Evolve
Capital Partners

Weekly Deals Update

Week Ending 06/22/18

SPECIALIZED INVESTMENT BANKERS AT THE INTERSECTION OF FINANCE AND TECHNOLOGY

Key Deals

M&A

Date	Target	Acquirer(s)	Sector	Amount ($mm)
06/19/2018	HYPERWALLET	PayPal	Payments	$400
06/19/2018	BAR Insurance Brokerage, Inc.	Hilb GROUP	Insurance	$1,550
06/18/2018	MALAUZAI	FINASTRA	Bank Technology Solutions	NA

Financing

Date	Target	Lead Investor	Sector	Amount ($mm)
06/19/2018	CROWDSTRIKE	GENERAL ATLANTIC, IVP, Accel	Financial Management Solutions	$200
06/19/2018	GLOBAL PROCESS & PIPELINE SERVICES LIMITED	Dunedin	Payments	$58

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.

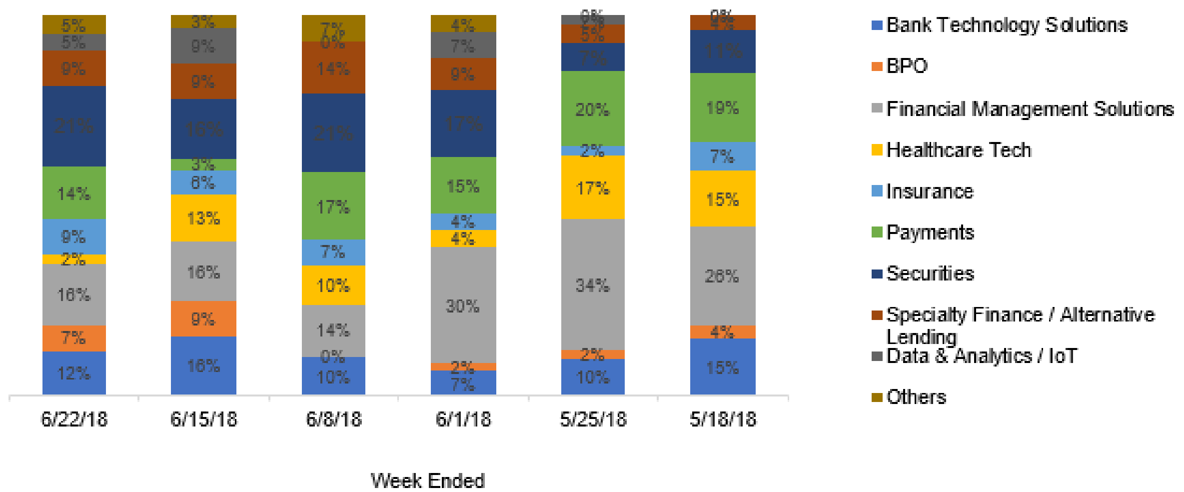
Sectors we cover at the intersection of finance and technology include:

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

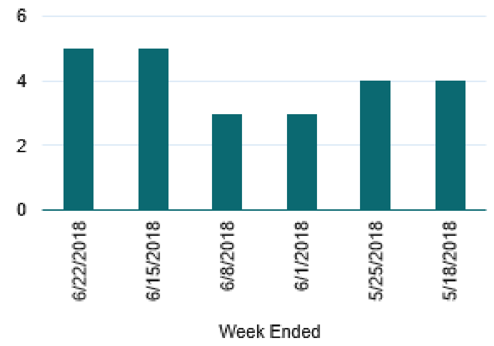
Deals Count

Sector	Number of Deals	% of Total
Bank Technology Solutions	5	11%
BPO	3	7%
Financial Management Solutions	7	16%
Healthcare Tech	4	9%
Insurance	4	9%
Payments	6	14%
Securities	9	20%
Specialty Finance / Alternative Lending	4	9%
Data & Analytics / IoT	0	0%
Others	2	5%
Total	**44**	**100%**

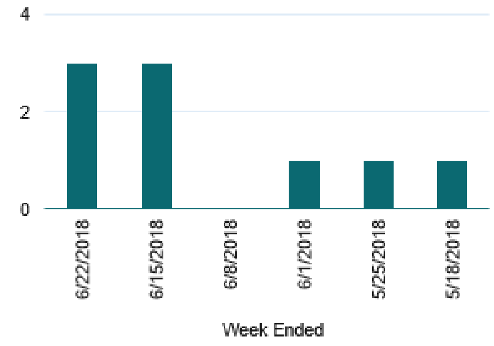
Sector-Wise Deals Breakdown



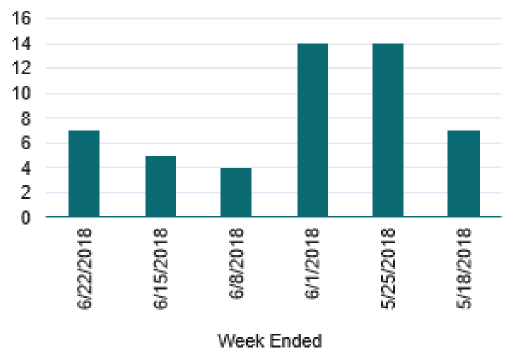
Bank Technology Solutions



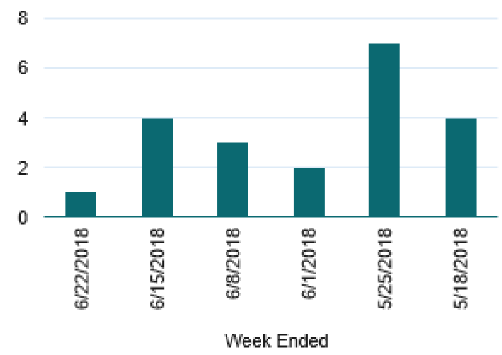
BPO



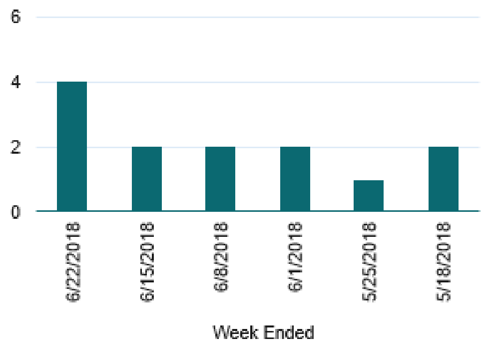
Financial Management Solutions



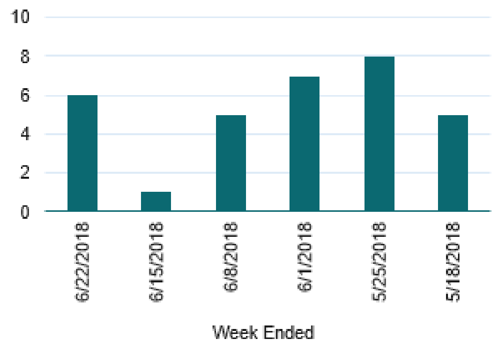
Healthcare Tech



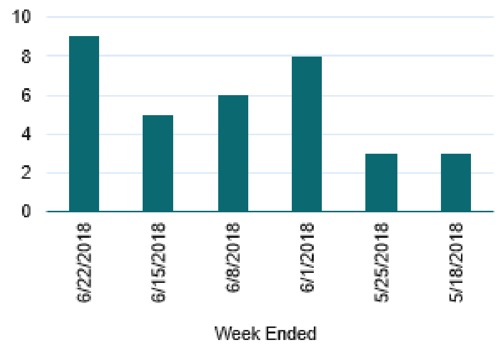
Insurance



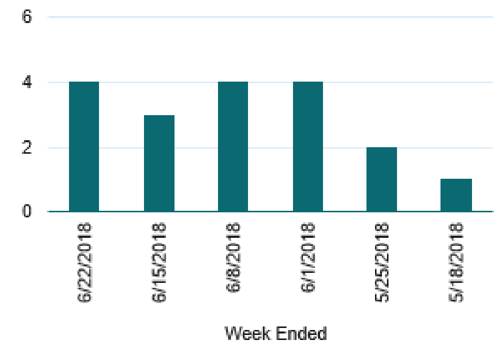
Payments



Securities

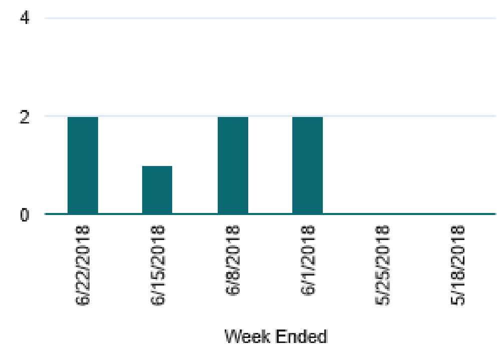


Speciality Finance / Alternative Lending



Data & Analytics / IoT

Others



BANK TECHNOLOGY SOLUTIONS

Sweden's Rebtel raises $8 million to build bank for migrant workers

Bank Technology Solutions
6/21/18

Swedish technology company Rebtel has raised $8 million in funding to build a digital bank aimed at migrant workers. Rebtel will be taking the new injection of $8 million - funded by Balderton Capital and Index Ventures - and combining it with a further $8 million from its existing treasury for its banking endeavor.

Magnus Larson, CEO of Rebtel, says: “When moving to a new country whether it be for work, love, or a new beginning, many migrants don’t have the credit or financial history to get up and running. With the addition of this service, we hope to ease the barriers to migrants success and help them prosper wherever they land."

Rebtel currently offers its 500,000-strong migrant user community global unlimited calling to 56 countries for $10 a month. It also it offers an on-demand job programme in migrant rich regions including Miami and Houston which pays migrants for signups to the Rebtel app.

Although details of the new banking products are scant, the Rebtal bank is expected to make its debut in Q4 2018.

https://www.finextra.com/newsarticle/32290/swedens-rebtel-raises-8-million-to-build-bank-for-migrant-workers

KeyBank digital acquisition to accelerate small business lending

Bank Technology Solutions

6/21/18

KeyBank announced the acquisition of a digital lending platform for small businesses created by Bolstr. The fintech software, expected to be implemented in 2018, will enable KeyBank to provide faster and easier access both to SBA loans and to traditional capital for business owners.

This move accelerates KeyBank's ability to serve small businesses by expanding their access to capital and quickly delivering credit solutions through an online application process and enhanced digital capabilities.

"KeyBank is deeply committed to helping small businesses thrive and to providing them with the funding they need to grow," said Jamie Warder, Head of KeyBank Business Banking. "Bolstr's technology transforms the small business lending process and allows us to more efficiently serve small businesses for their SBA and traditional lending needs."

Founded in 2010, Bolstr was designed to provide flexible loans that are specially tailored to small business owners. With Bolstr's technology, KeyBank will be able to digitally accept and process loan applications significantly faster, greatly reducing the time and paperwork it takes to process these requests.

"We are excited to work with an organization that is dedicated to helping communities and small businesses prosper," said Charlie Tribbett, co-founder of Bolstr. "By combining our digital expertise and KeyBank's industry knowledge, business owners will receive exceptional service and the efficient lending experience they need to be successful."

"KeyBank is continually looking for fintech relationships with services that make it easy for clients to do business, and for KeyBank to deliver real financial solutions," said Jason Rudman, KeyBank's Director of Consumer Payments and Digital Banking. "We know small business owners appreciate the ease of digital banking to help them grow their business and our focus is on finding ways to expand our digital platform to facilitate that growth." Terms of the purchase have not been disclosed.

In 2017, KeyBank launched a $16.5 billion National Community Benefits Plan, including a $2.5 billion commitment to small business lending over five years. KeyBank is a top 10 SBA 7 (a) lender nationally, with the unique ability to offer clients the whole bank, from cash flow to commercial real estate to wealth management solutions.

http://www.equipmentfa.com/news/8151/keybank-digital-acquisition-to-accelerate-small-business-lending

Oval Money launches Series A with investment led by Intesa SanPaolo

Bank Technology Solutions

6/18/18

Oval Money, a Milan, Italy- and London, UK-based automated savings platform, kicked off its Series A round with a significant investment led by Italian banking group Intesa SanPaolo Group.

The exact round of the deal was not disclosed.

With the investment, made by Neva Finventures, the venture capital arm of Intesa SanPaolo, the bank will take a minority stake in Oval Money. In exchange, Oval Money's products will be offered to a network of over 20,000 tobacconists across Italy via Intesa SanPaolo Group's bank Banca 5, reaching a so-far-unserved demographic of immigrants and young people.

Banca 5, which already provides a physical banking experience through tobacconists, will now be able to offer consumers new, online services through Oval also allows us to complete our mission of being a more accessible and inclusive solution.

Founded in 2016 by Benedetta Arese Lucini, former CEO of Uber Italy, with Claudio Bedino and Edoardo Benedetto, co-founders of do-it-yourself crowdfunding platform Starteed.com, and Simone Marzola, longtime expert in machine learning and artificial intelligence, Oval Money is a personal finance marketplace that combines expense tracking, saving and investing for young adults in Europe, all into one platform. The app allowa people to save automatically and effectively, teaching them to monitor spending habits and makes selecting financial products transparent and accessible.

http://www.finsmes.com/2018/06/oval-money-launches-series-a-with-investment-led-by-intesa-sanpaolo.html

Finastra acquires Malauzai

Bank Technology Solutions

6/18/18

Finastra has acquired Malauzai, a provider of mobile and Internet banking solutions for community financial institutions. The deal reflects Finastra's commitment to the US retail and business banking sectors by further enabling digital transformation for community banks and credit unions across the country.

"Credit unions and community banks are the fabric of American financial services. We strive to help them realize the benefits of digital transformation – including being able to deliver outstanding experiences right across their consumer and business customer lifecycles," said Simon Paris, CEO at Finastra. "Together, our two companies deliver a fully integrated open core platform for payments, lending and digital, across Finastra's 4,500-strong US-based community market customers and Malauzai's non-core US-based customers. We value Malauzai's market leadership and its open approach, which is in perfect alignment with our open platform vision."

The acquisition is built on an already successful and proven partnership between Finastra and Malauzai, which saw the latter's digital solution integrated into Finastra's Fusion Phoenix core banking system. Since 2015 the two companies have amassed over 130 joint customers, including Wisconsin-based Horicon Bank, all using the combined capabilities to drive better digital engagement with their customers and members, as mobile and online banking reshapes the consumer journey.

Tom Shen, CEO at Malauzai said, "We're extremely excited for the next chapter of our story with Finastra. Together we have a deep understanding of the community banking space. By combining a best-in-class core experience, backed by leading innovative mobile and Internet banking capabilities and our mobile-only design approach, community financial institutions win. The acquisition creates a compelling proposition for our existing customer base and enables Finastra's customers to deliver a seamless banking experience with a robust breadth of services, via a single provider."

Headquartered in Austin, Texas, Malauzai is a provider of digital banking solutions for community financial institutions. It serves more than 350 US community markets institutions with over one million monthly active users.

Malauzai was advised by Krall & Co. Inc. on the transaction. Financial details of the deal have not been disclosed.

https://www.businesswire.com/news/home/20180618005628/en/Finastra-Acquires-Malauzai

Virgin Money agrees £1.7bn takeover by CYBG

Bank Technology Solutions
6/18/18

Virgin Money has agreed to be taken over by Clydesdale and Yorkshire Banking Group (CYBG) in a deal worth £1.7bn that could result in 1,500 job losses.

The banks, which had until 5pm on Monday to strike an agreement, said the combined group would "create the UK's first true national competitor to the large incumbent banks" with more than six million customers.

It would also see the group's operations come under the Virgin Money brand in a licensing deal with Virgin Enterprises, the announcement said. Under the terms of the all-share deal each Virgin Money share would be exchanged for 1.2125 new CYBG shares.

The companies said it represented a premium of 19% to the closing price for Virgin shares on 4 May, at the start of the offer period. The new share structure would see Virgin investors own approximately 38% of the combined group.

But a union said it was demanding urgent meetings with management amid warnings by CYBG that as many as 1,500 jobs were likely to be lost among the combined group's current workforce of 9,500 as duplication and other cost synergies are identified. It is believed management roles would be worst hit across the combined group, which is to have its headquarters in Glasgow.

CYBG chairman Jim Pettigrew, chief executive David Duffy and finance chief Ian Smith would all remain in their roles. Virgin Money's chief executive, Jayne-Anne Gadhia, would not leave completely, the statement said, suggesting she had "agreed in principle" to serve in a consultancy role as a senior adviser to Mr Duffy.

She said of the deal: "The combination of Virgin Money with CYBG will have greater scale to challenge the big banks.

"It will also accelerate the delivery of our strategic objectives, particularly the expansion of the products we offer to
customers."

She added: "I am especially pleased that we have received a number of important commitments from CYBG.

"We have obtained assurances from CYBG regarding our employees (including a commitment to leverage the best talent from both CYBG and Virgin Money) and our Gosforth headquarters.

"The combined group will remain a committed voice behind the Women in Finance Charter as well as working to reduce the gender pay gap.

"This is a compelling deal for our shareholders, that accelerates value delivery and represents the beginning of the next chapter of the Virgin Money story."

But Unite union national officer, Rob MacGregor, responded: "Thousands of banking employees have this morning heard through the media that their jobs are no longer secure.

"Unite the union represents staff across both banks and has this morning expressed deep unease about jobs and services across both these financial institutions.

"The purchase of Virgin Monday by Clydesdale and Yorkshire Bank will change the face of banking in many high streets across the country.

"It is vital that the skilled and experienced workforce are given assurances that branches and contact centres will not be closed leaving customers without their much valued access to local banking."

Shares in Virgin Money closed 2% lower and CYBG was down less than 1%.

Russ Mould, investment director at AJ Bell, cautioned it was far from a done deal amid jitters in the sector caused by TSB's catastrophic IT migration failure.

https://news.sky.com/story/virgin-money-agrees-17bn-takeover-by-cybg-11408303

BPO

Beamery raised $28 million

BPO

6/20/18

The company raised $28 million of Series B venture funding in a deal led by EQT on June 20, 2018. Edenred Capital Partners, M12, Index Ventures (UK), and AngelPad also participated in the round. The company intends to use the funds to hire in its offices in London (HQ), Austin and San Francisco - with plans to expand into other markets in future, and invest into product, research and development. The company is a developer of a candidate relationship software designed to power modern recruiting teams. The company's candidate relationship software uses machine learning algorithms, predictive marketing and data-science to determine which prospects are most interested in working for a given employer, enabling recruiters or employers to identify, get connected and nurture relationships with prospective hires, long before they apply for a job.

Source; Pitchbook: Deal ID; 107664-40T

Acumatica raised $25 million of Series C funding

BPO

6/18/18

Acumatica has raised $25 million of Series C venture funding in a deal led by Accel-KKR on June 18, 2018. Other undisclosed existing investors also participated. The company intends to use the funds to expand into vertical industries and extend its lead in AI, machine learning and Cloud/SaaS technologies for business management and financial applications. The round brings the company's total funding to more than $55 million to date. The company is the provider of an enterprise resource planning software designed to offer highly customizable and cloud-based ERP applications. The company's application uses adaptable cloud and mobile technology, enabling small and midsized businesses to get complete real-time view of their business anytime, anywhere, on any device.

Source; Pitchbook: Deal ID; 107533-00T

Kustomer secures $26 million in Series B Funding to modernize customer experience

BPO

6/15/18

Kustomer, the modern CRM platform for customer experience, service, and support, announced today it has raised $26 million in a Series B financing round, bringing its total funding to $38.5 million. Redpoint Ventures led the round with participation from Series A investors Canaan Partners, Boldstart Ventures, and Social Leverage. Cisco Investments also joined as a new strategic investor. Additionally, Tomasz Tunguz, Partner at Redpoint Ventures, will join Kustomer's Board of Directors to further propel the company's goal of transforming the customer service industry.

As the digital age continues to bring customer behavior changes, the business processes that handle customer data need to adapt accordingly in order to exceed customer expectations. The only way companies and brands can differentiate in the direct-to-consumer age is with a full view of the customer, enabled by a platform approach to CX and service rather than siloed applications and traditional, outdated support ticketing systems.

"We have all experienced bad customer service. We saw there was a real need for a modern CRM platform that focuses on the customer, rather than a support ticket, in order to eliminate these negative experiences," says Brad Birnbaum, CEO and Co-Founder of Kustomer. "Kustomer's single customer timeline and intelligent workflow engine enables companies to personalize and automate complex use cases that take time and resources, allowing service teams to be more effective and productive. For example, if you order a dress for a friend's wedding that is supposed to be delivered during a snowstorm, you may be a little worried it might not show up in time. To add to the stress, you have to call support, wait on the line, and provide all the personal information the company should already have in order to find out. With Kustomer, support agents already have your information and are able to proactively reach out to you on email or SMS to let you know about the delay, will provide an option to choose an alternate dress at no extra cost, and can update the shipping address as needed. Kustomer is providing modern service for the modern consumer."

Kustomer's CRM platform for customer experience enables service organizations to know everything about every customer. Kustomer empowers agents with real-time omnichannel capabilities, and delivers personalized, memorable experiences at scale by integrating all business data and automating intelligent workflows, resulting in higher lifetime value.

Kustomer has experienced rapid growth since it was founded in 2015, including clients with thousands of service agents, some of which are industry disruptors themselves. Jamie Siminoff, Founder and CEO of Ring explains, "By switching to Kustomer, we were able to lower our overall service and customer experience costs, while also increasing our team members productivity.

Kustomer aligns with our approach of providing exceptional customer experiences by leveraging their platform to better empower our teams, and in turn, our customers."

"It is time for disruption in the customer support industry, and Kustomer is leading the way," said Tomasz Tunguz, partner at Redpoint Ventures. "Kustomer has had impressive traction to date, and we are confident the world's best B2C and B2B companies will be able to utilize the platform in order to develop meaningful relationships, experiences, and lifetime value for their customers. This is an exciting and forward-thinking platform for companies as well as their customers."

Kustomer will use this round of funding to expand its platform and focus on intelligence, integrations and enterprise capabilities as it continues to take on larger opportunities. Leveraging its rich customer data in the platform, Kustomer will broaden its capabilities starting with engagement. The company anticipates doubling its team within the next twelve months by expanding both domestically and internationally. Kustomer aims to enable all companies to provide memorable experiences by becoming customer centric.

https://www.prnewswire.com/news-releases/kustomer-secures-26-million-in-series-b-funding-to-modernize-customer-experience-300666788.html

FINANCIAL MANAGEMENT SOLUTIONS

Agari raised $40 million of Series E venture funding

Financial Management Solutions

6/21/18

Agari raised $40 million of Series E venture funding in a deal led by The Goldman Sachs Group on June 21, 2018. Alloy Ventures, Battery Ventures, First Round Capital, Greylock Partners, Scale Venture Partners and Norwest Venture Partners also participated in the round. The company intends to use the funding for its global expansion across Europe and Asia. The company is the provider of data security platform intended to change the email security status quo. The company's platform provides internet scale, data-driven security technology services that eliminate email as a channel for cyber-attacks, enabling businesses and consumers to interact safely.

Source; Pitchbook: Deal ID; 107726-59T

Seal raised $30 million from Toba Capital

Financial Management Solutions

6/20/18

Seal (Business Productivity Software) raised $30 million of venture funding from Toba Capital on June 20, 2018. The company intends to use the funds to continue to grow operations and expand their business reach. The company is the provider of contract discovery, data extraction and analytics software designed to help companies manage their contract portfolios. The company's software leverages machine learning and natural language processing and works like a search engine where users can ask various questions about their contracts, like start dates, renewals, payment terms, liability, pricing, incentives and others, and get answers for them, enabling companies to understand exactly where their contracts are and what is buried within them, maximizing revenue opportunities, mitigating risk and reducing expenses.

Source; Pitchbook: Deal ID; 107726-59T

CrowdStrike raised $200 million of Series E funding

Financial Management Solutions

6/19/18

CrowdStrike raised $200 million of Series E venture funding in a deal led by General Atlantic, IVP, and Accel on June 19, 2018, putting the company's pre-money valuation at $3.15 billion. CapitalG and March Capital Partners also participated in the round. The funding will help the company to continue to accelerate the growth of operations and the pace of its innovation and technology development. The company is the developer of a cloud-based cybersecurity platform designed to prevent, detect, and respond to cyber attacks in real-time. The company's platform uses artificial intelligence and machine learning to offer instant visibility and protection across the enterprise. It protects customers against all cyber attack types, using sophisticated signatureless AI and Indicator-of-Attack (IOA) based threat prevention to stop known and unknown threats in real time. enabling companies to protect themselves from malware, ransomware and other types of cyber attacks whether they are on or off the network.

Source; Pitchbook: Deal ID; 107587-81T

Tessian, a tech startup using machine intelligence to transform email security, lands $13m series A from Balderton and Accel

Financial Management Solutions
6/18/18

London-based cybersecurity startup Tessian has today announced the closing of $13m (£9m) in a series A round, led by Balderton Capital and existing investor Accel Partners.

Top venture capital firms like Amadeus Capital Partners, Crane, and LocalGlobe among others also participated in the round.

A tech startup with its founders' roots in investment banking, Tessian's machine learning software protects companies against the problem of highly sensitive information being sent to the wrong person on email, by analysing past behaviours to understand normal (and abnormal) email sending patterns.

"We saw data loss all the time on email channels, often through inadvertent behaviour, or at times through people sending it to their personal email," said co-founder Tim Sadler, speaking to City A.M. in an interview.

"Banks have enormous amounts of money to spend on email security, so we thought 'why is this still a problem?'"

Formerly known as Checkrecipient, the company has done a lot of growing since its seed round in April last year. It can now boast clientele like Schroders, Dentons and Clyde & Co under its wing, with over 70 UK law firms using the platform to protect their email networks.

Sadler said its annual revenue has increased by over 400 per cent in the last 12 months, with the Tessian team also ballooning in size from 13 to 50 people.

It hopes to use the new funding to push growth even further, expanding its product offering and hiring even more staff for its soon-to-be new office on Liverpool Street after outgrowing the Silicon Roundabout.

"When you send an email, [the software] is checking if you are accidentally sending this email to the wrong person, or are you intentionally sending this email to an unauthorised person," explained Sadler.

"But over time, we hope it will look at all of the challenges around email, and use this information to solve other problems on the email stack in a completely automated manner."

The whole process from the start of installation to having a working product takes about 24 hours, after which companies have automatic protection. Clients get daily reports on the breaches Tessian has then prevented, as well as a historic report on day one.

“In the long term, we perceive today’s perimeter of the enterprise are the humans within it. If you think about people trying to hack into organisations now, you’re hacking the human who is the gatekeeper for all their services.”

“Today this is email, but this could evolve over time to be instant messaging, voice, or a number of entry points.”

Suranga Chandratillake, a partner at Balderton Capital, gave the example of how, the vast majority of times data is stolen or lost, it happens because of human error: “Someone in accounting doesn’t pay enough attention to an email and makes a payment they shouldn’t have, or someone in HR gets a call from somebody who sounds like the CEO and gives sensitive employee information over the phone.”

Too many solutions to these problems revolve around rule-based policy, which leaves room for loopholes when a new rule hasn’t been written yet.

“Simply put,” Chandratillake said, “techniques like machine-learning create a framework that computers can use to understand what normal behaviour looks like. Once you know normal, you can spot abnormal.”

“The genius of this approach is that while the product focus today is on email – by far the most used communication channel in the corporate enterprise – their technology can be applied to all communication channels in time. And, as we all communicate in larger volumes and on more channels, that represents a vast opportunity.”

http://www.cityam.com/287710/tessian-tech-startup-using-machine-intelligence-transform

Cohesity raises $250M from SoftBank Vision Fund & others for global expansion

Financial Management Solutions

6/12/18

Hyperconverged secondary storage provider Cohesity has raised $250 million in Series D funding round led by SoftBank's Vision Fund, valuing the company at more than $1 billion.

This is SoftBank's second investment in an enterprise software company after backing the workplace messaging app Slack in September last year.

Other investors who participated in the funding round include strategic investors like Cisco Investments, Hewlett Packard Enterprise (HPE), and Morgan Stanley Expansion Capital, along with early investor Sequoia Capital. With this round, Cohesity has raised a total $410 million funding until now.

Started by Nutanix co-founder Mohit Aron, Cohesity provides services to help businesses store, manage and protect their data. It has two products - a hyperconverged platform for secondary data called Cohesity DataPlatform and a data protection solution called DataProtect.

The company plans to use the funds raised to power its "large-scale global expansion". Rob Salmon, president and chief operating officer at Cohesity told Reuters that SoftBank will help the company expand operations in India and other Asian countries like South Korea and Japan.

“Cohesity pioneered hyperconverged secondary storage as a first stepping stone on the path to a much larger transformation of enterprise infrastructure spanning public and private clouds,” said Deep Nishar, senior managing partner, SoftBank Investment Advisers. “We believe that Cohesity’s web-scale Google-like approach, cloud-native architecture, and incredible simplicity is changing the business of IT in a fundamental way.”

In a statement, Cohesity said it also benefits from the "renewed support of strategic investors Cisco and HPE". HPE currently offers a suite of comprehensive solutions built with Cohesity’s platform.

"We continue to collaborate closely to integrate Cohesity’s market-leading hyperconverged secondary storage platform with our cutting-edge data center solutions to provide an integrated, tested, and validated offer to customers. We are proud to invest and partner with Cohesity through our Hewlett Packard Pathfinder program." said Vishal Lall, chief strategy officer, HPE.

"Cohesity has quickly managed to scale in the secondary data and applications market by delivering a software fabric that combines the simplicity, scalability, and cost efficiency modern enterprises are looking for." added Rob Salvagno, vice president, Corporate Development at Cisco.

San Jose-based Cohesity claims that it has added more than 200 new enterprise customers in the last two quarters, including the likes of LendingClub, Hyatt, AutoNation, Schneider Electric, the U.S. Department of Energy, the U.S. Air Force, BC Oil and Gas Commission, TCF Bank and the San Francisco Giants among others.

It also claims the company's annual revenues surged by 600% between 2016-2017 but didn't disclose any specific numbers.

“My vision has always been to provide enterprises with cloud-like simplicity for their many fragmented applications and data – backup, test and development, analytics, and more,” said Aron.

https://tech.economictimes.indiatimes.com/news/corporate/cohesity-raises-250m-from-softbank-vision-fund-others-for-global-expansion/64554213

Claroty raised $60 million of Series B funding led by Temasek Holdings

Financial Management Solutions

6/11/18

Claroty raised $60 million of Series B venture funding in a deal led by Temasek Holdings on June 11, 2018. Rockwell Automation, Israel Cleantech Ventures, Next47, Tekfen Ventures, Aster Capital Partners, Envision Ventures, Bessemer Venture Partners, Innovation Endeavors and Team8 also participated in the round. The company will use investment proceeds to grow the Claroty brand globally, extend its sales and customer support footprint, and continue its rapid pace of product innovation. The company has raised $93 million to date. The Company is the provider of an Operational Technology (OT) network protection platform designed to monitor network assets and communication patterns. The company's platform provides real-time monitoring, high-fidelity models and advanced analytics to detect anomalies and to rapidly alert organizations to security and process integrity issues, enabling users to control system devices, protocols and networks.

Source; Pitchbook: Deal ID; 107213-68T

Eigen Technologies raised GBP 13 million of Series A funding

Financial Management Solutions

6/11/18

Eigen Technologies raised GBP 13 million of Series A venture funding in a deal led by Goldman Sachs Principal Strategic Investments and Temasek Holdings on June 11, 2018. Other undisclosed investors also participated in this round. The investment will support the expansion of the business in London, New York and other global markets, as well as the growth of the company's research and development arm. The company is the developer of a natural language processing technology designed to read complex documents. The company's technology leverages machine learning to analyze and mine documents and contracts, automating the extraction of unstructured qualitative data, enabling businesses to quickly access information and make better informed decisions.

Source; Pitchbook: Deal ID; 107229-25T

HEALTHCARE TECH

Helian Health raised $75 million of Series B funding led by SenseTime

Healthcare Tech

6/21/18

Helian Health raised $75 million of Series B venture funding in a deal led by SenseTime on June 21, 2018, putting the company's pre-money valuation at $825 million. Wanxiang Healthcare Investments and Hangzhou Lianchuan Investment Management also participated in the round. The company is the provider of hospital wifi services designed to provide one-stop hospital Internet of Things application services. The company's services, health applications and corporate employee health management platform uses artificial intelligence to accurately interpret personal health data and customizes personalized health management programs, differentiated exercise prescriptions and balanced meal plans, enabling companies to help employees to have healthier lives.

Source; Pitchbook: Deal ID; 107740-18T

YC alum Modern Health, a startup focused on emotional wellbeing, gets $2.26M seed funding

Healthcare Tech

6/15/18

About one year ago, a note from a CEO thanking his employee for using sick days to take care of her mental health went viral. It was a reminder to Alyson Friedensohn of what she wants to accomplish with Modern Health, the emotional health benefits startup she founded last year with neuroscientist Erica Johnson.

“We want that to be normal. We want the email she sent to be normal, to be able to be that open,” Friedensohn tells TechCrunch.

Modern Health, a Y Combinator alum, announced today that it has raised $2.26 million in seed funding for hiring, accelerating the development of its healthcare platform and growing its network of therapists, coaches and other providers. Offered as a benefit by companies, Modern Health’s services are meant to improve employee well-being and retention rates. The round was led by Afore, with participation from Social Capital, Precursor Ventures, Merus Capital, Maschmeyer Group Ventures, Y Combinator and angel investors.

Friedensohn, Modern Health’s chief executive officer, says several employers have already signed up for its platform, which includes services like counseling and career and financial coaching. One of its newest customers, human resources startup Gusto, hit a 43% utilization rate of its services, including connecting employees to coaches and therapists, among registered users just four days after it began offering the platform.

The startup is especially proud of the fact that Modern Health’s team is currently all female and Friedensohn wants to parlay their points of view into services that address issues affecting women. For example, the platform already works with providers who specialize in postpartum depression and infertility.

“People don’t talk about what working moms are dealing with and countless things like that,” says Friedensohn, who previously worked at health tech companies Keas and Collective Health. “People don’t want to talk about it because they are worried it will jeopardize their careers, but it makes a difference.”

Several other tech startups are working on mental health care platforms for employers to offer as a benefit, including Ginger.io, Lyra Health and Quartet, which have all have received significant amounts of funding from prominent investors. The space is especially important, given the alarming rise in the United States’ suicide rate and the fact that about 6.7% of all adults in the U.S. have experienced at least one major depressive episode.

One of Modern Health's priorities is to reach employees before they hit a crisis point. Since many people are daunted by the idea of therapy, the platform connects them to coaches instead to focus on specific issues, like their careers, or overall emotional wellbeing. This helps referrals, Friedensohn notes, because it makes the service feel more approachable.

"They can say to friends, I have this awesome Modern Health coach, versus saying I have a therapist, so it's way easier for people to engage," she says.

Modern Health also makes its services more accessible by offering several ways to use the platform: texting, video calls or, for people who don't want to talk to a therapist or coach yet, meditation apps and other digital tools created by the company. Friedensohn adds that it's not uncommon for people to write essays on their sign-up forms when registering because it's the first time they've been able to unload their problems.

"People like that it's coaching," she says. "What we found is that by focusing on that point, the biggest thing is lowering the barrier to entry, so that people who are depressed are also comfortable reaching out."

https://techcrunch.com/2018/06/15/yc-alum-modern-health-a-startup-focused-on-emotional-wellbeing-gets-2-26m-seed-funding/

Cleo raised $10.5 million of Series A venture funding led by Greylock Partners

Healthcare Tech

6/13/18

Cleo (The Modern Village) raised $10.5 million of Series A venture funding in a deal led by Greylock Partners on June 13, 2018, putting the company's pre-money valuation at $22 million. Felicis Ventures and Forerunner Ventures also participated in this round. The funds will be used to grow its platform that caters to expecting parents in the workforce. The funds will also finance the app's development and help expand Cleo's network of prenatal and postpartum experts. The company is the provider of an online application and a global network of certified care practitioners designed to assist working parents who are considering pregnancy, parenthood, and the process of transitioning back to work. The company's platform enables employers to increase employee retention, inclusive workplaces, health outcomes and savings on expensive pregnancy-related health claims.

Source; Pitchbook: Deal ID; 107382-34T

CareSyntax raised $31.9 million from lead investor Surgical Intelligence

Healthcare Tech

6/11/18

CareSyntax raised $31.9 million of venture funding from lead investor Surgical Intelligence on June 11, 2018. Norgine Ventures also participated. The funding will be used for U.S. Expansion and to develop machine learning and value-added applications for surgical risk management. The company is the Developer of an IoT technology platform intended to offer surgical analytics and integration services. The company's platform transforms unstructured clinical and operational data into actionable, real-time insights through IoT and data analytics, enabling hospitals and ambulatory surgical centers identify and manage risk, automate workflows, enhance knowledge sharing, and reduce surgical variability.

Source; Pitchbook: Deal ID; 95019-22T

INSURANCE

Cape Analytics raises $17 million Series B to bring its AI-Driven Property Intelligence Solution to more U.S. Insurers

Insurance

6/21/18

Cape Analytics, the provider of the most accurate and up-to-date property data for insurers and reinsurers, is announcing it has raised $17M in new financing, led by XL Innovate, an insurance technology-focused venture fund. The round also includes backing from innovative insurance customers and partners, including The Hartford, Nephila, CSAA Insurance Group (a AAA insurer), The Cincinnati Insurance Company, and State Auto Labs Fund. These insurers join existing technology investors from current or prior rounds, including Formation 8, Data Collective, Khosla Ventures, Montage Ventures, Lux Capital, and Promus Ventures. As part of the financing round, XL Innovate Partner, Martha Notaras, will join the company's Board of Directors.

Today, trillions of dollars are tied to real estate assets, but property-related financial decisions are often based on inaccurate or out-of-date information. Cape Analytics has used computer vision and machine learning to turn current geospatial imagery into the world's most accurate structured database of property information in the United States. This data includes critical information such as building footprints, roof condition, and nearby hazards. With Cape Analytics, insurers can access data on over 70 million buildings across the country in milliseconds, allowing them to instantly pull property information at the time of quote, choose better risks, and price policies more accurately. Data from Cape Analytics also accelerates the home insurance application process for consumers, powering accurate online quotes with fewer time-consuming questions.

The fresh round of funding will be used by Cape Analytics to expand its sales and AI-centric product development teams as it responds to rapid growth in customer interest and adoption. In the future, the company will also look at expanding its footprint to new geographies and other applications within the insurance vertical, where significant opportunity exists to improve data quality being used by insurers to make critical decisions about their business.

"I've seen a number of large-scale business success stories that were contingent on strategic inflection points within the insurance industry. Cape Analytics is presaging the next major shift in insurance, towards the use of AI and real-time analytics," said Martha Notaras, Partner at XL Innovate and Cape Analytics Board Director. "I have observed over the last two years as Cape Analytics has delivered on their product vision and made a tangible impact on their customers' bottom line. We are thrilled that XL Innovate has the opportunity to lead this financing and help Cape Analytics scale further."

"When we evaluate venture opportunities at The Hartford, we look for companies with distinctive capabilities, a forward-thinking, execution-focused management team, and the ability to add meaningful value to our core businesses," said John Wilcox, Chief Strategy and Ventures Officer at The Hartford. "Cape Analytics checks all of these boxes, and we are excited to be an investor and partner of theirs."

“We had the privilege to choose the entities that invested in this round of funding. As such, we have deliberately prioritized forward-thinking customers who provide critical product insight and reflect our customer-driven philosophy,” said Ryan Kottenstette, CEO and Co-Founder of Cape Analytics. “This funding also recognizes our leadership in the residential property intelligence space as the only provider of accurate, instant, and up-to-date property data.”

In less than 12 months, Cape Analytics has seen tremendous growth, expanding its coverage from Florida alone to nearly every single-family home in the country. The company has also expanded the breadth of its offering with data on additional features critical to assessing risk including presence, shape, and condition of building and parcel characteristics. Finally, Cape Analytics has partnered with leading insurance software providers, such as Duck Creek, and tripled headcount since the last financing round

https://www.businesswire.com/news/home/20180621005100/en/Cape-Analytics-Raises-17M-Series-Bring-AI-Driven

AIG to acquire UK group life specialist Ellipse from Munich Re

Insurance

6/20/18

New York, London and Munich, American International Group, Inc. (AIG) and Munich Re announced today that AIG Life Ltd. (AIGLL), a UK subsidiary of AIG Life & Retirement, has agreed to acquire Ellipse, a specialist provider of group life risk protection in the UK, from Munich Re.

Ellipse's group protection capabilities, which include life, critical illness and income protection products, along with its technology-enabled business model with high levels of straight through processing, will position AIGLL to efficiently manage group risk schemes for companies of all sizes.

Thomas Braune, Munich Re's Chief Executive of Life and Health Reinsurance in Europe, Latin America and the Middle East, said, "We are glad to have found a trusted partner for this deal in AIG, pairing the right strategic fit on their side with a good opportunity for us to re-focus our UK market approach. This is a great opportunity for both sides and we are looking forward to completing this deal soon."

Lee Lovett, Chief Executive Officer of Ellipse, added, "I would like to thank Munich Re for supporting the development and growth of Ellipse over the last 9 years, such that we are now recognized as a mainstream group risk insurer. We now look forward to the next exciting chapter of our growth story with our new owner, AIG Life."

Kevin Hogan, Executive Vice President and Chief Executive Officer, AIG Life & Retirement, said, "The acquisition of Ellipse reflects our disciplined approach to selectively expanding our existing Life & Retirement businesses while pursuing opportunistic growth. Ellipse brings a strong team with a scalable business platform to our well-positioned, technology-driven UK life business. We look forward to welcoming the Ellipse team to AIG."

"Ellipse's group life business is highly complementary to AIG's existing UK Individual Protection offering. It positions us to capitalize on the strong growth potential in the UK group market by allowing us to provide a holistic suite of innovative protection products that better serve our clients and partners," said Adam Winslow, CEO, AIGLL. "Additionally, I'm excited to start working side by side with our Ellipse colleagues, who share a similar culture and entrepreneurial spirit, a mono-line protection focus and recognized technology leadership."

Since its launch in 2009, Ellipse has grown to become the 6th largest UK group life provider based on 2017 new business volumes. Ellipse has reached an 8% share of new business premiums and a 4% share of in-force premiums in 2017. As of May 2018, the company holds approximately £64 million of in-force premiums and nearly 4,500 in-force policies covering over 370,000 lives.

The transaction, the terms of which were not disclosed, will be fully funded with cash. The acquisition is expected to close in the first quarter of 2019, subject to required regulatory approval. Munich Re was advised by Fenchurch Advisory Partners.

https://www.munichre.com/en/media-relations/publications/company-news/2018/2018-06-20-company-news/index.html

The Hilb Group picks up MA-based employee benefits firm

Insurance

6/20/18

The Hilb Group (THG) has acquired BAR Insurance Brokerage in Needham, MA.

BAR Insurance Brokerage is an employee benefits firm that provides a suite of group benefits products and services. As part of the acquisition, BAR will join THG's New England operations. BAR president Rick Raisman will also join THG's team, helping the insurance brokerage grow its benefits division in the region.

"Our customers are our top priority," said Raisman in a statement. "By joining THG, they will receive the same degree of customer service that they have come to expect, plus the additional capabilities and expertise available through THG."

"The experience and market relationships that Rick and his company bring to THG will continue to fuel the growth of our existing benefits division in the New England region," commented THG CEO Ricky Spiro. "We are thrilled to welcome BAR to our expanding team."

At present, THG has 58 offices across 17 states. The brokerage firm, founded in 2009, "seeks to grow through targeted acquisitions in the middle market insurance brokerage space," a release said.

This is THG's second acquisition for 2018 – in May, the company bought Bentson Insurance Group in New York.

Last year, THG was on an acquisition streak, purchasing 13 companies

https://www.insurancebusinessmag.com/us/news/breaking-news/the-hilb-group-picks-up-mabased-employee-benefits-firm-103771.aspx

Crawford & Company® announces agreement to sell Garden City Group® to Epiq

Insurance

6/18/18

Crawford & Company®, the world's largest publicly listed independent provider of claims management solutions to insurance companies and self-insured entities, today announced that it has sold Garden City Group, LLC℠ (GCG®), its legal administrative services unit to Epiq, a worldwide provider of legal services, serving law firms, corporations and financial institutions.

The sale allows Crawford to focus on its core services of providing claims solutions globally and further solidify its position as market leader for independent claims management services. It also allows Crawford to invest additional resources in industry solutions where the company is a market leader and expects significant future growth.

"This is an important transaction for Crawford that allows us to further concentrate our attention and resources on high-growth business segments where we have established leadership. Just as importantly, we have found a great home for our legal administrative services business and the dedicated GCG employees," said Harsha V. Agadi, president and CEO of Crawford & Company. "The professionalism, commitment and contributions of GCG's employees have been unmatched and I'm pleased they can continue their growth with a well-regarded leader in the legal administrative services industry."

As part of the agreement, Epiq will continue to provide ancillary support services to Crawford in support of its claims operations.

"Crawford's GCG is well known and respected in the industry and the transaction will create even more value for our clients," said John Davenport Jr., Chief Executive Officer of Epiq. "We look forward to welcoming GCG employees to Epiq and we look forward to further serving GCG clients."

The transaction closed on June 15, 2018.

VRA Partners acted as financial advisor to Crawford on the transaction. Dentons US LLP and Bryan Cave Leighton Paisner LLP served as legal advisors to Crawford & Company and Epiq, respectively.

https://globenewswire.com/news-release/2018/06/18/1525854/0/en/Crawford-Company-Announces-Agreement-to-Sell-Garden-City-Group-to-Epiq.html

PAYMENTS

PayPal will buy Hyperwallet in $400 million deal

Payments

6/19/18

PayPal said on Tuesday (June 19) that it will buy payments payout platform Hyperwallet for $400 million in cash.

The deal will give PayPal greater strength in eCommerce and online marketplaces, PayPal said in a statement. Marketplace sales accounted for 50 percent of all online sales in 2017, according to an estimate provided by PayPal.

"eCommerce platforms and marketplaces are leveling the retail playing field by connecting buyers who have specific needs with groups of sellers that can meet them," said Bill Ready, chief operating officer at PayPal. "Merchants and service providers who use these platforms want quick, efficient, flexible and secure access to their earnings, whenever and wherever they need them. By acquiring Hyperwallet, we will strengthen our ability to provide an integrated end-to-end solution to help eCommerce platforms and marketplaces — however large or small — leverage world-class payout capabilities in over 200 markets."

The completion of this acquisition, expected in the fourth quarter, will result in PayPal and Braintree, a payment processor owned by PayPal, having more prowess around "localized, multi-currency payment distribution capabilities … with numerous disbursement options, including prepaid card, bank account, debit card, cash pickup, check and PayPal," according to the statement.

Hyperwallet has offices in Austin, London, San Francisco, Sydney and Vancouver. Hyperwallet CEO Brent Warrington and other company employees will report to Braintree General Manager Juan Benitez, Ready said.

Hyperwallet made news earlier this spring when it expanded its workforce payments offerings via a partnership with recruiting platform tilr, which is designed to facilitate payouts to workers.

As for PayPal, it recently bought Jetlore, the artificial intelligence-powered prediction platform. Jetlore's platform is used by some of the leading retailers around the globe. The company's proprietary prediction platform empowers global online retailers, such as Uniqlo and Nordstrom Rack, to deliver personalized customer experiences.

https://www.pymnts.com/news/partnerships-acquisitions/2018/paypal-hyperwallet-400-million-acquisition-deal-online-marketplace/

Dunedin invests in payments processor GPS's £44m funding round

Payments
6/19/18

UK-based private equity house Dunedin has invested in the £44 million funding of Global Processing Services (GPS) and taken a "significant stake" in the business. The exact amount invested by Dunedin was not disclosed.

Dunedin calls the deal the UK's "third largest fintech financing in 2018". The firm says it sees "significant potential" for GPS to expand into new international markets as well as develop its product portfolio.

GPS provides issuer processing for 100+ clients including Starling Bank, Revolut, Pockit, Volt Bank, Loot, Stocard, Glint, Osper and Curve.

Oliver Bevan, partner at Dunedin, who will sit on the board, says investing in GPS represents a "significant opportunity for Dunedin to utilise its experience in taking UK companies with a technological edge and enabling them to shine on the international stage".

That's the third time "significant" has been used by Dunedin in one announcement. Anyone own a thesaurus at the firm?

The investment in GPS coincides with other activity for Dunedin and is the third financial services deal that it has completed in two years, following its investments in Kingsbridge and Alpha.

Dunedin says it has also recently completed three "successful exits" – Blackrock, Alpha and Kee Safety – generating a total return of £231 million for its investors within a three-month period. Dunedin is currently investing its £300 million Fund III.

GPS was co-founded by entrepreneurs Tony Kerr and Craig Dewar. It has around 150 employees based in London and Newcastle. The firm provides a single integrated platform, GPS Apex.

https://www.bankingtech.com/2018/06/dunedin-invests-in-payments-processor-gpss-44m-funding-round/

New Credit Card startup lands $50 million From PayPal Mafia and Other Investors

Payments

6/19/18

Brex, a San Francisco company that offers a corporate credit card for startups, has launched its first product and raised $50 million in new investment, bringing its total funding to $57 million. PayPal founders Max Levchin and Peter Thiel contributed to the Series B financing round, in addition to fintech venture capital firm Ribbit Capital, early Facebook investor Yuri Milner and former Visa CEO Carl Pascarella.

The startup has a new model for determining whether companies are creditworthy. Instead of focusing on founders' personal credit history or a company's expected profits, it looks at the amount of money a startup has in its bank account, and it sets a credit limit that's typically 10% of that total.

In 2013, before starting Brex, Henrique Dubugras and Pedro Franceschi founded Brazil-based online payments firm Pagar.me. They were teenagers at the time, in their last year of high school. Three years later, Pagar.me had more than 100 employees and was acquired for tens of millions by Stone, a Brazilian credit card processor, Dubugras says.

The pair came to Silicon Valley last year to attend Stanford, but they dropped out after only three months. They entered startup accelerator Y Combinator and became fixated on a problem that they and other YC startups faced: Even though they had $120,000 in the bank, thanks to the YC program, they couldn't get a credit card without a personal guarantee.

Dubugras, 22, and Franceschi, 21, founded Brex to solve that problem. And where did they get the name Brex? "I've been looking for a better story for it," CEO Dubugras says. "Basically, in startup-land, if you can find a four-letter pronounceable domain for a reasonable price, you buy it."

Brex's card is a Visa card that must be paid off monthly. The credit limit is tied to a bank account balance, so if a startup has $100,000, its card limit might be $10,000. But if it spends half of its cash, its limit immediately drops to $5,000. Limits can go as high as $50,000 or $100,000, and Brex partners with Ohio-based Sutton Bank, which issues the credit.

Brex also uses other data points, like publicly available records, to verify creditworthiness. For instance, it references the startup funding website Crunchbase to crosscheck whether a startup received a professional investment. And Brex works only with companies that have had at least $100,000 in professional investment.

Currently, the credit and financing markets are extremely favorable, with unemployment at an 18-year low and unprecedented amounts of capital flowing to technology companies. What happens when the market turns downward and more startups start to fail? Brex might have to tighten its credit limits, lowering them below the current 10% average. “We have the right within our underwriting policy to change the way that we set limits with the prevailing market conditions,” a Brex spokesperson says.

The company makes money two ways: by charging $5 per user, per year, and by charging transaction fees on every purchase. Its goal is to reach $300 million in transaction volume in 2018, and if it reaches that level, Forbes estimates its revenue this year will be between $5 and $10 million.

Dubugras says Brex has 1,000 users so far, from companies like SoFi, Affirm and LendingHome. Initially, it’s only targeting startups as customers. It will later move toward more established tech firms and then to companies across all industries.

https://www.forbes.com/sites/jeffkauflin/2018/06/19/new-credit-card-startup-lands-50-million-from-paypal-mafia-and-other-investors/#2039e0b02387

Nets expands to Poland with Dotpay/eCard acquisition

Payments

6/19/18

Nets will bring its payments technology reach into Poland through its $85 million acquisition of Dotpay/eCard.

The deal will add one of the leading online payment providers in Poland to Nets' expanding operations in Europe, the Copenhagen-based company said Tuesday.

"Dotpay/eCard have performed very strongly in recent years, achieving solid volume and revenue growth," Nets CEO Bo Nilsson said in a press release. He said that Nets plans to promote Dotpay/eCard's organic growth and that there may be some consolidation of operations.

Andrzej Budzik, Dotpay/eCard's CEO, said in the release, "As part of the Nets Group, we will be able to speed up innovation building on our joint capabilities to the benefit of merchants and consumers."

MCI Capital is currently the majority investor in Dotpay/eCard. The Nets deal, subject to approval by Poland's regulators, is expected to close in the fourth quarter of this year.

https://www.paymentssource.com/news/nets-expands-to-poland-with-dotpay-ecard-acquisition

Scratchpay lands $6.4 million in Series A Funding

Payments

6/19/18

Eagle Rock's Scratch Financial Inc., doing business as Scratchpay, announced June 19 that it received $6.4 million in series A funding. Underwriting for this round of funding was provided by Companion Fund, a $100 million pet-centered venture capital fund, as well as Struck Capital, TTV Capital and SWS Venture Capital.

Scratchpay uses mobile technology to match pets and their owners with affordable veterinary care by using systems that aggregate and analyze different care providers

Founded by John Keatley and Caleb Morse, the company aims to make pet care less expensive to by offering an app to compare payment plans for visits or medications. Originally, the company filed with the Securities and Exchange Commission as an LLC, but converted to a C corporation last year. Scratchpay's financing options include no interest, APR, or credit check, according to a recent press release. Scratchpay reports that since their founding in 2016, more than 2,000 pet hospitals have adopted the use of the app.

"Fifty-three million pets today aren't able to get the care they need as costs continue to increase even faster than human healthcare costs, and that's the problem we're aiming to solve," said Keatley, co-founder and chief executive of Scratchpay. "Our mission is to remove the financial barriers that prevent pets from getting care."

The American Pet Products Association reports that in 2017, owners spent a total of $17.1 billion on their pet's medical needs. The APPA estimates that $18.3 billion will be spent this year. The health of the pet often is more important to owners than the steep billing. USA Today reported in May 2018 that 11 percent of millennials told surveyors they would pay up to $10,000 in vet bills, while the average response was $2,000 per visit. And, according to a May 2017 report by CBS News, California is one of the most expensive states in the United States for vet care, with the average bill in 2017 totaling upwards of $1,500.

http://labusinessjournal.com/news/2018/jun/19/scratchpay-lands-64m-series-funding/

Mezu raised $10 million of Series A funding in a deal led by Draper Triangle Ventures

Payments

6/11/18

Mezu raised $10 million of Series A venture funding in a deal led by Draper Triangle Ventures on June 13, 2018, putting the company's pre-money valuation at $11.5 million. JumpStart, Draper Associates, Ohio Innovation Fund, and North Coast Angel Fund also participated in the round. The company is the developer of a mobile payment application designed to help users communicate with others. The company's payment application let users give and get money without sharing any personal information with them and keep spending habits anonymous thus, providing them with ease of cash with the convenience.

Source; Pitchbook: Deal ID; 98947-36T

SECURITIES

S&P Global to acquire RateWatch

Securities

6/20/18

S&P Global (NYSE: SPGI), a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital, corporate and commodity markets worldwide, announced today that it is set to acquire the RateWatch business (RateWatch) from TheStreet, Inc. (NASDAQ: TST), a B2B data business that offers subscription and custom reports on bank deposits, loans, fees and other product data to the financial services industry.

RateWatch, which was founded in 1989, was acquired by TheStreet in 2007. It will be integrated into S&P Global Market Intelligence, a division of S&P Global that provides essential intelligence for individuals, companies and governments through financial and industry data, research and news.

Under the terms of the agreement, S&P Global will acquire from TheStreet, Inc., all the assets comprising its RateWatch business for $33.5 million in cash, subject to working capital and certain other customary adjustments. The deal was simultaneously signed and closed on the same day.

"RateWatch's robust datasets complement and strengthen our core capabilities of providing differentiated data and analytics solutions for the banking sector," said Mike Chinn, President of S&P Global Market Intelligence and Executive Vice President, Data and Technology Innovation for S&P Global. "S&P Global Market Intelligence has a strong record of servicing the community bank market, and we're excited to expand our products for one of our fastest-growing market segments."

RateWatch provides clients with a robust bank deposit and loan rate database covering almost 100,000 institutions dating back about 20 years. With over 4,200 bank and credit union clients, the acquisition of RateWatch will further bolster S&P Global Market Intelligence's relationships within this key sector.

Given the transaction's size, S&P Global does not expect a material impact to its adjusted earnings per share in 2018. The return on invested capital (ROIC) is expected to exceed the Company's required rate of return after three years.

Forward-Looking Statements: This press release contains "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management's current views concerning future events, trends, contingencies or results, appear at various places in this press release and use words like "anticipate," "assume," "believe," "continue," "estimate," "expect," "forecast," "future," "intend," "plan," "potential," "predict," "project," "strategy," "target" and similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will" and "would." For example, management may use forward-looking statements when addressing topics such as: the outcome of contingencies; future actions by regulators; changes in the Company's business strategies and methods of generating revenue; the development and performance of the Company's services and products; the expected impact of acquisitions and dispositions; the Company's effective tax rates; and the Company's cost structure, dividend policy, cash flows or liquidity.

Forward-looking statements are subject to inherent risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements include, among other things:

- the impact of the recent acquisition of Kensho, including the impact on the Company's results of operations; any failure to successfully integrate Kensho into the Company's operations; any failure to attract and retain key employees; and the risk of litigation, unexpected costs, charges or expenses relating to the acquisition;
- worldwide economic, financial, political and regulatory conditions, including conditions that may result from legislative, regulatory and policy changes associated with the current U.S. administration or the United Kingdom's withdrawal from the European Union;
- the rapidly evolving regulatory environment, in Europe, the United States and elsewhere, affecting Ratings, S&P Global Platts, Indices, and S&P Global Market Intelligence, including new and amended regulations and the Company's compliance therewith;
- the Company's ability to make acquisitions and dispositions and successfully integrate the businesses we acquire;
- the outcome of litigation, government and regulatory proceedings, investigations and inquiries;
- the health of debt and equity markets, including credit quality and spreads, the level of liquidity and future debt issuances;
- the demand and market for credit ratings in and across the sectors and geographies where the Company operates;
- concerns in the marketplace affecting the Company's credibility or otherwise affecting market perceptions of the integrity or utility of independent credit ratings;
- the effect of competitive products and pricing, including the level of success of new product developments and global expansion;
- consolidation in the Company's end-customer markets;
- the introduction of competing products or technologies by other companies;
- the impact of customer cost-cutting pressures, including in the financial services industry and the commodities markets;
- a decline in the demand for credit risk management tools by financial institutions;
- the level of merger and acquisition activity in the United States and abroad;
- the volatility of the energy marketplace;
- the health of the commodities markets;
- the Company's ability to attract, incentivize and retain key employees;
- the Company's ability to maintain adequate physical, technical and administrative safeguards to protect the security of confidential information and data, and the potential of a system or network disruption that results in regulatory penalties, remedial costs or improper disclosure of confidential information or data;

- the Company's ability to successfully recover should it experience a disaster or other business continuity problem from a hurricane, flood, earthquake, terrorist attack, pandemic, security breach, cyber-attack, power loss, telecommunications failure or other natural or man-made event;
- the Company's ability to adjust to changes in European and United Kingdom markets as the United Kingdom leaves the European Union, and the impact of the United Kingdom's departure on its credit rating activities and other European and United Kingdom offerings;
- changes in applicable tax or accounting requirements;
- guidance and information regarding the implementation of the Tax Cuts and Jobs Act;
- the level of the Company's future cash flows and capital investments;
- the impact on the Company's revenue and net income caused by fluctuations in foreign currency exchange rates; and
- the Company's exposure to potential criminal sanctions or civil penalties if it fails to comply with foreign and U.S. laws and regulations that are applicable in the domestic and international jurisdictions in which it operates, including sanctions laws relating to countries such as Iran, Russia, Sudan and Syria, anti-corruption laws such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010, and local laws prohibiting corrupt payments to government officials, as well as import and export restrictions.

The factors noted above are not exhaustive. The Company and its subsidiaries operate in a dynamic business environment in which new risks emerge frequently. Accordingly, the Company cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the dates on which they are made. The Company undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances arising after the date on which it is made, except as required by applicable law. Further information about the Company's businesses, including information about factors that could materially affect its results of operations and financial condition, is contained in the Company's filings with the SEC, including the "Risk Factors" section in the Company's most recently filed Annual Report on Form 10-K and any subsequently filed Quarterly Report on Form 10-Q.

https://www.prnewswire.com/news-releases/sp-global-to-acquire-ratewatch-300669397.html

Personal finance startup SmartAsset raises $28M

Securities

6/20/18

I first wrote about SmartAsset nearly six years ago, when it launched its first product, a tool allowing prospective homebuyers to analyze the rent vs. buy decision and to see what kind of home they could actually afford. According to co-founder and CEO Michael Carvin, “On the consumer side, our strategy has never really changed. Our mission is to help people make the best personal finance decisions and to build the web’s best resource for personal finance decision-making.”

Of course, some aspects of the company have evolved. For one thing, SmartAsset now offers tools, calculators and content in a number of categories, including taxes, retirement and banking. For another, it’s announcing today that it has raised $28 million in Series C funding, bringing its total raised to more than $51 million. The new round comes from Focus Financial Partners (a firm backed by Stone Point Capital and KKR), Javelin Venture Partners, TTV Capital, IA Capital, Contour Venture Partners, Citi Ventures, Fabrice Grinda and others. Carvin said SmartAsset reached more than 45 million uniques last month, nearly doubling its traffic year-over-year. And 25 percent of that traffic comes from repeat visitors. As for how SmartAsset makes money from those visitors, it does so partly by promoting financial products like mortgages. But Carvin said the biggest piece is the SmartAdvisor platform, which connects financial advisors with potential investors.

Carvin described it as “the web’s first digital lead generation platform for financial advisors,” and compared the SmartAsset business model to Zillow’s, saying both companies have built big audiences that they can then match up with real estate or finance professionals. In SmartAsset’s case, users fill out a questionaire and then work with a SmartAsset concierge to help them find an advisor who’s a good fit. Carvin added that the advisors on the platform have been screened by the company, for example to ensure that they haven’t had any criminal violations and that SEC hasn’t upheld any complaints against them for the past decade.

Asked whether this focus on financial advisors has led SmartAsset to change the way it designs its consumer products Carvin said, “We believe the better the user experience, the better our business will work. And so when we’re building a retirement tool, a home affordability tool, a tax tool, we’re building that only with the consumer interest in mind.” Looking ahead, Carvin said he plans to continue following this strategy. “We’re going to build out the web’s premiere personal finance resources and then leverage that on advisor side,” he said.

https://techcrunch.com/2018/06/19/smartasset-series-c

Qauntifeed raised $10 million of Series B funding

Securities

6/20/18

Quantifeed raised $10 million of Series B venture funding in a deal led by Cathay Financial Holdings on June 20, 2018. Legg Mason Global Asset Management also participated in this round. The funding will enable the company to fuel its regional growth in Asia and will support the opening of an office in Singapore. The funds will also accelerate research and development in areas such as behavioural analytics and data science to improve customer engagement. The company is the operator of an automated investment platform intended to offer a library of portfolios for asset allocation, thematic investments and other trading strategies. The company's platform provide banks, brokers and wealth planners with a configurable option to suit their wealth management objectives as well as hosts portfolios of stocks, funds and other asset classes across all major global markets, enabling financial institutions to offer advisors and customers a digital wealth management experience under their own brand.

Source; Pitchbook: Deal ID; 107641-99T

SharePost secures $15 million during Series C Funding round to accelerate security token trading

Securities

6/20/18

SharesPost, a provider of late-stage private company liquidity solutions and private capital markets research, announced on Wednesday it secured $15 million during its Series C funding round, which was led by LUN Partners and Kenetic Capital. Funds from the Series C funding round will go towards building out SharesPost's Alternative Tasing System (ATS) for private company shares and security tokens and to further expand its global reach into Asia. While sharing details about the latest round of funding, Greg Brogger, Founder and CEO of SharesPost stated:

"Our strategy is to create a single, global marketplace for traditional and digital securities of private growth companies. Connecting U.S. and Asian investors and companies on our ATS is a key objective in realizing that vision. With the relationships, capital and expertise of Kenetic Capital and LUN Partners, SharesPost is positioned to rapidly expand its presence throughout Asia." Jehan Chu, Founder and Managing Partner of Kenetic Capital, has joined the SharesPost Board of Directors. He also commented:

"SharesPost is building what we think will be the world's leading secondary platform for ICO's and secondary trading of security and utility tokens. Where others are still just talking about when they might launch their ATS, SharesPost has been operating their ATS for years and has the technology, team and customers necessary to enable global trading of digital securities."

Peilung Li, Founder and Chairman of LUN Partners Group, who is also joining SharesPost Board then noted:

"As the number of unicorns in China and the rest of Asia continues to grow, the need for SharesPost's liquidity platform has become increasingly urgent here. Providing U.S. investors with access to these companies and providing Asian investors with access to American unicorns has enormous value. We are very excited to put our relationships and capital behind the creation of this emerging global marketplace."

SharesPost and LUN have also entered into a partnership, SharesPost China, which will extend the SharesPost digital securities and private market investment platform into Greater China. SharesPost added its trading volume recently surpassed $4 million and last month the company announced it successfully amended its Form ATS to include blockchain securities and tokens among those to be traded on its platform.

https://www.crowdfundinsider.com/2018/06/135247-sharepost-secures-15-million-during-series-c-funding-round-to-accelerate-security-token-trading/

Sentinel Protocol raises $27 million and partners with Bibox Exchange

Securities

6/19/18

Sentinel Protocol, a crowdsourced threat intelligence platform built on the blockchain, has not only signed a partnership with Bibox Exchange but announced a $27M funding windfall. Bibox has agreed to deploy Sentinel Protocol platform to protect its users but list Sentinel Protocol's UPP token.

"Exchanges are an important part of Sentinel Protocol's security initiative," explained Sentinel Protocol CEO and Founder Patrick Kim. "With Bibox Exchange on board, our joint security force to fight against crypto-asset attacks will accelerate the expansion of a defense line to cooperate and collectively prevent the use of stolen cryptocurrencies."

While no security framework or standard protocol on the blockchain space has been established, exchanges have been considered high-value targets by attackers due to the large volumes of cryptocurrencies they store and number of transactions made. The frequency of attacks demonstrates the importance for these exchanges to remain secure places for users. Sentinel Protocol is supported by crypto and institutional investment firms including Hashed, XSQ, Signum Capital, Kenetic Capital, Hyperchain Capital, Global Brain, dAlchemy, QCP Capital, Boost VC, and DraperDragon.

According to Coinmarket Cap, Bibox Exchange is reportedly among the top 10 crypto exchanges by trading volume, known for its use of artificial intelligence for encrypted digital asset transactions. With this partnership, Bibox can protect its users from scams and fraud by referring to Sentinel Protocol's decentralized Threat Reputation Database (TRDB). Comprehensive threat data is collected and verified by the incentivized and distributed security expert 'Sentinels' coupled with artificial intelligence and sets on TRDB. While exact policies are still to be determined, the baseline is that "suspicious or malicious addresses will be notified and alarmed to the exchange users through TRDB free API."

"Besides the instant sharing of threat intelligence, Sentinel Protocol even preemptively protects individual users and organizations," noted Bibox Co-Founder Aries Wang. "To use these proactive security suites, crypto users need to use the utility token UPP."

Sentinel Protocol also raised US$27 million from investors including DraperDragon, Boost VC and a public sale. A core member of Draper Venture Network, DraperDragon Digital Assets Fund mainly focuses on investing in US – China cross border startups and counts venture capitalist and investor Tim Draper as a special limited partner.

"The blockchain technology, despite its potential to revolutionize various industries, like any new technology is prone to security threats by malicious actors which – if left unchecked – can undercut the transformational benefits such technologies hold," observed DraperDragon Digital Assets Fund Managing Director Larry Li. "With our experience in nurturing the growth of innovative Asian start-ups since 2005, we fully believe that Sentinel Protocol's approach and direction will take full advantage of the blockchain's true potential for cybersecurity."

Sentinel estimates that over the last four years, $10 billion has been stolen in cryptocurrency attacks and hacks. As the market capitalization and volume of transactions grows, crypto exchanges and wallets only become more tempting targets for criminals. Sentinel Protocol said that it is set to change the way the world approaches cybersecurity with its team of white-hat hackers, codebreakers and cryptographers determined to protect the cryptocurrency space by compiling data on suspicious transactions, dangerous malware and phishing attacks. Both identified and unidentified threats will be analyzed and stored on the blockchain with integration to crypto wallets and exchanges – which means suspicious activity can be flagged and shut down before a transaction happens.

https://www.crowdfundinsider.com/2018/06/135147-sentinel-protocol-raises-us27m-partners-with-bibox-exchange/

Wealth management startup SigFig secures $50 million round led by General Atlantic

Securities

6/19/18

SigFig, a San Francisco-based startup that provides wealth management technology to financial companies, has raised $50 million from investors, it said on Tuesday.

The fundraising round was led by investment firm General Atlantic, with participation from existing investors including UBS Group AG, Eaton Vance Corp and Bain Capital Ventures.

SigFig will use the funding to invest in developing new technology and expanding the type of services it offers clients including large banks such as UBS, Wells Fargo and Citizens Bank, it said.

Founded in 2007, the company sells software to established large financial institutions to enable them to offer new digital service such as automated wealth management, known as robo-advice. SigFig also provides robo-advice directly to consumers.

It also provides technology to enable human financial advisors to enhance their services.

“We have seen a remarkable uptick in banks wanting to partner with fintech companies,” Mike Sha, CEO and co-founder of SigFig, said in an interview.

Sha said the company could also offer products to help bank branch employees provide advice to clients.

SigFig’s investment round comes as traditional wealth managers and banks seek to improve their online and digital offerings in the face of changing customer demands and more competition from tech-savvy startups.

In November, Wells Fargo launched a robo-advice service developed with technology from SigFig, while Citizens Bank partnered with the startup in late 2016 to help manage portfolios of middle-income people saving for retirement.

“The market for digitally-native investment advisors continues to grow due to increasing customer demand for accessible and affordable financial advice,” Paul Stamas, managing director at General Atlantic, who will join the company’s board of directors, said in a statement.

SigFig had last raised $40 million in a round led by Eaton Vance in 2016.

The round announced on Tuesday was not much larger because SigFig was a “very capital efficient” business and does not need to spend lots of money on marketing, Sha said. He added that the company was not profitable yet "by choice", because it was reinvesting in growing the business.

Other investors in the round included DCM Ventures, New York Life, Nyca Partners and Union Square Ventures.

https://www.reuters.com/article/us-sigfig-funding/wealth-management-startup-sigfig-secures-50-million-round-led-by-general-atlantic-idUSKBN1JF17D

Cyber Security Company Panaseer raises $10 million in Series A Funding led by Evolution Equity Partners

Securities

6/18/18

Panaseer, a cyber security software company, today announced it has secured $10 million in Series A funding. The financing round was led by Evolution Equity Partners with participation from existing investors including Notion Capital, Albion Capital, Winton Ventures and Paladin Capital Group, as well as new investor Cisco Investments.

The Panaseer Platform uses proprietary algorithms to perform 'entity resolution' to create an accurate view of an organisation's assets, such as devices, applications and people. The Platform continuously measures the security of these assets by automatically analysing data from the myriad of security technologies deployed. This gives key stakeholders a live view of risk to those assets, described through a common security framework such as the NIST.

By combining this asset and control information with vulnerability and threat data, the Panaseer Platform provides full visibility of an organisation's cyber hygiene. This allows clients to do the tough fundamentals of security much better: the Platform delivers out of the box analysis for a range of security use cases, including:

- Smart device inventory
- Vulnerability management
- Patch management
- End point protection
- Privileged access management

In turn, this empowers CISOs to take the best value actions to reduce risk, and report this to key stakeholders - such as the Board - quickly and effectively. This automatic, data driven approach to cyber risk reduction enables organisations to fire-proof rather than fire fight.

Panaseer was founded in 2014 by a team of computer and data scientists, including Nik Whitfield, who previously led the CyberReveal analytics business. Alongside them is Panaseer's Commercial Director, Albert Plattner, formerly Managing Director at Citigroup Corporate & Investment Bank. Panaseer has 33 employees across two offices in London and New York. Panaseer's total funding to date is $15.6 million, including a $5.6 million seed round in 2017.

Nik Whitfield, Panaseer's Founder and CEO, says: "Organisations are under immense pressure due to high-profile data breaches, disruptive ransomware such as WannaCry and NotPetya, and an evolving regulatory environment, such as the EU General Data Protection Regulation (GDPR). Organisations can never be 100% secure, but they can be 100% sure of their position, and that's where Panaseer's technology comes in. We are solving a major industry pain point that every company in the world needs to address."

Richard Seewald, Founder and Managing Partner at Evolution Equity Partners, adds: "We believe the attributes of the Panaseer platform are unique and provide the company with a cutting edge advantage in the global marketplace. Cyber hygiene needs to be prioritised and drilled down into every organization, and Panaseer's approach provides inside-out visibility on an enterprise's cyber security risk posture while automating data processing, risk analysis and remedial actions. We welcome Panaseer to our portfolio of leading cyber security companies."

Rob Salvagno, Vice President of Corporate Development and Cisco Investments, adds: "Managing an effective cyber posture is difficult, especially given the security complexity organizations face with dozens of vendors in place. Panaseer clearly understands this and confronts it with innovation that streamlines an organization's view of their security posture to better automate cyber risk management. Cisco's investment reflects our mission of delivering effective security that is simple, open and automated to improve our customers' security posture."

Margot James, Britain's Minister for Digital and the Creative Industries, says: "The UK is home to a booming cyber security sector and it is fantastic to see new investment in Panaseer which will help it expand internationally. We are committed to making the UK the best place to start and grow a business and are establishing two world-first cyber innovation centres to help the country's innovative firms take the next step."

Panaseer was advised by PricewaterhouseCoopers on the closing of this new financing round.

https://www.prnewswire.com/news-releases/cyber-security-company-panaseer-raises-10-million-in-series-a-funding-led-by-evolution-equity-partners-685802041.html

Nextmarkets picks up $6.9 million in New Funding

Securities

6/15/18

Courtesy of a just-completed Series A round, Cologne-based nextmarkets has raised $6.96 million (€6 million) in capital. The round featured participation from existing investors FinLab, Peter Thiel and Falk Strascheg, as well as new investors Axel Springer Media for Equity GmbH, Cryptology Asset Group PLC, and British hedge fund manager Alan Howard.

The Series A takes the company's total equity to nearly $14 million. Howard commended the firm for its "impressive technology" which he said will add to the company's future innovations to make a "lasting impact on the retail investment space."

The funding news is only one headline nextmarkets has made this week. The company also launched its real-money offer, which enables customers to open real money accounts and participate in equity markets on the nextmarkets platform. The company plans to add crypto market options soon. Nextmarkets also announced that its subsidiary, nextmarkets Trading Limited, has obtained a Category 3 Investment Service License in Malta.

"With obtaining the license and going live we have taken a major milestone in our success story," nextmarkets co-founder and CEO Manuel Heyden said. "From now on we will focus on dynamic growth in Europe and soon globally with our highly scalable, transactional business model."

Founded in 2014 and headquartered in Cologne, Germany, nextmarkets demonstrated its technology at FinovateEurope 2015. A specialist in the field of curated investing, nextmarkets enables individual investors and traders to benefit from the expertise of 14 investment professionals who provide real-time trading insights via the web or smartphone on more than 1,000 markets, including equities, indices, foreign exchange, and commodities.

And with both ETF and crypto currency markets to be added soon, nextmarkets will make it even easier for traders and investors to remain vigilant for market opportunities – especially in sectors with which they are less familiar. "As an active investor, I always wonder who has the time to analyze the wide range of stocks and cryptos," nextmarkets co-founder and CTO Dominic Heyden said. "Now I have my own investment professionals in my pocket and will be backed by them on the markets. If one of my coaches makes a profit in his bitcoin analysis, I do it on my account."

The Heyden brothers have a history in social investing, having co-founded ayondo in 2008. Ayondo participated in FinovateEurope 2013, where the brothers – along with CMO Alexander Surminski – demonstrated the third edition of its social trading platform.

http://finovate.com/nextmarkets-picks-up-6-9-million-in-new-funding/

Blocko raised $8.9 million of Series B funding

Securities

6/11/18

Blocko raised $8.9 million of Series B venture funding in a deal led by Posco, SparkLabs Global Ventures and Premier Partners on June 11, 2018. Samsung Venture Investment, Daesung Private Equity and Wonik Investment Partners also participated in the round. The company intends to use the new funds to further strengthen its presence in Korea as well as in Europe and East Asian markets. The company is the provider of a blockchain platform intended to develop applications for bitcoin trading and blockchain currency transactions. The company's blockchain development platform, Coinstack integrates with an application user interface that supports all applications and protocols that have bitcoin blockchain and uses various functions including point management systems, electronic assets, electronic documents and user authentication, enabling businesses to build applications and services that utilize blockchain technology to boost security and transparency.

Source; Pitchbook: Deal ID; 107252-56T

SPECIALTY FINANCE / ALTERNATIVE LENDING

Drip Capital raised $15 million of Series A funding

Specialty Finance / Alternative Lending

6/21/18

Drip Capital raised $15 million of Series A venture funding from Wing Venture Partners, Accel and Sequoia Capital India on June 21, 2018. Y Combinator and other undisclosed investors also participated in the round. The company will use the capital to scale up operations apart from entering the overseas markets. The company is the provider of an online trade financing platform intended to provide working capital finance to small and medium enterprises (SMEs) engaged in cross-border trade in emerging markets. The company's platform uses multiple data sources to underwrite transactions once an order has been shipped and provides businesses with timely and founder-friendly loans and lines of credit that is used to stock up on inventory and fulfill purchase orders, enabling clients to easily receive working capital for business funds easily.

Source; Pitchbook: Deal ID; 107707-06T

Peer-to-peer lender Ratesetter to raise £30m as London float looms

Specialty Finance / Alternative Lending

6/17/18

Peer-to-peer lending business Ratesetter is working on a £30m fundraising which is expected to be a prelude to a London float.

According to Sky News Ratesetter is working with investment bank Lazard and broker Peel Hunt to raise £30m from investors.

The funding round would value Ratesetter at about £280m.

The fundraising is expected to be a precursor to a stock market flotation which could take place as early as next year.

Ratesetter, which is backed by fund manager Neil Woodford, was founded in 2010 by chief executive Rhydian Lewis and chief operating officer Peter Behrens.

It has lent more than £2.5bn to customers since its launch, earning over £100m in interest.

In March rival peer-to-peer lender Funding Circle appointed banks to advise it on a float that would value it at more than £1.5bn.

Ratesetter declined to comment.

http://www.cityam.com/287715/peer-peer-lender-ratesetter-raise-gbp30m-london-float-looms

9F raised $65 million of Series D funding

Specialty Finance / Alternative Lending

6/14/18

9F raised $65 million of Series D venture funding from Plentiful International and other undisclosed investors on June 14, 2018. The company is the developer of a financial application intended to offer easy small and medium-term loans. The company's platform offers online financial services and an online lending with easy documentation procedure through the mobile application, enabling users to save money and time in getting loans.

Source; Pitchbook: Deal ID; 107439-85T

Cashpresso raised EUR 3.5 million of Series A funding led by Hevella Capital

Specialty Finance / Alternative Lending

6/11/18

Cashpresso raised EUR 3.5 million of Series A venture funding in a deal led by Hevella Capital on June 11, 2018. Speedinvest and Hansi Hansmann also participated in the round. The company will use the funds to continue to expand operations, continue to develop the platform and grow their business reach. The cpmany is the operator of a mobile-based platform designed to provide credit facilities. The company's mobile-based platform offers immediate overdraft credit of up to €1,500 with no overhead charges or maintenance fees, enabling its customers to borrow and transfer money easily.

Source; Pitchbook: Deal ID; 107253-19T

OTHERS

ezCater raises $100M, led by Wellington, to take catering service global

Others

6/19/18

Boston-based ezCater announced early Tuesday it has raised $100 million in a new round of investment in order to expand its online business catering service internationally.

The Series D round was led by Wellington Management Company LLP company, with participation from existing investors ICONIQ Capital, Insight Venture Partners, and others. The latest investment brings ezCater's total funding to $170 million.

The company, founded in 2007, enables businesspeople to connect with local caterers and restaurants online. It says its customers include 90 percent of the Fortune 500. ezCater also partner with restaurant operators to grow their catering businesses, from local independent restaurants to national chains, including California Pizza Kitchen, Firehouse Subs, and P.F. Changs. According to ezCater, citing data from Technomic, business catering sales in the U.S. have grown twice as fast as overall restaurant sales in the last four years.

With the latest investment round, ezCater plans to expand its catering product offerings. Earlier this year, it launched products for restaurants including ezOrdering, which enables restaurants to take online catering orders from their own website; ezManage, which lets them manage and understand their catering orders; and ezDispatch, which connects them to delivery companies.

“We’re flattered Wellington Management is joining us as an investor,” said Stefania Mallett, co-founder and CEO at ezCater. “After six years of at least doubling our revenue annually, we’re the market leader by a considerable margin. With this round and these backers, we’re unbeatable."

Last December, ezCater added two directors to its board: Emily Keeton, WeWork’s global head of M&A, and Chuck Cory, former chairman of global technology banking at Morgan Stanley.

https://www.bizjournals.com/boston/news/2018/06/19/ezcater-raises-100m-led-by-wellington-to-take.html

Veriff raises $7.7M Series A to become the ‘Stripe for identity’

Others

6/18/18

Veriff, the Estonian startup that wants to become something akin to the ‘Stripe for identity’, has raised $7.7 million in Series A funding.

Leading the round is Mosaic Ventures, joining an impressive list of backers that include Taavet Hinrikus, Ashton Kutcher, Paul Buchheit, Elad Gil, SV Angel, ACE Ventures, and Superangel. Mosaic’s Simon Levene, and Hinrikus, who co-founded and is chairman of TransferWise, have joined the Veriff board.

Founded by 23 year old Kaarel Kotkas — who is now on his third startup and has garnered quite a bit of publicity in his home country — Veriff has developed a SaaS and underlying technology to make it easy for companies, such as banks and fintechs, to easily verify a person’s identity online. In fact, Kotkas previously spent some time at TransferWise, where he solidified the idea, before founding the startup and going through Silicon Valley’s Y Combinator as part of its W18 batch.

Offered as a developer-friendly API — hence the Stripe comparison — Veriff says its solution can be implemented “in minutes”. It costs €49 per month, plus €2 per verification.

The aim, says Kotkas, is to make premium identity verification available to smaller companies and not just large corporations that can easily absorb high integration costs of incumbent offerings. However, what really sets Veriff apart from a number of competitors is its use of live video to verify you are who you say you are.

“Veriff has created an online identity verification service that is more secure than physical face to face verification and now we’re making it available to everyone,” he tells me. “We’re the first ones that understood that pictures never do them justice. It’s all about building up trust online and our service uses a unique video based approach to make sure the verification is done in real-time and voluntarily by the right person”.

Off the record, Kotkas divulged some of Veriff’s “secret sauce,” which — understandably — he wants to keep secret. The startup uses hundreds of data points collected through analysing the live video feed, including frame by frame, and from a user’s device and network. It then uses machine learning to sift through this data and, individually and in aggregate, spot patterns and anomalies that might otherwise be missed by a human.

“We know that pictures never do the justice so instead of analysing only pictures we record everything as a video and analyse frames from the video. Our fraud prevention has been built up combining device information, user behaviour, document validation & face comparison,” he says.

As a result of its video-based approach, Kotkas claims that Veriff has the highest conversion rate on the market, without compromising security. “We’ve created an online verification flow that is all about building up trust, so honest users can go through the flow conveniently, but fraudsters will drop”.

To that end, Kotkas says Veriff remains at least two steps ahead of fraudsters. Then, after an uncomfortably long pause and following prodding from me, he attempts to explain how the startup comes up with new techniques and tests them in the wild, again without disclosing too much information. “It’s a good question but a hard one to answer!” he says knowingly.

Meanwhile, Veriff says it has over 40 paying customers globally. They include financial enterprises, marketplaces, sharing economy companies and e-commerce sites. The company has its development and customer service team based in Tallinn, Estonia, and will soon move sales and marketing operations to the U.S.

https://www.thinkabovesky.com/2018/veriff-raises-7-7m-series-a-to-become-the-stripe-for-identity/