



Evolve
Capital Partners

Weekly Deals Update

Week Ending 04/13/18



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Key Deals

M&A

Date	Target	Acquirer(s)	Sector	Amount (\$mm)
4/13/18		wework	Financial Management Solutions	\$400
4/9/18	Verifone®		Payments	\$3,445

Financing

Date	Target	Lead Investor	Sector	Amount (\$mm)
4/11/18	 SYMPHONY		Financial Management Solutions	\$67
4/10/18	 ACCESS FINTECH	JPMORGAN CHASE & CO.	Securities	NA
4/5/18	 WorkFusion Intelligent Automation		Financial Management Solutions	\$50

Preface










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

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.

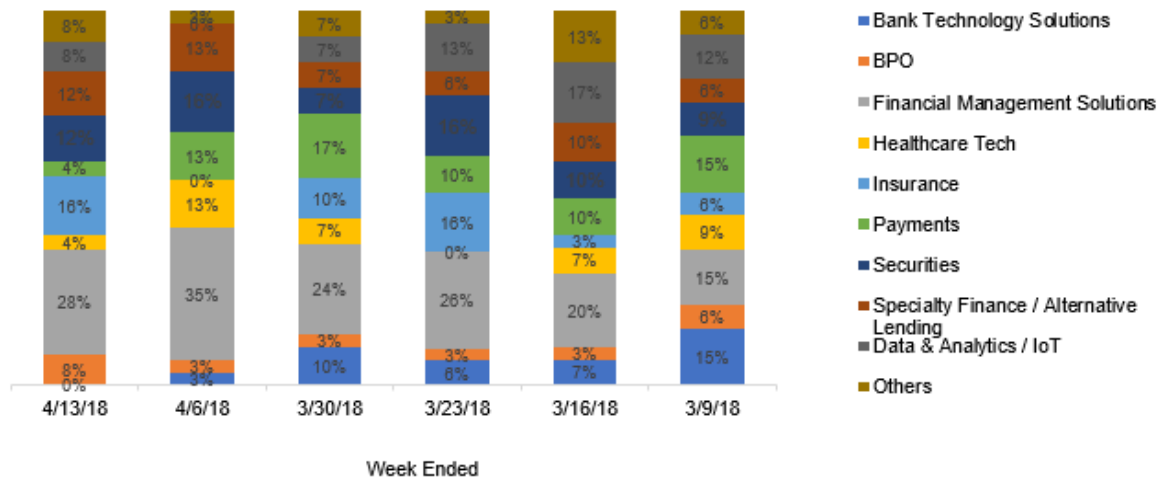
Sectors we cover at the intersection of finance and technology include:

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

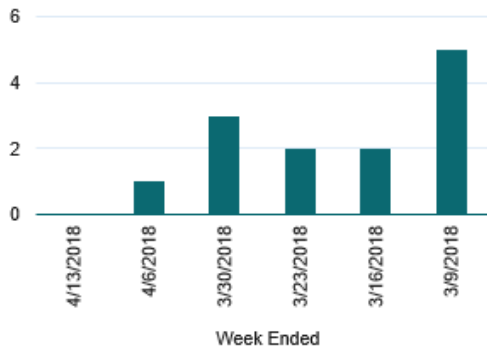
Deals Count

Sector	Number of Deals	% of Total
Bank Technology Solutions	0	0%
BPO	2	8%
Financial Management Solutions	7	27%
Healthcare Tech	0	0%
Insurance	4	15%
Payments	1	4%
Securities	3	12%
Specialty Finance / Alternative Lending	3	12%
Data & Analytics / IoT	3	12%
Others	3	12%
Total	26	100%

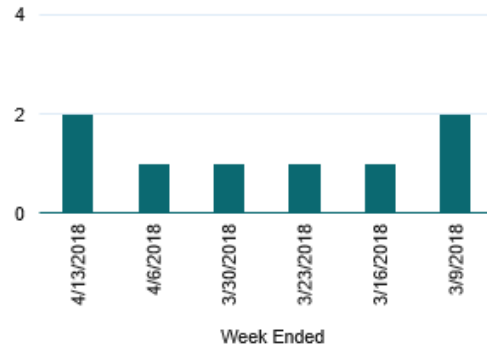
Sector-Wise Deals Breakdown



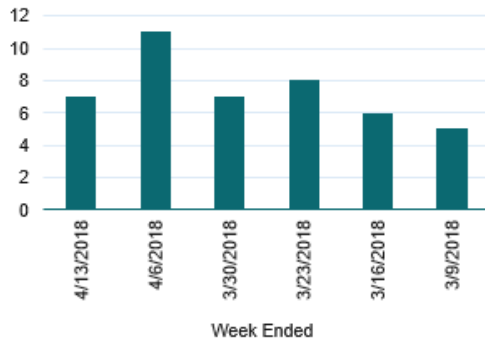
Bank Technology Solutions



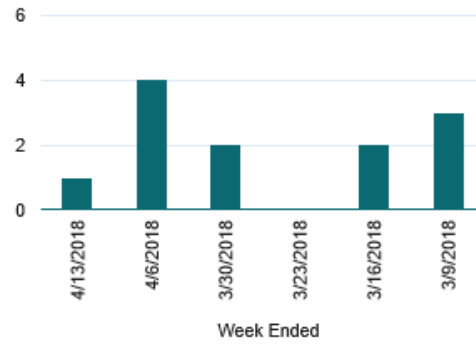
BPO



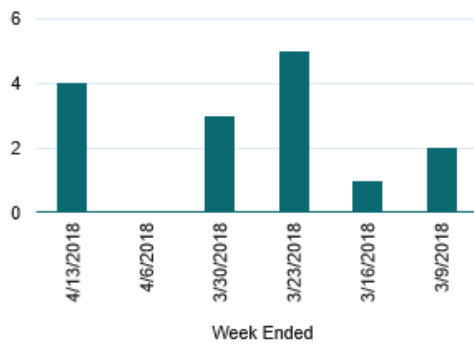
Financial Management Solutions



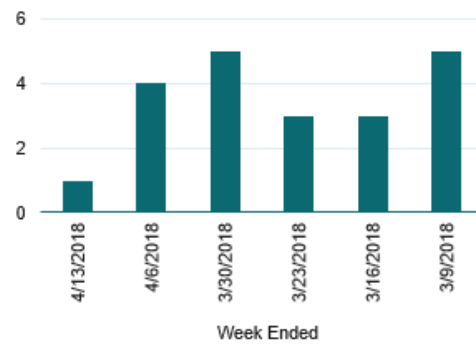
Healthcare Tech



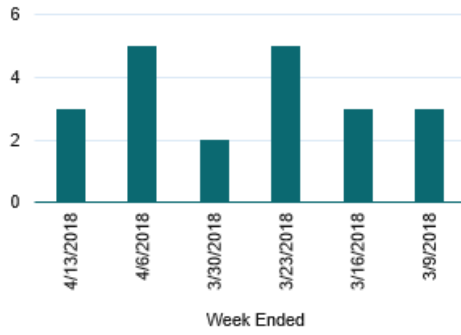
Insurance



Payments



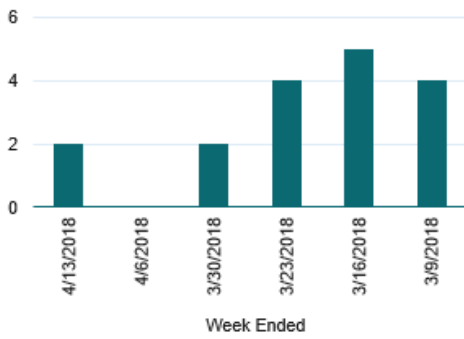
Securities



Specialty Finance / Alternative Lending



Data & Analytics / IoT



Others





BPO

Brown & Joseph receives investment

BPO

4/11/18

ITASCA, IL, leading provider of commercial accounts receivable management solutions has received a mezzanine investment from NewSpring.

NewSpring (the "Firm"), a family of private equity funds, announced today that NewSpring Mezzanine ("NewSpring"), the Firm's dedicated mezzanine fund, has invested in Brown & Joseph, Ltd. ("Brown & Joseph" or the "Company") in partnership with LaSalle Capital. Proceeds from the transaction will be used to expand the Company's geographic footprint and service offering.

Brown & Joseph, headquartered in Itasca, IL, is a leading provider of commercial accounts receivable management solutions, with a focus on the insurance industry. The Company principally specializes in B2B third-party collection services, but also provides first-party collection services and insurance premium audits.

"Given its unique market position and our prior experience working in this niche market, we are excited for this compelling opportunity to help Brown & Joseph continue to deliver and sustain the highest quality, innovative solutions to the insurance community, while helping to scale and grow their already high-performing business," said Andrew Panzo, NewSpring General Partner. "We are also pleased to have found a great partner in LaSalle Capital to lead this acquisition opportunity."

Brown & Joseph's CEO, Chris Cappuccilli, stated, "We are extremely pleased to have LaSalle Capital lead the next chapter of growth for Brown & Joseph in partnership with NewSpring. We are confident we found the right stewards for the business who will continue to keep our customers' and employees' best interests in mind." Kevin Walsh, President of Brown & Joseph, added, "LaSalle and NewSpring are the perfect partners to help grow the business as they each have an in-depth understanding of collections businesses, supported by their previous investments in our industry. We look forward to remaining involved in the operations through a transition period."

Ryan Anthony, Partner at LaSalle Capital, commented, "Chris Cappuccilli and Kevin Walsh built an impressive B2B collections firm that is the market leader focused on the insurance industry. We look forward to working with the team at Brown & Joseph to help accelerate the growth of the business."

<http://www.vcnewsdaily.com/brown-%26amp%3B-joseph/venture-capital-funding/rwgjzpwjft>

The Apax Digital Fund leads \$43 million funding round in Wizeline

BPO

3/26/18

Wizeline, a Silicon Valley-based outsourced product development and technology company, today announced that the company has closed a \$43M Series B funding round, led by the Apax Digital Fund, a growth equity fund advised by global private equity advisory firm Apax Partners.

Wizeline builds technology platforms and offers software consulting services to provide transformative technology solutions to its customers.

The company was founded in 2014 and has quickly grown to nearly 500 employees globally with year-on-year revenue growth of over 200%. The new funds will be used to accelerate growth through the scaling of development teams, sales & marketing functions, international expansion, and M&A.

Bismarck Lepe, CEO and co-founder of Wizeline, said, "Wizeline has always been focused on helping companies to innovate and to deliver better products to market faster. Software is the new frontier for all businesses, and Wizeline's approach of marrying global talent with technology platforms allows us to deliver transformative solutions to the largest companies in the world. Tens of millions of people use a Wizeline-designed and developed product every single day."

"We are very excited to partner with Wizeline, supporting Bismarck and his team to continue to deliver impressive growth," said Marcelo Gigliani, Managing Partner of Apax Digital. "Wizeline has earned an enviable position in the high-end digital transformation consulting space, through its differentiated product-focused offering, its world-class engineering team, and its growing international roster of blue-chip customers. We aim to leverage Apax's deep experience investing in leading global IT Services companies to accelerate Wizeline's growth ambitions."

The investment in Wizeline is the Apax Funds' ninth IT Services investment. Notable recent investments include GlobalLogic, ThoughtWorks, EVERY, Engineering, and Zensar. Marcelo Gigliani as well as Bryan Gartner, Principal at Apax Digital, will be joining Wizeline's Board of Directors as part of this funding.

"Apax brings decades of experience in the consulting services industry, and we believe that they are the right partner to support the organic and inorganic growth of the business," added Lepe. "In addition to continuing to invest in our core platforms and teams, we will be focused on acquiring API/SDK-driven technologies that can accelerate the development and delivery of solutions for our customers."

In the last year, Wizeline has doubled headcount and developed a proprietary platform that uses automation and artificial intelligence to make the traditionally complex process of software development more efficient and reliable.

<https://www.prnewswire.com/news-releases/the-apax-digital-fund-leads-43-million-funding-round-in-wizeline-300619338.html>



FINANCIAL MANAGEMENT SOLUTIONS

WeWork acquires Chinese rival Naked Hub

Financial Management Solutions

4/13/18

Shared workspace brand WeWork has acquired its Chinese rival, Naked Hub, in a deal reportedly worth \$400m.

Naked Hub is part of Naked Group, a hospitality, design, technology, and lifestyle brand that was founded in China in 2007 by Grant Horsfield and Delphine Yip-Horsfield.

Naked Hub launched in 2015 and has 24 locations including Beijing, Shanghai as well as Hong Kong, Vietnam and Australia.

The deal will see WeWork combine its 13 locations across Greater China with Naked Hub to create a network of 40 locations by the end of the year. The brand claims it will have a combined community of 80,000 people, which it plans to grow to 1 million by the end of 2021.

WeWork CEO Adam Neumann confirmed the deal in a blog post where he said the move was part of the companies strategy to create a future-proof business.

“As we look to the future, we are examining more broadly the ways individuals interact and connect with one another beyond the confines of buildings to include cities as well. We are reimagining the way people work and live and looking toward creating an operating system for life.

“We need a fresh approach to how we think about space and how we utilize it as a force for good. Building community can have fundamental benefits for city populations, and its potential takes us well beyond walls and buildings.

“In naked Hub, we have found an equal who shares our thinking about the importance of space, community, design, culture, and technology. Together, I believe we will have a profound impact in helping businesses across China grow, scale, and succeed,” said Neumann.

<http://www.thedrum.com/news/2018/04/13/wework-acquires-chinese-rival-naked-hub>

Symphony to expand into new industries with \$67 million funding round

Financial Management Solutions

4/11/18

Financial communication platform Symphony has secured \$67 million in new funding from a group of global investors as it bids to break into new market segments including insurance, legal, healthcare services and government.

New investors Barclays; Bpifrance, the French investment bank; and CLSA - the first Asia-headquartered institution to join the platform - along with a group of existing investors, participated in the round. This brings Symphony's total capital raise to date to over \$300 million.

"We are excited to support the growth of Symphony with this investment," says Guy Saidenberg, head of distribution and structuring at Barclays. "Symphony's unique, secure and compliant workflow platform has the potential to drive meaningful transformation in our industry for us and our clients."

Over the past year, Symphony has grown its global presence significantly, opening offices in Tokyo, Japan; Stockholm, Sweden; and Sophia-Antipolis, France.

Initially positioned as a bank-backed alternative to Bloomberg's chat platform, Symphony is looking to expand into new market segments as an enterprise messaging tool.

"The team at Symphony is revolutionising the way the business world communicates," says Paul-Francois Fournier, executive director of innovation, Bpifrance. "Symphony has received tremendous interest from every industry for its game-changing technology. We are excited to support Symphony's next stage of growth, in particular to ensure the success of its new research and development center in Sophia-Antipolis."

https://www.finextra.com/newsarticle/31935/symphony-to-expand-into-new-industries-with-67-million-funding-round?utm_medium=dailynewsletter&utm_source=2018-4-12&member=93489

Indianapolis' DemandJump raises \$6 million for its customer acquisition platform

Financial Management Solutions

4/11/18

DemandJump, an Indianapolis-based startup that helps companies map their online traffic sources, announced today that it has raised a \$6 million series A. Investors include Revolution's Rise of the Rest Seed Fund, Kansas City's Flyover Capital, and Chicago's Hyde Park Venture Partners.

Founded in 2015, DemandJump sells a platform called TrafficCloud that lets companies see which websites, search terms, and social influencers serve as their most frequent traffic referrals. It also allows them to see if competitors are getting more referral traffic than they are from a particular channel.

CEO and cofounder Christopher Day told VentureBeat that most other marketing platforms today are siloed —Kenshoo, for example, sells separate products for companies to analyze the effectiveness of advertising on social, search, app, and ecommerce platforms. But he said DemandJump's algorithms allow companies to look at the effectiveness of all of their traffic sources on one platform, helping them determine whether they want to redirect marketing dollars to a certain channel.

"Our average customer is probably spending \$30-\$40 million in digital ad spend per year," Day told VentureBeat. "You have to be able to look at your data across channels to make the proper [marketing] decisions."

Today, DemandJump works primarily with retail consumer goods companies, including luggage and handbag company VeraBradley, as well as women's clothing company Ashley Stewart. Day said DemandJump also works with pharmaceutical companies and is starting to get more inbound requests from hospitality companies.

After launching out of beta in August 2017, DemandJump now has 30 customers. Day said the company's revenue has more than doubled since it generated several hundred thousand dollars in revenue from the beta period and that it is on track to "quickly" surpass \$2 million in annual revenue.

The company has roughly 28 employees today and is expecting to have more than 40 by year's end. Day says that DemandJump plans to use the round of venture capital to hire more sales and marketing employees. Indianapolis has become a hub for SaaS startups like DemandJump, following the \$2.5 billion acquisition of ExactTarget by Salesforce in 2013.

<https://venturebeat.com/2018/04/11/indianapolis-demandjump-raises-6-million-for-its-cross-channel-customer-acquisition-platform/>

CA Technologies acquires SourceClear

Financial Management Solutions

4/10/18

CA Technologies has agreed to purchase SourceClear in a bid to improve the security of software and SaaS-based applications in the enterprise.

Financial details were not disclosed.

Sam King, General Manager of CA Veracode, said in an announcement that the acquisition is intended for the improvement of DevSecOps and to mitigate the risks that open-source software poses.

Founded by Mark Curphey, the creator of the Open Web Application Security Project (OWASP), SourceClear is the developer of a SaaS-based software composition analysis tool.

The tool draws on a vulnerability database beyond the National Vulnerability Database (NVD) to scan and detect which applications utilize vulnerable components, as well as whether or not the vulnerable functionality is in active use -- which may reduce false positive rates when bug scanning through open-source libraries.

Given this knowledge, security and development teams can tackle the most high-priority issues first -- and dismiss the components which are not in active use -- which may save time, money, and reduce the risk posed to the enterprise due to some open-source systems.

"With the acquisition of SourceClear, we're taking a great step forward in bringing that same combination of security, productivity, and efficiency to the way developers use and test open source libraries so that our customers can use open source libraries to accelerate software development without adding unmanaged risk," King says.

Open-source systems and libraries are of incalculable value to enterprise players. According to SourceClear, there will be close to half a billion open-source libraries available to developers within a decade.

However, open-source systems can also pose risk, due to the nature of their development, patching, and bugs which may or may not be picked up by developers. Researchers from Black Duck found that in 2017, the majority of enterprise apps in the financial industry which used open-source software contained vulnerabilities -- some of which were over four years old.

See also: [Open-source software management fails to meet security concerns](#)

"In some cases, the vulnerabilities causing breaches are well known and documented," King added. "But in other cases, they are not included in the National Vulnerability Database. And with

the number of open source libraries only growing it can be difficult for companies to keep track of which component and which version are secure."

CA Technologies intends to fully integrate SourceClear technologies into the Veracode platform, and hopes that this gives clients the opportunity to take advantage of open-source technologies without "introducing unnecessary risk."

<https://www.zdnet.com/article/ca-technologies-acquires-sourceclear-in-devsecops-push/>

Great Jones raises \$8 million Series A led by Crosslink Capital

Financial Management Solutions

4/10/18

Great Jones, the only full-service residential property management company that combines deeply experienced local teams with cutting-edge technology, today announced the completion of an \$8 million Series A financing round. Crosslink Capital led the round with participation from Juxtapose and several New York City real estate and technology entrepreneurs, including Floored founder Dave Eisenberg, Seamless founder Jason Finger, and serial entrepreneurs Kevin Ryan and David Rosenblatt.

Headquartered in New York City with local property management teams in Florida, Great Jones is rebuilding residential property management for the digital age by bringing together its local property management teams with proprietary technology to provide a seamless, full-service experience for owners and residents. In doing so, the company aims to make ownership worry-free and more profitable for the 25 million Americans who own rental homes.

"Rental real estate is an absolutely massive market that has incredible economics, but it has historically been inefficiently run, offline and local," said Omar El-Ayat, Partner at Crosslink Capital. "It is primed to be brought into a much more modern, data-driven era by a team that really understands the space itself -- including a unique understanding of what owners and residents truly covet: ease. We are excited to be a part of their vision to create a modern property management system for modern times."

The company, which launched in late 2017, is already providing full-service property management for hundreds of single-family and multi-family homes in Greater Tampa, Orlando, and Southwest Florida, with plans to launch additional markets nationally over the next three years. With local property management teams and a high-tech platform, the company handles everything associated with renting property, including property marketing, tenant screening, rent collection, issue resolution, maintenance management & advice, property inspections, lease renewals, financial reporting, legal compliance, and entry or exit strategy.

Leveraging mobile communication tools, real-time data, and steep discounts from highly-vetted vendors, Great Jones makes decisions like an owner would, saving customers time and thousands of dollars per year by streamlining decisions and minimizing costs. Tenants simply use online tools to log requests, which are then routed through the Great Jones team to pre-vetted vendors for fast, high-quality resolution. The Great Jones platform provides updates and gives owners insight into the management of their homes anytime, anywhere, while tracking data to make future problem-solving even more effective.

"By building a company to seamlessly and transparently manage a portfolio of dispersed, brick-and-mortar homes, we're allowing owners to realize investment upside without the headaches, while at the same time improving service to residents," said Jay Goldklang, CEO and co-founder

of Great Jones. "We believe that by removing the friction associated with rental ownership and providing a more hands-off, modern solution, we can unlock this asset class and let more and more current and prospective owners make better investment decisions, unconstrained by logistics or geography."

This new round of funding enables Great Jones to accelerate the expansion of its technology and service platform, continue expanding its local property management teams, and invest in customer acquisition within current and future markets. The company's combination of local service with a centralized operations team and innovative technology platform allows it not only to provide better service, but also scale across multiple markets.

The company was founded by Jay Goldklang, David Diaz, and Abigail Besdin, technology and real estate veterans who bring extensive experience in digital product, physical operations, property management and scaling high-growth companies to the Great Jones team.

<https://www.prnewswire.com/news-releases/great-jones-raises-8-million-series-a-led-by-crosslink-capital-300627329.html>

Directly raises \$20 million for customer service powered by the crowd and AI

Financial Management Solutions

4/10/18

San Francisco startup Directly has raised \$20 million in a third round of funding to build its customer service offering for companies leveraging AI and crowd-sourced experts.

In an interview today, Directly CEO and cofounder Antony Brydon acknowledges that the field of customer service providers is extremely competitive. But Directly fuses together the two main approaches in customer service that haven't been brought together in one offering, he says: AI and crowd-power.

Legacy challenges

On the one hand, you have 50 to 100 AI-inspired customer support vendors like LivePerson, Kore.AI, and Pypestream, seeking to apply natural language or other forms of machine learning to answer questions with chatbots. On the other, you have customer support companies that try to leverage crowds, such as Satisfaction, Jive, and Lithium.

The challenge for the AI companies is that none of them have a data advantage, Brydon says. They offer either marginally better algorithm or user experiences. And for the crowd companies, they've lacked speed, accuracy, and consistency. "The quality of the system hasn't been there," he says.

Brydon uses an example of Microsoft to show how Directly resolves both challenges:

Six months ago, before Directly was implemented, a Microsoft user asked a question about a Surface computer or Excel spreadsheet, and Microsoft would route their question digitally to an outsourced call center. However, quality wasn't supporting the brand, he says.

Once Microsoft implemented Directly, the company helped Microsoft build a trusted network of experts — power users of Excel, the Surface, and other products — to answer questions instead. (Directly provides its experts a cash incentive, typically \$2 to \$60. Directly gets a 30 percent cut.)

The company then used AI to make the experts smarter. First, it used algorithms to cluster questions into topics. For example, if a question comes in asking how to reset voicemail on a Microsoft phone, Directly uses machine learning to identify it's a question about Microsoft phones, and routes into the experts on that topic. Second, the Directly system uses AI to identify which experts are the top performers on specific topics. Directly does this by polling Microsoft's wider expert network, asking them to rate the answers given by top performers on the phone questions. If a particular answer is better than others, it will start to dominate, and the expert who provided that answer earns more income every time that question is served.

“It was an aha moment,” said Brydon. “The AI makes the experts more effective, the experts make the AI more effective, and the result is better answers.”

He says that getting 10-12 votes on each question from experts creates “100 times the data” provided by most AI-driven customer support vendors.

The company says its customers include Autodesk, LinkedIn, Microsoft, Pinterest, Samsung, SAP, and Nextdoor. Brydon has written a blog post citing Microsoft and Autodesk executives saying nice things about the product.

After raising a seed round of \$4 million and a round of \$12 million, the company has now raised a total of \$36 million. The investors include Microsoft Ventures, True Ventures, Costanoa Ventures, and Northgate. The funding includes \$3 million in debt financing from SVB.

Mila D’Antonio, principal analyst at Ovum, who specializes in customer engagement and who has looked at Directly, says the company delivers the core needs of customer service in an innovative way. Given the debate about AI, and whether or not it will enhance the human workforce, Directly is refreshing in that it enhances human interactions instead of replacing them, she says. Moreover, AI is only as good as the data it uses, and Directly does well here by design: It infuses data with human expertise, she says.

<https://venturebeat.com/2018/04/10/directly-gets-20m-to-offer-customer-service-with-crowd-powered-ai/>

WorkFusion raises \$50 million Series E to bring AI-powered software robots to businesses

Financial Management Solutions

4/5/18

WorkFusion, the leading robotic process automation (RPA) software company, has raised \$50M in Series E funding in a round led by Hawk Equity and Declaration Partners, bringing the company's total investment to \$118 million. Previous investors Georgian Partners, iNovia Capital and NGP Capital also participated. The capital will be used to expand WorkFusion's global operations and further its vision of helping businesses rapidly respond to change with the power of RPA bots that learn through AI.

WorkFusion also announced several enhancements to its leadership team. Alex Lyashok, formerly president, has been appointed CEO and board member effective April 1, 2018. Co-founder and former CEO Max Yankelevich will continue his work with the company as Chief Strategy Officer and will retain his board seat. Peter Cumello has joined WorkFusion as its CFO. Peter previously led global finance organizations as CFO at Text100, as North American managing director of finance at Accenture and SVP of finance at Avanade. Dr. Homaira Akbari has joined WorkFusion's advisory board. Homaira serves on the Board of Directors of several Fortune 500 public companies including Banco Santander S.A. and is CEO of AKnowledge Partners. Dr. Akbari has held senior management roles in blue chip technology companies including Microsoft and Thales SA, and has served as the President and CEO of SkyBitz, Inc., a leading provider of remote asset tracking and security solutions.

"Demand for our products grew 850% in 2017, reaffirming the power of AI to automate common business processes such as customer onboarding in banking, claims processing in insurance, or accounts payable in shared services," said CEO Alex Lyashok. "We were first to launch AI-powered RPA, first to launch free RPA with RPA Express and first to launch free education with Automation Academy. We will continue to deliver firsts to the market, and will continue to help our customers future-proof their businesses by making jobs work."

"Intelligent Automation is the next wave of not only workforce efficiency but also how established businesses will grow through digital initiatives, and WorkFusion is the clear leader," said Hawk Equity founder David Hawkins. Brian Frank, Managing Partner of Declaration Partners continued, adding that "WorkFusion's automation technology solves critical operational problems for enterprises. After extensive market research and discussions with customers and analysts, it is clear that WorkFusion is demonstrating that AI will transform how companies work."

<https://www.prnewswire.com/news-releases/workfusion-raises-50-million-series-e-to-bring-ai-powered-software-robots-to-enterprise-business-300624749.html>



INSURANCE

Alan raises €23 million in Series A funding

Insurance

4/10/18

Alan, a Paris, France-based digital insurance company, raised €23m in Series A funding.

The round was led by Index Ventures with participation from Xavier Niel, Open CNP, Partech and Portag3 Ventures LP.

The company will use the funds to reach 100,000 users covered within three years, grow the team to 80 employees by the end of 2018, and build its services.

Founded in 2016 by Jean-Charles Samuelian and Charles Gorintin, Alan is a licensed digital health insurance provider. It is a primary insurer and distributes its own health plans directly to companies and individuals.

Alan has already covered more than 7,000 people at 850 companies.

As of today, the company has raised total funds of €37m.

<http://www.finsmes.com/2018/04/alan-raises-e23m-in-series-a-funding.html>

Tech-focused private equity firm invests in ITC

Insurance

4/4/18

Texas-based ITC, a provider of websites, agency marketing, comparative rating and management software and services, announced today that it has received a majority equity investment from Accel-KKR, a technology-focused private equity firm.

The new partnership will provide resources and capital to accelerate product innovation and allow ITC to expand its leadership position in the insurance industry.

Laird Rixford, former president of ITC, has been named as ITC's new CEO.

Scott Upfield, founder of ITC and former CEO, will remain with the business following the transaction.

The Accel-KKR funding marks the first outside investment in ITC's 35-year history, Rixford told Insurance Journal, adding that the new funds will help the organization expand current products for independent agents and their carriers.

"We want to be able to bring agents and carriers the best technology that allows them to grow in this ever-changing, insurtech-heavy market," he said. "This investment solidifies that direction – to really make sure that independent agents can compete with large direct [writers], insurtechs and lead aggregators and move their businesses forward in and through technology."

Rixford couldn't comment on the exact investment dollars put in place through the Accel-KKR partnership but noted that ITC leadership will retain a significant portion of the company. "This is definitely an investment," he said. "We are in this for the long-haul and absolutely will grow through both organic growth and through acquisitions."

Since its beginnings in 1983, ITC has grown from a firm that primarily sold computers to insurance agents with some rating software to a company focused primarily on software development for independent agents and the insurance industry.

Sponsored by Insurance Journal

Rixford joined the organization in 2008 when ITC acquired his company Evolution Designs and its product Insurance Website Builder

"For 35 years, ITC has grown by focusing on making the best software for the insurance industry and providing great service," said Upfield. "Today marks the next chapter in ITC's history, and we couldn't have a better partner for this new chapter than Accel-KKR."

Rixford said that going forward ITC will remain focused on the best technologies to help drive the industry forward and delivering it to agents nationwide.

Technology enables everybody to work and do their job better. From buying shoes to selling movie tickets, technology is bringing new ideas to market, said Rixford.

Finding ways in which technology can supplement and enhance but not replace the insurance agent is what ITC is looking to continue, Rixford said. “We are always looking for new technology and new ways to help agents better acquire, sell and nurture prospects into long-term clients, but we are also looking for ways to improve our existing technologies.” He says the support received from the Accel-KKR partnership will help ITC to strengthen that mission.

The recent growth in agency technology and insurtech overall has opened the eyes of technology investors at opportunities in independent agency channel, Rixford said. That’s good news in his view for the future of the agency system.

“Technology is a critical piece in any growth strategy so by having technology that is enabled anywhere and everywhere, where you can do a quote or manage a policy directly on your cell phone, or where consumers can purchase a policy directly through an insurance agent using buy-now technology – that will create an environment that is consumer-friendly.” That’s where ITC hopes to excel going forward.

“We are agent focused,” Rixford said, adding that ITC will remain so in the years to come. “We have numerous agents that work for us and we really understand the agency market and how agents use our products.”

Investment banking firm Morgan Partners represented ITC in the deal.

Headquartered in Carrollton, Texas, ITC serves more than 200 insurance companies and more than 6,000 agencies.

Accel-KKR is a technology-focused investment firm with \$4.3 billion in capital commitments. The firm focuses on software and IT-enabled businesses. Accel-KKR is headquartered in Menlo Park with additional offices in Atlanta and London.

<https://www.insurancejournal.com/news/national/2018/04/04/485364.htm>

MidCap Equity Partners invests in BeneFix - a leading software provider for the insurance brokerage industry

Insurance

4/4/18

In support of its continuing growth, MidCap Equity Partners, LLC ("Midcap") has invested in BeneFix, a provider of state-of-the-art technology for independent insurance brokers.

"I founded BeneFix to overcome the difficulties with the insurance process that I've faced firsthand while trying to enroll in benefits plans," said CEO Matt Ranauro. "This investment will support our continued expansion into a broader market and help us continue extending the functionality of our software so that moving forward, business-owners and employees can find this an easier and more enjoyable process.

BeneFix provides an intuitive and powerful platform that allows small businesses and brokers to easily manage benefits and speed up their process. By overhauling a historically paper-drive process the BeneFix platform makes it simpler for businesses, brokers and carriers to stay organized, up-to-date and in constant communication.

"We're incredibly excited to be working with Matt and investing in BeneFix," added MidCap Co-Founding Partner, Doug Hendrickson. "We believe the insurance industry is a space ripe for innovation and BeneFix has created new solutions for problems that most businesses face. Matt and his team continue to impress us with their plans for growth and have attracted a strong investor base as a result."

"For many companies, enrolling in benefits continues to be needlessly complicated," continued Ranauro. "Going through every individual carrier to get each and every quote and then juggling this information across different spreadsheets for every product costs unnecessary time and makes mistakes more likely," he explained. "We've made this process straightforward and pride ourselves on providing proactive support so our customers are always on top of their process."

"We look forward to working more with the BeneFix team helping them grow as they continue to provide a key service to many more businesses," finished Hendrickson.

https://www.prnewswire.com/news-releases/midcap-equity-partners-invests-in-benefix---a-leading-software-provider-for-the-insurance-brokerage-industry-300623998.html?utm_source=Insurance+Tech+Newsletter&utm_campaign=620812705d-InsuranceNL_4_08_2018&utm_medium=email&utm_term=0_0c441eb5f9-620812705d-89130597

Chubb invests in startup Bunker to develop gig worker insurance

Insurance

3/29/18

Bunker and Chubb are working together to develop new insurance products focused on freelance workers.

Chubb has also become a minority investor in Bunker, committing at least \$2 million to the startup digital broker and its focus on the small business insurance market. Bunker has raised more than \$10 million to date, including a \$2 million seed round in 2016 and a \$6 million Series A financing in mid-2017.

Previous investors include Comcast Ventures, Route 66 Ventures, Omidyar Network (now Spero Ventures), Hiscox and American Family.

Chad Nitschke, Bunker's co-founder and CEO, explained to Carrier Management that the investment was an outgrowth of beginning a working relationship with Chubb in late 2016, which led to the development of an insurance product focused on freelancers and independent workers.

"They were [sold] on what we had built, our approach to the market, and at that point we decided to partner with them, building [a] usage-based general and professional liability product for independent workers," Nitschke recalled.

He said that Chubb's investment was an outgrowth of that relationship.

"They had expressed interest in investing in Bunker, purely as a [minor] equity investor," Nitschke said, noting that Bunker also counts Hiscox and American Family Ventures as investors in the company.

Digital small business insurance-related startups are drawing plenty of investment from carriers, including Starr Companies, Berkshire Hathaway, Liberty Mutual, Markel and Munich Re. Chubb and Hiscox have invested in other startups beyond Bunker.

https://www.insurancejournal.com/news/national/2018/03/29/484789.htm?utm_source=Insurance+Tech+Newsletter&utm_campaign=620812705d-InsuranceNL_4_08_2018&utm_medium=email&utm_term=0_0c441eb5f9-620812705d-89130597



PAYMENTS

Private equity firm acquires Verifone for \$3.4 billion

Payments

4/10/18

Verifone Systems Inc. and Francisco Partners, a technology-focused private equity firm, have entered into a definitive agreement under which an investor group led by Francisco Partners, and including British Columbia Investment Management Corp., will acquire Verifone for \$23.04 per share in cash.

The deal represents a total consideration of approximately \$3.4 billion, which includes Verifone's net debt.

Under the agreement, Verifone stockholders will receive \$23.04 in cash for each share of Verifone common stock held, representing a premium of approximately 54 percent to the company's closing share price of \$15 on April 9, 2018, according to a press release.

Verifone's board of directors has unanimously approved the definitive agreement and recommends that Verifone stockholders vote in favor of the transaction. Upon completion of the transaction, Verifone will become a privately-held company.

"This transaction delivers significant cash value to our stockholders and provides compelling benefits for our clients," Verifone CEO Paul Galant said in the release. "We believe this transaction reflects the progress we have made executing our transformation from a terminal sales company to a payments and commerce solutions provider. With Francisco Partners' resources, expertise and track-record growing global technology businesses, we are confident we will be better positioned to serve the needs of our clients around the globe."

The transaction is not subject to a financing condition and is expected to close during the third calendar quarter of 2018, subject to customary closing conditions, including receipt of stockholder and regulatory approvals, according to the release.

https://www.mobilepaymentstoday.com/news/private-equity-firm-acquires-verifone-for-34b/?utm_source=MPT&utm_medium=email&utm_campaign=EMNA&utm_content=2018-04-10



SECURITIES

JPMorgan takes stake in post-trade startup AccessFintech

Securities

4/10/18

JPMorgan has joined a Series A funding round in AccessFintech, a post-trade startup created to help buy-side and sell-side firms manage vendor and operational risk across the trade life-cycle. The company, launched by former Traiana founder Roy Saadon in June last year, operates a suite of products designed to address the growing need for new regulatory-driven technology across the financial markets, offering a real-time operational dashboard to spot exceptions aligned with an aggregated vendor monitoring platform and sandbox for testing new technologies.

As part of the funding, AccessFintech will join JPMorgan's In-Residence programme, which provides a set of processes to help startups test their innovations at scale across the bank's network.

“We have been tracking AccessFintech’s product evolution for some time and we think its ability to bring together different parts of the post-trade process into one aggregated view is technology that is long overdue in the industry,” says Lawrence Waller, global head of markets & investor services operations at JPMorgan. “To progress further, they need the opportunity to work at scale and so they make a very natural fit for our In-Residence program, which encourages success through collaboration and the sponsorship of our senior management.”

The investment, financial terms of which were not disclosed, was made following an initial seed round that was privately funded.

https://www.finextra.com/newsarticle/31928/jpmorgan-takes-stake-in-post-trade-startup-accessfintech?utm_medium=dailynewsletter&utm_source=2018-4-11&member=93489

CloudMargin attracts US\$10 million round of investment led by Leucadia National Corporation, IHS Markit

Securities

4/10/18

CloudMargin, the award-winning creator of the world's first and only collateral and margin management solution native to the cloud, announced today the completion of a new round of investment in the company totaling US\$10 million to support the firm's rapid growth. The new investors are LVC, the venture investing arm of Leucadia National Corporation (NYSE: LUK), the publicly traded investment holding company and parent of Jefferies, the global investment banking firm; and IHS Markit (Nasdaq: INFO), a world leader in critical information, analytics and solutions. Existing investors, including Illuminate Financial Management, also participated in the round.

In addition, CloudMargin significantly expanded the scope of its commercial alliance with IHS Markit announced last June. This will enhance the ability of IHS Markit to provide a more seamless and comprehensive suite of collateral management services to its customers.

"CloudMargin had the foresight to disrupt the industry with an innovative collateral solution native to the cloud that is robust, agile and cost effective," said Ed Chidsey, Managing Director and head of pricing, valuations and reference data at IHS Markit. "These were key factors in our decision to not only to invest in the company, but to embrace them as a strategic commercial and technology partner as well."

"We are pleased to partner with CloudMargin in its next phase of growth," said Raphael Bejarano, Managing Director at Leucadia and Head of LVC. "The firm's deep market expertise and world-class product position CloudMargin as the preferred solution across the capital markets to manage increasingly complex collateral and margin requirements."

CloudMargin has more than doubled its client base over the past 12 months, adding global and regional asset managers, sell-side and regional banks, hedge funds and insurance brokers in Europe, the US and Asia Pacific. In addition, CloudMargin has received commitments from its first two global investment banks and expects both to be live by the end of the calendar year. This will lead to further rapid growth in this networked environment of sell-side and buy-side firms. CloudMargin has achieved 250 percent annual growth in the number of collateral agreements hosted on its award-winning platform and expects this growth to continue.

"We are delighted to have the support of LVC and IHS Markit, which bring complementary and critical value to our firm and our clients," said CloudMargin CEO Steve Husk. "This investment allows CloudMargin to continue to provide unique value in the marketplace and capitalize on the significant demand from sell-side and buy-side capital markets participants for our solution. As CloudMargin remains the only native cloud-based offering in the space, we are ever-focused on

improving the platform continuously while leveraging its accessibility, pricing flexibility and community that can be harnessed only with cloud technology."

The investment will finance product development and growing connectivity to industry infrastructure. It will also help scale the company's sales, partnerships and marketing efforts in both established and new regions.

<http://markets.businessinsider.com/news/stocks/cloudmargin-attracts-new-us-10-million-round-of-investment-led-by-leucadia-national-corporation-ihsmarkit-1021043744>

ACA Compliance Group to acquire Cordium

Securities

4/5/18

ACA Compliance Group (“ACA”) announced today that it will acquire Cordium, a leading provider of governance, risk and compliance (GRC) services. The transaction is expected to close this summer, subject to regulatory approvals. The financial terms of the transaction will not be disclosed.

The complementary strengths of both firms will ensure that clients will have access to the highest caliber regulatory consultancy services and technology – and will serve as the springboard for further product innovation and global expansion. The acquisition also will expand ACA’s services in Europe to include Cordium’s regulatory hosting platform, Mirabella, and a post-Brexit EU office.

Robert L. Stype, CEO of ACA Compliance Group, said: “Cordium’s expertise, technology strengths and shared culture will greatly expand how we service and deliver our solutions to clients. By blending the delivery of innovative technology, depth of knowledge, and exceptional client service, we can help our clients further enhance their approach to GRC. As two leaders in the space, working as one will allow us to innovate faster and deliver more value to clients.”

Doug Morgan, Group CEO of Cordium, said: “With the existing strengths and capabilities of Cordium and ACA, the market can expect an unprecedented level of GRC support, built by integrating the resources, expertise and technology of both companies. GRC has never been higher on the agenda of the financial services industry, especially given the current pace of technology innovation. Through this partnership, we will be able to provide guidance and efficiencies to firms of all profiles and strategies.”

Following the closing, Cordium’s compliance, cybersecurity, software, regulatory hosting, tax and regulatory reporting offerings will be integrated into ACA’s operations to create a combined organization employing nearly 700 people and servicing over 4,000 clients worldwide.

<https://www.businesswire.com/news/home/20180405005694/en/ACA-Compliance-Group-Acquire-Cordium>



SPECIALTY FINANCE / ALTERNATIVE LENDING

European trade finance fintech scoops €4 million series A

Specialty Finance / Alternative Lending

4/12/18

A new fintech firm named Supply Finance is seeking to disrupt the trade finance market through a growing network of partner brands.

The company, which has been co-founded by former Future Finance CEO Brian Norton (pictured), has today closed a €4m series A investment round.

Finch Capital and Fenway Summer Ventures were involved in the fundraising, alongside other European and American investors.

Finch and Fenway each boast significant track records in the fintech space. Finch, a European and Asian fintech venture capital firm, has previously backed leading peer-to-peer lender Zopa, while Fenway is an early investor in US marketplace lender Prosper.

In tandem to closing its fundraising, Supply has also completed its first partnership: a €1m investment in a Danish factoring business named Omniveta, which is based in Copenhagen. Armed with this investment, Omniveta is gearing up for significant growth. Supply also assisted the Danish platform in the recent closing of a €7.5m credit facility, provided by London-based fund manager Advance Global Capital.

“Our capital raise will be used to fund Supply’s expansion into at least three European markets, starting with Denmark,” said Norton.

“We are excited to be working with Finch Capital and Fenway Summer, both of whom are world-class fintech investors and are behind some of Europe’s best fintech brands. We are proud to be investing in and partnering with the Omniveta team, and we are excited to bring better trade finance to Danish SMEs.”

Norton founded the business earlier this year with fellow co-founder Jay Verjee, a serial entrepreneur who has, according to a release, built three SME businesses in the last five years. The Dublin-based Supply will look to provide its partners with increased finance facilities in addition to enhanced technology.

In a release, Supply blamed post-2008 regulatory capital rules and compliance requirements for a 30 per cent shrinkage in the availability of trade finance for small businesses over the past decade. The business will seek to reverse that trend.

Radboud Vlaar, a partner at Finch Capital, commented on the fundraising: “We know the trade finance space very well having tracked it over numerous years. Supply is addressing a real need experienced by growing financing companies serving SMEs and will help them accelerate their

growth. We look forward to working with the team at Supply to help build the business across Europe.”

<http://www.altfi.com/article/4283>

Liberis raises £57.5 million to offer finance for small businesses

Specialty Finance / Alternative Lending

4/11/18

Liberis, the London-based fintech that provides finance for small businesses, has raised £57.5 million in new funding to help support the company's growth. The alternative finance provider makes loans against a company's future credit and debit card sales.

The majority of the new capital being raised by Liberis is debt, which in turn will enable it to issue more loans. The facility is being provided by British Business Investments (the commercial arm of the tax payer-funded British Business Bank), Paragon Bank, and BCI Finance.

In addition, Blenheim Chalcot has made an equity investment into Liberis. The so-called "digital venture builder" also previously backed ClearScore, the credit scoring startup recently acquired by Experian.

Providing a new financing option as a replacement for a traditional bank loan or extended overdraft — which is increasingly hard for small businesses to come by — Liberis provides funding from £1,000 to £500,000 based on a company's projected credit and debit card sales. However, the clever part is that the loan is paid back via a pre-agreed percentage of the business' digital transactions, making it especially attractive to seasonal businesses that have very uneven sales throughout different times of the year. There isn't a time limit placed on when a loan has to be repaid, either. Instead, the repayment schedule is directly tied to the size and pace of a small business' card transactions.

In a call with Rob Straathof, CEO of Liberis, he conceded that this means the fintech startup is taking on more of the risk, but says the company is seeing the vast majority of loans paid back within the projected timeframe. To help manage risk and make the required sales projections, Liberis uses various data points, including transactions pulled in from a number payment platform partners such as Worldpay, and Sagepay. Similarly, it also integrates with take-out marketplace Just Eat, which gives the startup the ability to offer financing to small restaurants. The advent of Open Banking, which lets bank account holders share their transaction data via an API, will also enable Liberis to extend its reach.

Examples of small business customers given by Straathof include a local bakery that needs to invest in a new oven, a neighbourhood pub that wants to expand with a beer garden, or an online retailer that needs to incrementally restock to meet rising demand. "Our innovative product has proven particularly popular with retail and hospitality businesses where income fluctuates on a seasonal basis. New lending to small businesses by banks has been decreasing since Q4 16 and Liberis jumps into the void with our 'pay as you earn' funding solution," he says in a statement.

To date, Liberis has helped over 7,000 small businesses, advancing £210 million in funding. However, it isn't the only 'pay as you earn'-styled finance provider. Amazon, of course, offers its own business financing based on Amazon Market transaction data. PayPal and Square also offer credit for retailers. Meanwhile, SME peer-to-peer lending platforms, such as Funding Circle, might also be viewed as a competitor.

<https://techcrunch.com/2018/04/10/liberis/>

NSR Invest closes first external financing round with FinSight Ventures

Specialty Finance / Alternative Lending

4/10/18

Today at Lendit, Lend Core Inc., parent company to NSR Invest and LendingRobot, announced the close of its first external financing round with FinSight Ventures. The investment will help the company expand its investor outreach, accelerate product development and strategic partnerships.

Commensurate with the closing, Lend Core co-Founder Bo Brustkern stepped down from his leadership position to focus on the LendIt Fintech conference, where he serves as CEO. Summer Tucker, Lend Core's Vice President, will succeed Brustkern as Managing Director.

"For nearly five years Summer Tucker has been instrumental to our success. We compete in a complex and dynamic industry, and Ms Tucker has proven her capabilities in the field of battle," noted Brustkern. "She has generated tremendous goodwill through her zealously client-centric approach. I can think of no one more qualified or better respected to take the helm of Lend Core as the company begins its next phase of growth.

"NSR Invest has served as an advocate and innovator for marketplace lending investors since 2011. At the forefront of the latest technologies and trends, we are uniquely positioned to bridge innovation with tradition in a way that redefines portfolio capabilities and the investor experience. We are just scratching the surface of possibility and our partnership with FinSight Ventures propels our vision forward."

The company's core technologies drive innovation through interactive analytics, custom modeling, algorithmic investing, order execution, portfolio management, and transparency through blockchain application. FinSight Ventures General Partner, Alexey Garyunov, and Investment Director, Maxim Nazarov, will join Lend Core's Board of Directors.

"FinSight Ventures believes in continuing growth of the alternative lending industry and the impact it will have on the broader financial sector," commented FinSight Ventures Founding Partner Garyunov. Democratization of access to loan products for retail and institutional investors will require a mature infrastructure, and we see Lend Core as a fundamental piece of that infrastructure."

Lend Core sees this funding as underscoring its achieved momentum since the acquisition of LendingRobot last year, marking the acceleration of alternative investment innovation.

<https://www.crowdfundinsider.com/2018/04/131761-nsr-invest-closes-first-external-financing-round-with-finsight-ventures-summer-tucker-takes-reigns-as-new-managing-director/>



DATA & ANALYTICS / IoT

Armis raises \$30 million in Series B round of funding

Data & Analytics / IoT

4/12/18

Armis recently announced that it has successfully secured \$30 Million in a Series B round of funding. The round was led by the Red Dot Capital Partners, Bain Capital Ventures, Sequoia Capital and Tenaya Capital. This brings Armis' total funding raised till date to \$47 million. The company said that it will utilize the new capital to create new innovations which will help companies secure all the information related to IoT. Besides that, the funds will also be used for the expansion of their sales and marketing team.

"IoT is changing the connected world, creating new attack surfaces across the enterprise in every major vertical," said Jeff Williams, Operating Partner at Bain Capital Ventures. "Rapid growth in connected devices coupled with advancements in the threat landscape demand that companies secure their new IoT reality. Armis has an impressive customer list, and is uniquely positioned to discover, manage, and secure these unseen and unprotected IoT assets."

"Armis solves one of the most important problems in cybersecurity today - how enterprises can develop full visibility and control over the multitude of IoT devices that operate within their networks and on their physical premises, many of which are critical to run the businesses," said Yaniv Stern, Managing Partner at Red Dot Capital Partners, who will be joining the Armis Board. "Worldwide spending on IoT security is expected to reach \$3 billion in 2021. Armis' growth potential in this market is virtually unlimited, as it's one of the few companies providing global organizations with the ability to take full advantage of the IoT and digital transformation without having to sacrifice security. We are very impressed with Yevgeny and Nadir, as well as the team that surrounds them."

Armis eliminates the enterprise IoT security blind spot, letting enterprises safely embrace IoT as a part of their digital transformation strategies. Its agentless security solution delivers comprehensive visibility of every device in their environment, analyzes and classifies devices and their behavior in order to identify risks or attacks, and protects critical information and systems. Armis does not require any hardware and integrates seamlessly into any environment or existing infrastructure.

Digital transformation is changing the world we live in, and the smart devices that are accompanying this shift are creating a new, complex threat landscape. Recent reports show IoT attacks are up 600% in 2017.

<https://www.readitquik.com/news/iot-2/armis-raises-30-million-in-series-b-round-of-funding/>

OwnBackup closes \$15.5 million financing round to advance cloud data protection

Data & Analytics / IoT

4/12/18

OwnBackup, a data backup and recovery innovator, today announced the close of a \$15.5 million round of financing co-led by new investor Vertex Ventures and existing investor Insight Venture Partners. Existing investors Innovation Endeavors, Oryzn Capital and Salesforce Ventures also participated in the round.

Since announcing its last round in July 2017, the company has driven exponential growth by expanding its market reach, continuing its technology innovation, deepening its investment in the Salesforce community, and adding strategic partnerships with Sage and Veeva. Already serving hundreds of mid-sized companies and large enterprises across every major industry, OwnBackup helps customers protect critical cloud data—securing trillions of SaaS/PaaS records every day, preventing data corruption, ensuring business continuity, minimizing operational disruptions and meeting compliance mandates.

“OwnBackup has emerged as a cloud-era leader in data protection by putting its visionary technology into practice,” said Aviad Ariel, general partner at Vertex Ventures. “Its impressive growth in the last year demonstrates that the company is primed to dominate the evolving SaaS/PaaS data protection industry as more companies realize the need to better secure critical application data in the cloud and comply with regulatory requirements such as GDPR and HIPAA.”

As more companies embrace SaaS and PaaS environments, security and compliance challenges are intensifying. To meet the rising demand for additional cloud data protection, OwnBackup will use this investment to accelerate its global growth. The funding will drive continued product innovation and support aggressive recruiting efforts to double its team in the United States and Israel before the end of the year.

“While companies often assume that the SaaS and PaaS vendors are responsible for the data, the company owning the data is still responsible when data is corrupted by accident, malicious intent or through bad code and weak integrations. With the support of our investors, we will continue to provide the ultimate in independent data protection peace of mind -- ensuring that companies have the same data protection in their cloud environments as their on-premise applications,” added OwnBackup CEO Sam Gutmann. “We look forward to building on our successes to date as we use the latest funding to break new ground in the data protection space and fill the security void that many companies were not even aware existed.”

A pioneer in cloud-to-cloud backup, recovery and replication, OwnBackup’s award-winning technology is built on the Salesforce Platform and available on the Salesforce AppExchange. Advanced features in the latest version of the OwnBackup platform tighten SaaS data backup and recovery security, support regulatory compliance, offer greater control and access, and

improve backup and recovery performance—making data protection easier, faster and better integrated with existing security systems.

Vertex Ventures' Aviad Ariel will join Nicolas Wittenborn of Insight Venture Partners and Ziv Kop of Innovation Endeavors on the OwnBackup Board.

<https://globenewswire.com/news-release/2018/04/12/1469095/0/en/OwnBackup-Closes-15-5-Million-Financing-Round-to-Advance-Cloud-Data-Protection.html>

Ocrolus secures \$4 million in Series A funding to automate financial document reviews

Data & Analytics / IoT

4/9/18

Ocrolus, the emerging leader in analyzing financial documents, today at LendIt Fintech USA, announced a \$4 million Series A investment led by Bullpen Capital with participation from QED Investors, Laconia Capital Group, ValueStream Ventures, and RiverPark Ventures. Funds will be used to accelerate the deployment of turnkey data verification solutions for lenders and a variety of other organizations in financial services and healthcare eligibility. Combining computer vision with crowdsourced quality control, Ocrolus analyzes bank statements and other financial documents with over 99% accuracy. The Company enables customers to retire the practices of sampling and spot-checking with its lean RegTech.

"Ocrolus has demonstrated strong product-market fit in the lending industry without a single customer churning," said Paul Martino, General Partner at Bullpen Capital. "The Company's document-reading technology solves major pain points and has potential for rapid growth in multiple verticals. Bullpen is proud to support this team."

Analyzing millions of data points every day for hundreds of customers, Ocrolus validates financials at a fraction of the cost of traditional methods, with 3-5x increased speed. The Company's foray into automation technology was PerfectAudit, a software service that reads bank statements from all financial institutions, regardless of document quality, with over 99% accuracy. Powered by its patent-pending backend engine, Ocrolus leverages Artificial Intelligence to achieve stunning accuracy and analytical insight. Compliance is also optimized with Ocrolus, as each line item is verified, time stamped, and linked back to its source, creating a comprehensive audit trail.

"We've proven our technology as a disruptive solution for bank statement analysis," said Sam Boley, Co-founder and CEO of Ocrolus. "Customer demand prompted us to begin analyzing loan applications, tax documents, pay stubs, and more. We're thrilled to have the capital to quickly expand our team, and ideal strategic partners to help us scale the business."

"Ocrolus can transform the quality and efficiency of underwriting for lenders by turning paper documentation into clean data at the start of the process. Based on our experience, we see opportunities for every bank and fintech to use Ocrolus as part of their small business and personal lending systems," said Amias Gerety, a Partner at QED Investors.

Located in New York City's financial district, Ocrolus launched its PerfectAudit product in 2016 to lenders, accounting firms, lawyers, insurance auditors, and investigative units. The API version of PerfectAudit was specifically designed to automate cash-flow analyses for lenders. Ocrolus is currently working with a majority of the top online small business funders, and is now introducing PerfectAudit in personal, auto, and mortgage lending.

“Data entry is not a core component of our business,” said Sol Lax, CEO of Pearl Capital. “Ocrolus has become our trusted partner for bank statement reviews, allowing us to scale loan volume with a leaner underwriting staff. The industry’s been in need of a technology provider to extract and validate data with dependable accuracy; Ocrolus offers an elegant solution.”

Applying for healthcare coverage has many similarities to applying for a loan. After winning an RFP award to modernize Medicaid eligibility determinations, Ocrolus will be implementing PerfectAudit’s sister product, Medicaid-Genius, with government agencies later this year. Senior Planning Services, a leading private-sector Medicaid application processor, is currently using Medicaid-Genius to automate financial lookbacks for patients at nursing homes around the country.

“In order for programs like Medicaid to be sustainable as the population grows and ages, it’s essential that entitlements are granted only to truly eligible applicants,” said Victoria Meakin, Cofounder and President of Ocrolus. “Our technology enables a range of agencies to expedite processing time, cut costs, and reduce fraud, benefitting government and citizens alike.”

Also participating in the round were Sam Hodges (Co-founder, Funding Circle), Vince Passione (CEO, LendKey), Ram Ahluwalia (CEO, PeerIQ), Bill King (Former Head of Securitization, JP Morgan), Hugh Nguyen (CEO, ClearServe), and Tanya Barnes (Managing Director, Golden Seeds), among others.

David Arcara of Laconia Capital Group and Nick Adams of Differential Ventures will be joining Ocrolus as Board Members. Paul Martino of Bullpen Capital, Amias Gerety of QED Investors, and Karl Antle of ValueStream Ventures will be Board Observers.

[https://s3-us-west-2.amazonaws.com/lendit/usa/2018/press/ocrolus-secures-\\$4m-in-series-a-funding-to-automate-financial-document-reviews.pdf](https://s3-us-west-2.amazonaws.com/lendit/usa/2018/press/ocrolus-secures-$4m-in-series-a-funding-to-automate-financial-document-reviews.pdf)

OTHERS

Da Vinci Capital invests in Russia's Global Fintech Solutions

Others

4/12/18

Global Fintech Solutions (GFS), a fintech platform aimed at transferring leading global technologies into emerging markets, raised a new funding round from several funds under the management of Da Vinci Capital and from its the portfolio group, ITI Funds. Investment group Prytek was a co-investor in the investment round. GFS creates a one-stop-shop solution for the digitalization and innovation of various core business processes for financial corporations and other financial institutions in order to integrate and implement technology from fast growing, promising and top-tier tech global companies such as Way2Vat, PayBox, Ezbob, etc.

GFS acquires exclusive licenses for global tech products for further technology transfer into the markets with low penetration and high growth potential, including Russia. Current product portfolio includes 7 core technologies. Company plans to enlarge its product portfolio twofold in 2018, boost its revenue to \$20m in 2019 and conduct an IPO in two-three years at the international exchange.

GFS offices are located in Luxembourg, Russia and Israel.

“Russian financial technology market is driven mainly from technological banks and other corporate market participants, but the level of development of fintech startups is not high enough to properly deliver technological solutions to such banks. — says Oleg Jelezko, managing partner at Da Vinci Capital. — We believe into the global opportunities for GFS as the platform for financial technologies development, and in a strong team, which can take the leading position on Russian fintech market.”

“Fintech sector is a flagship at the digital world economies, rapid development of fintech technology can drive further economic growth, therefore GFS focuses on the corporate innovations. Cooperation with Da Vinci Capital gives us an understanding that we are on the right way and technology transfer is one of the perspective areas for investments and strategy development.” — highlights Andrey Yashunsky, chief executive officer at GFS.

https://www.finextra.com/pressarticle/73435/da-vinci-capital-invests-in-russias-global-fintech-solutions?utm_medium=dailynewsletter&utm_source=2018-4-13&member=93489

AI-powered biometric recognition company Element raises \$12 million

Others

4/12/18

Artificial intelligence-powered mobile biometric recognition company Element landed \$12 million in a Series A funding round led by PTB Ventures and GDP Ventures, with additional participation from a number of large banks and telecom carriers in South East Asia.

“At Element, our mission is to deliver identity to the billions who need it, to help build more efficient and inclusive societies. The opportunity of digital transformation across Asia and Africa could not be more exciting,” Element Inc cofounder and CEO Adam Perold said in a statement. “We are humbled to join hands with this world-class group of partners.”

The startup makes a mobile-based software platform used for biometric identity. Users can be offline and use any type of smartphone or tablet to access the service. The platform uses facial, palm, and fingerprint recognition software to identify individuals.

Right now the technology is being used to build immunization platforms, enable connected diagnostic, provide a digital identity resource for healthcare providers, and empower access to financial services, according to a statement.

“Identity inclusion is a precursor to financial and health inclusion,” David Fields, managing partner of PTB Ventures, said in a statement. “Element is a game-changer in turning any mobile device into an access point for identity. With key partners spanning the banking, healthcare, and telecom sectors, we believe that Element has the potential to transform the way billions of people access the essential services that are core to everyday life. It’s a privilege to be working with an AI company tackling social problems that build both human and financial capital on a global scale.”

Currently the company is working with Global Good, a collaboration between Bill Gates and Intellectual Ventures, to build an infant biometrics platform. This platform will also run even if the smartphone is offline.

An informational video produced by Element explains that when children don’t have formal identifications, it can be tough to track health records. But the company is working on this biometric technology for infants that would make it easier to identify children and follow their care.

Element is working with partners in Cambodia and Bangladesh to follow 8,000 infants over time and determine what biometric is most suitable for children. The company aims to make a product that is non-touch and can run on any mobile device — even without connectivity.

<http://www.planetbiometrics.com/article-details/i/7023/desc/ai-powered-biometric-recognition-company-element-raises-12m/>

Expel raises \$20 million Series B for customer cybersecurity

Others

3/10/18

B2B cybersecurity platform Expel announced today that it raised a \$20 million Series B led by Silicon Valley-based Scale Venture Partners. New Enterprise Associates, Battery Ventures, Greycroft, and other venture capital firms also participated in the round.

Prior to this capital event, the company raised a \$7.5 million Series A led by Washington D.C.-based Paladin Capital Group in September 2016. Its latest round brings the company's aggregate funds raised to \$27.5 million.

Expel was founded in Mclean, Virginia by Dave Merkel, Yanek Korff, and Justin Bajko in 2016. The startup aims to demystify the cybersecurity space with its security threat monitoring and detecting products. The startup boasts itself as the transparent, cooperative alternative to other managed security service providers (MSSPs).

"Most MSSPs and MDRs operate as a 'black box' and the customer has no idea what they're doing," CEO Dave Merkel told Crunchbase News in an email.

Expel's user interface is meant to give customers an interactive look at the threats found by analysts, the processes taken to stall those threats, as well as action items for customers to fix current and future threats to security. Its products integrate with pre-purchased security platforms, and the startup also offers a "hunting" option which finds other existing security threats.

"Since the initial raise in 2016, we built and launched the offering, built our security operations center (SOC), signed our initial group of customers and grew the company to 55 employees," Merkel told Crunchbase News.

According to its press release, Expel will use its newly raised capital for product development and go-to-market activities. Merkel mentioned to Crunchbase News that Expel will also add new offerings to manage customer cloud environments.

Increased focus on cloud computing has brought along further interest in cybersecurity both regarding data use and security threats. As everyone is aware, Facebook and other social media outlets have been under fire for lax security and data management. Meanwhile, Carbon Black, a security-focused SaaS firm, recently filed to go public. In light of the current political climate and discussions surrounding the issue, this is quite the time to be a security monitoring business focused on transparency and user involvement.

<https://news.crunchbase.com/news/expel-raises-20m-series-b-customer-cybersecurity/>