx>

OTHERS

The evolution of chatbots in the US

Others

5/8/18

Online experiences – mobile or desktop – have a similar set of shortcomings originating from a limited set of UI structures. Here are some of the most common issues with online experiences: difficulty to navigate sites, finding answers to simple questions, finding basic details about the business, time-consuming efforts to find the services, poorly designed smartphone apps, useless search options, inaccessible functions on mobile devices, etc.

Nonetheless, there are ~4.1 billion users on messaging apps, and intelligent conversational chatbots are the new interfaces for these apps. They are changing the way businesses and customers interact. Powered by artificial intelligence, those computer programs, when just introduced, held a great promise of enabling close to natural conversations with people.

While the amount of intelligence and abilities to communicate at a human-like level have been largely overestimated across industries, intelligent bots do represent a shift towards conversational interfaces, through which businesses can serve their customers 24/7 in the most efficient manner and at a high rate of customer success. Oracle claims that chatbots could save \$174 billion across insurance, financial services, sales, and customer service.

Chatbots may not be the only definitive answer for improving customer service, but they can go far to improve the responsiveness and efficiency of a company's customer service function. Chatbots are increasingly being implemented in B2B, B2C, and internal communications in the financial services industry. Customer service bots are enabling customers to check balance, transfer money, pay bills, and more. All of this, however, is still the starting (or at most, the transitional) point of the evolution of chatbots in the US, where the vast majority of examples are cases of a rushed jump into the chatbot bandwagon – a fear to become irreparably irrelevant for customers.

The evolution of chatbots in the US can be illustrated with a continuum on which every existing example can be placed: from informational bots at the beginning, to advisors at the most sophisticated stage of development. With every step from an informational stage to advisor, chatbots are enriched with functionality. The pivotal point in this evolution is the ability to not only understand the request and provide information but to act on that information.

Let's walk through three major stages in the evolution of chatbots in the US with particular examples:

Informational Chatbots

For a chatbot to create a meaningful and successful interaction with the customer, the experience has to be at least 10 times better than the one with the human assistant or without the assistant at all. Informational chatbots, however, in their most incarnations today, can't deliver even an

experience that is three times better. Having a highly disappointing experience with banks, network operators, airlines, telcos, retailers, and social media platforms because of their assistants in various forms, I could distill the issue with informational assistants to three main points:

Inability to understand the intent. Most informational assistants understand separate words from a request – whether oral or written – without understanding the context and intent. In any request, they look for key phrases or words and give scripted responses.

Companies are too fast in implementing chatbots; they force users to find the necessary scripted option from the list of queries that their bots can process (the user, however, doesn't know that list, and is just pointing into the sky with requests). In almost all cases of my interactions with chatbots – voice or text – the difficulty to reach a human assistant is increasingly frustrating and highly disappointing.

Informational chatbots repeat the scripted answer from the FAQ section, but cannot execute on the information provided. My attempt to receive a refund for a service that has been discontinued, but for which I have been still billed has been infuriating to the least – the chatbot does not understand the query + no human assistant enters the discussion + the chatbot cannot perform the transaction upon my request.

One example is American Express: on April 2017, at F8, Facebook's annual global developer conference, American Express announced an updated Amex bot for Facebook Messenger enhanced by AI and servicing technology. The updated Amex bot for Messenger enables eligible US consumer and OPEN card members to get on-demand answers from the Amex bot for Messenger to answer certain queries related to their account and card information.

To be fair, the experience with informational chatbots and customer success depend highly on the industry that we are talking about. The examples mentioned earlier are not the ones where this stage of development of the chatbot is sufficient for effective customer service. Areas such as travel, e-commerce, and general info search, on the other hand, are probably better-suited for informational chatbots.

https://qomedici.com/evolution-of-chatbots-in-the-us/?utm_source=Subscribe+to+MEDICI+Migration&utm_campaign=3816683bbd-EMAIL_CAMPAIGN_2018_05_11&utm_medium=email&utm_term=0_f2d1b8130d-3816683bbd-92115981&mc_cid=3816683bbd&mc_eid=1aa9fa3547