



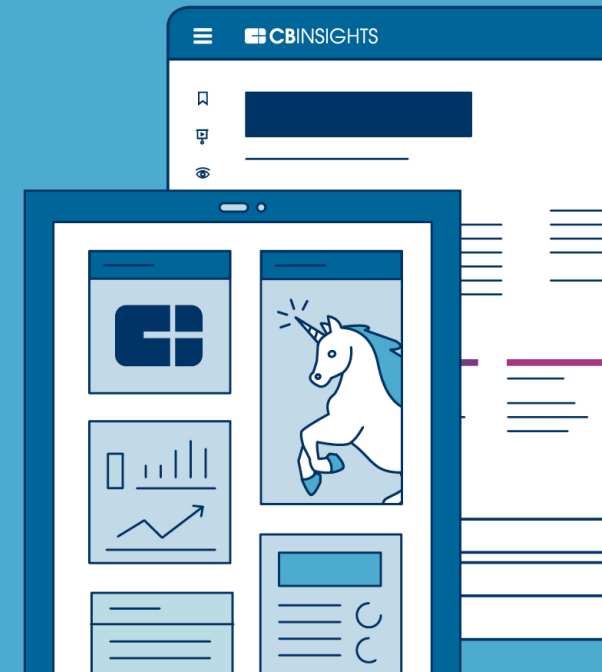
# Global Fintech Report Q2 2019



## WHAT IS CB INSIGHTS?

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“We use CB Insights to find emerging trends and interesting companies that might signal a shift in technology or require us to reallocate resources.”



Beti Cung, Corporate Strategy, Microsoft



# Contents

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## 9 Q2'19 Financing Trends

Quarterly Deals & Dollars

Regional Trends

Fintech Unicorns

## 19 Q2'19 Fintech Sector Trends

Challenger Banks

Bank Tech

Regtech

Capital Markets

Wealth Management

Alternative Lending

Insurance

## 61 Appendix:

Regional Spotlight: Latin America

Major Markets Financing Trends

Top Fintech Deals Q2'19

Most Active Fintech Investors Q2'18 – Q2'19

Methodology

# Summary of findings

**Q2'19 fintech funding topped \$8.3B, boosted by a record quarter of \$100M+ mega-rounds:** Funding in Q2'19 got a boost from 25 \$100M+ rounds worth approximately \$5B in funding. Mega-rounds were largely to established, late-stage (Series D and Series E+) fintech startups.

**Despite funding surge, Q2'19 VC-backed deal activity fell to a 10-quarter low:** Fintech deals in Q2'19 dropped 22% on a quarterly basis and declined 23% compared to the same quarter last year. Early-stage (seed/angel and Series A) deal share fell to 55%, a five-quarter low that contributed to the overall dip in deals.

**Challenger banks continued to pick up multimillion-dollar rounds to fuel international expansion and customer acquisition:** Q2'19 saw challenger banks raise \$649M across 17 deals. Funding through the first month of Q3'19 is on track to see another \$1B+ deployed to challenger banks. Year-to-date funding in 2019 has already surpassed 2018's record of \$2.3B.

**There are 48 VC-backed fintech unicorns worth a combined \$187B:** Q2'19 saw seven new fintech unicorn births (Marqeta, Bill.com, Carta, Lemonade, Checkout.com, Ivalua, and Liquid) and two in the first month of Q3'19 (Hippo and Judo). Valuations continued to grow in Q2'19 as many companies preferred to raise private financing over going public.

**Every continent saw deals dip in Q2'19:** North America, Asia, and Africa each saw 5-quarter lows for fintech deals. North America saw deals drop 21% on a quarterly basis. However, funding to North American fintech surged on the back of 15 mega-rounds in Q2'19 that also minted 3 of the 4 new US-based fintech unicorns.

**India tops China in fintech deal activity for the first time ever:** India saw 23 deals to VC-backed fintech companies, topping China by 8 deals. Fintech funding in China hit \$375M, narrowly beating India, which saw \$350M invested.

**Latin America becomes one of the fastest-growing regions for fintech funding:** LatAm topped both China and India for fintech funding in Q2'19, with 23 deals worth \$481M. Q3'19 has already seen a \$400M mega-round to Brazil-based digital challenger bank NuBank.

**Asia deals and funding on track to fall below 2018 total:** Asia saw 82 deals worth \$1.1B in Q2'19 – both close to historical lows.

*Note: This report focuses on equity rounds to VC-backed fintech companies. This report does not cover companies funded solely by angels, private equity firms, or any debt, secondary, or line of credit transactions. All data is sourced from CB Insights.*

# WHAT FINTECH COVERS

Payments processing, card developers, and subscription billing software tools

Companies selling insurance digitally or providing data analytics and software for (re)insurers

Tools to manage bills and track personal and/or credit accounts

Sales & trading, analysis, and infrastructure tools for financial institutions

**PAYMENTS/  
BILLING**

**INSURANCE**

**PERSONAL  
FINANCE**

**CAPITAL  
MARKETS**

Audit, risk, and regulatory compliance software

Investment and wealth management platforms and analytics tools

**REGTECH**

**WEALTH  
MANAGEMENT**

Companies leveraging blockchain technologies for financial services

**BLOCKCHAIN/  
CRYPTO**

**MONEY  
TRANSFER/  
REMITTANCES**

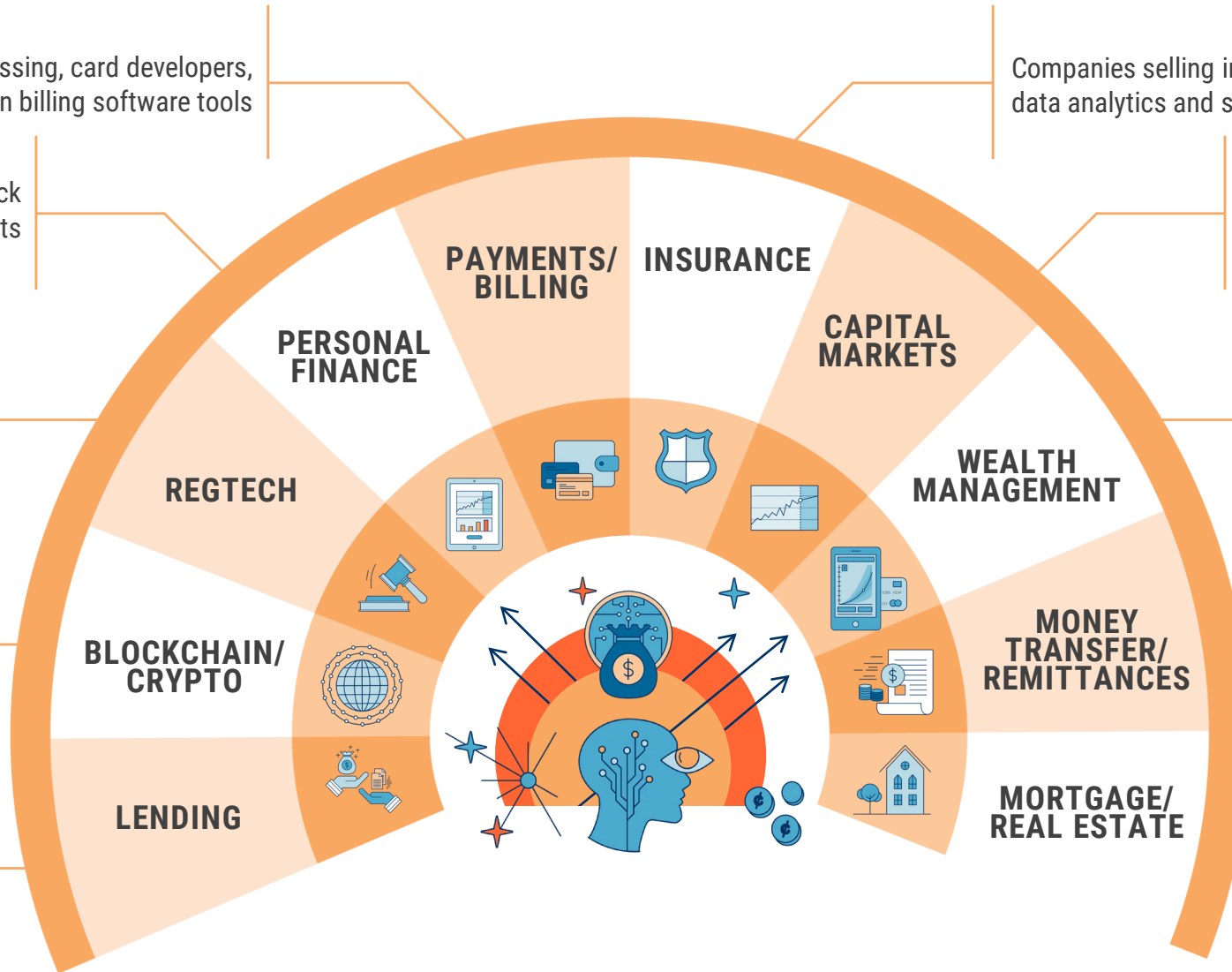
International money transfer and tracking software

**LENDING**

**MORTGAGE/  
REAL ESTATE**

Mortgage lending, digitization, and financing platforms

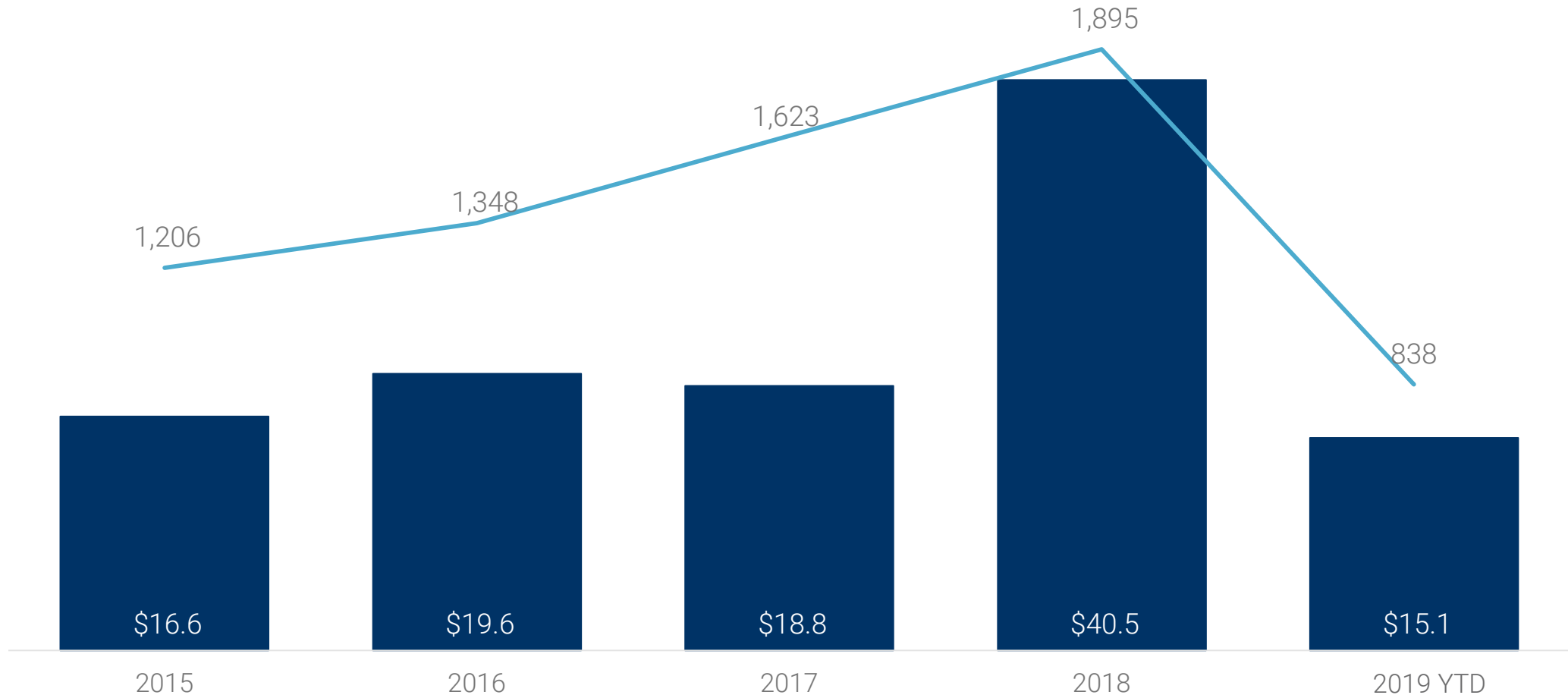
Marketplace lending and alternative underwriting platforms



GLOBAL FINTECH DEALS AND DOLLARS ON PACE TO FALL BELOW 2018'S RECORD

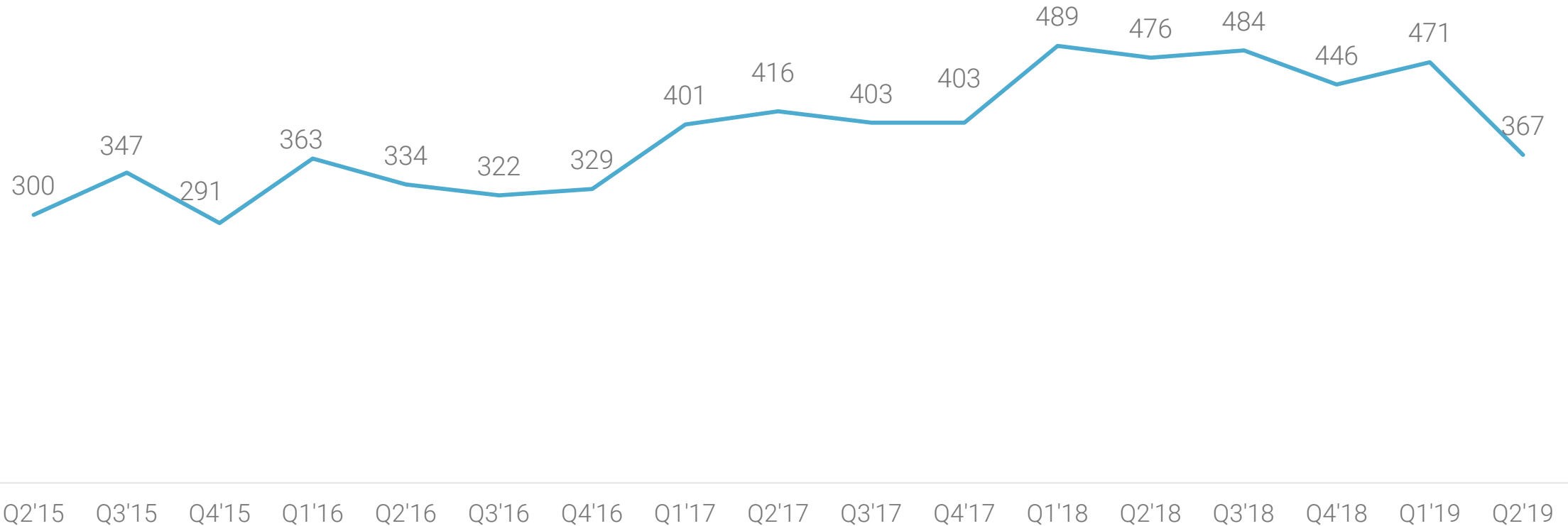
# Global fintech saw 838 deals worth \$15.1B in H1'19

Annual global VC-backed fintech deals and financing, 2015 – Q2'19 (\$B)



# Q2'19 saw VC-backed fintech deals drop to lowest total since Q4'16

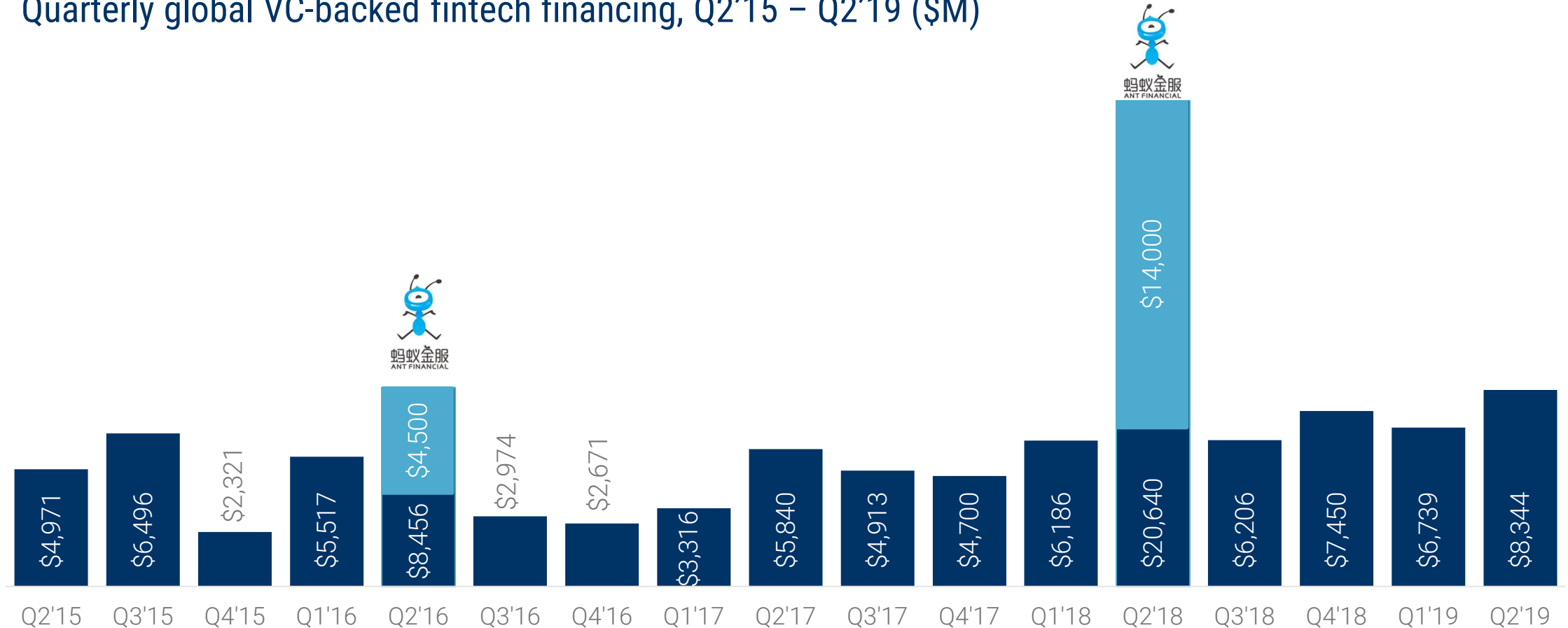
Quarterly global VC-backed fintech deals, Q2'15 – Q2'19 (\$M)





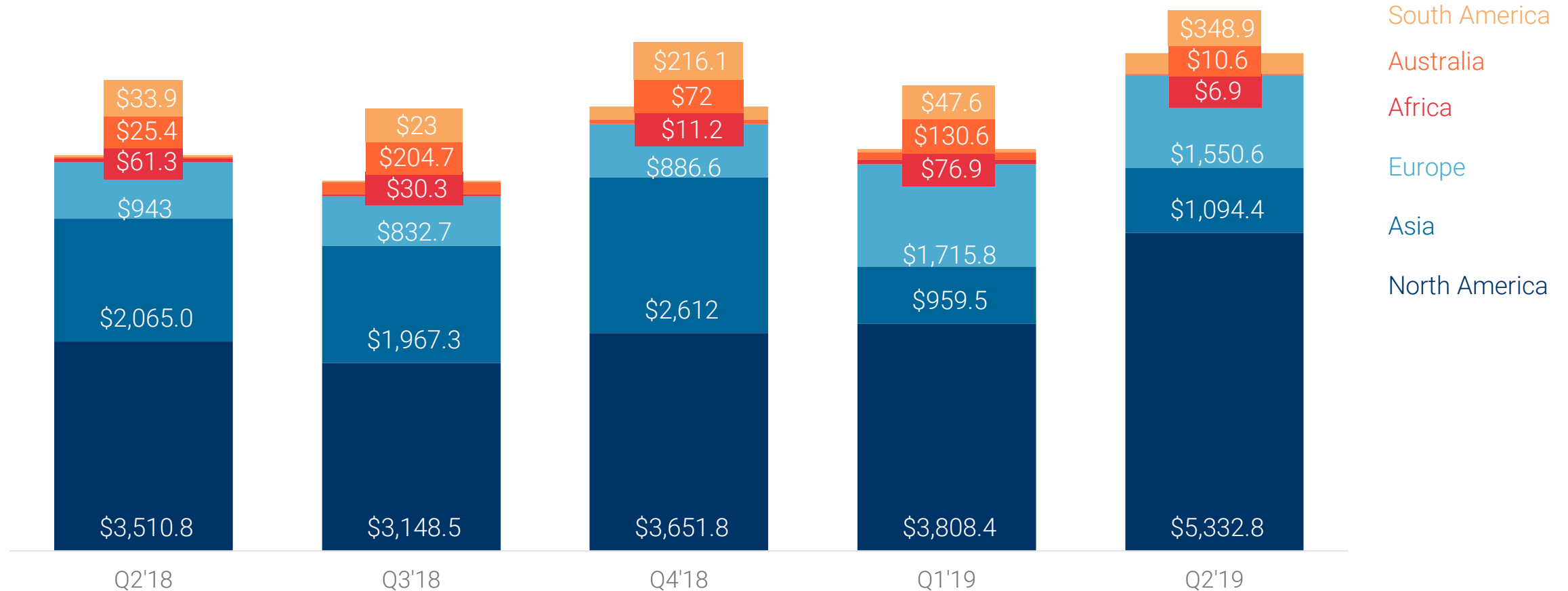
# Despite a drop-off in deals, funding to VC-backed fintech companies grew 24% QoQ in Q2'19

Quarterly global VC-backed fintech financing, Q2'15 – Q2'19 (\$M)



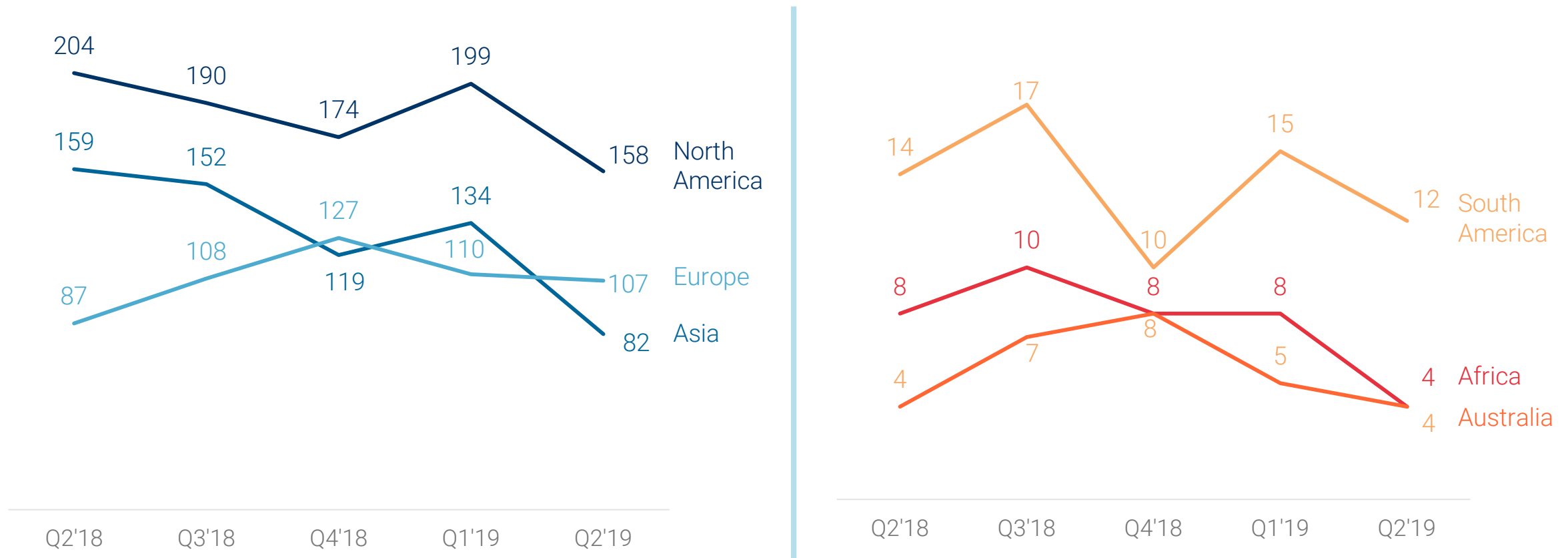
# Europe maintained the lead over Asia in fintech funding in H1'19

Global VC-backed fintech funding by continent, Q2'18 – Q2'19 (\$M)



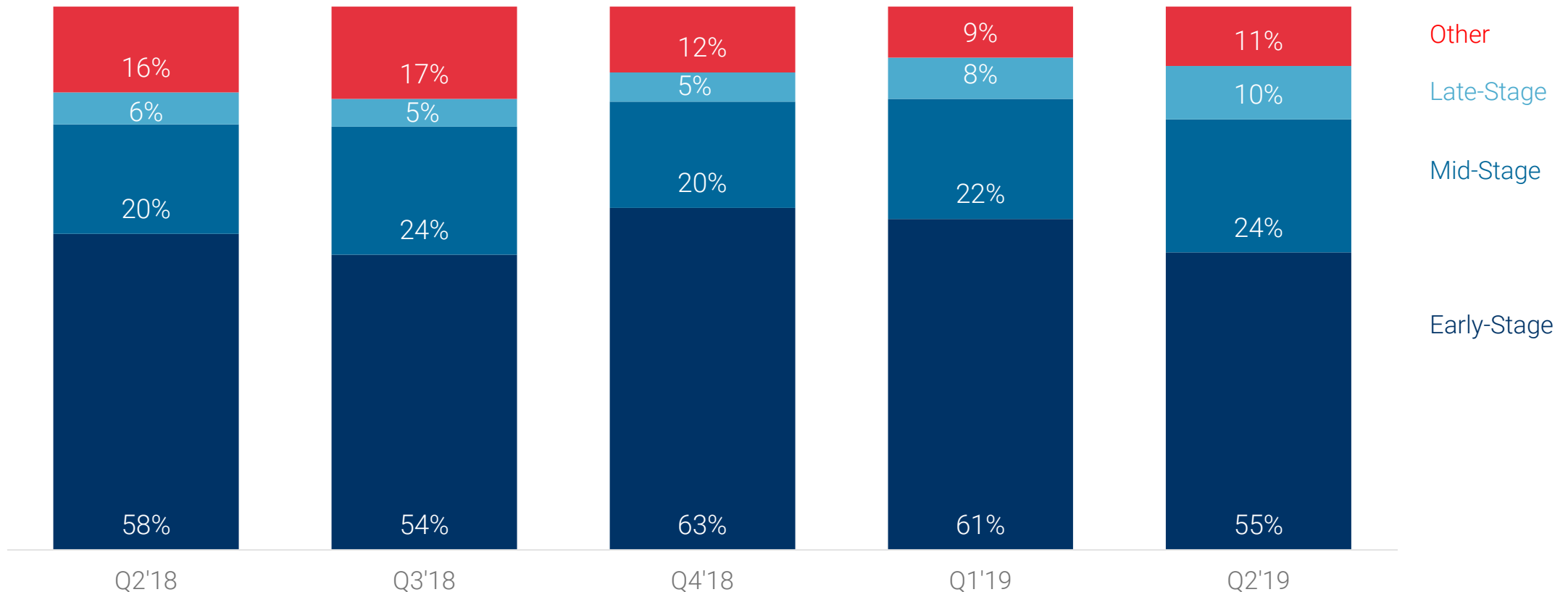
# Deals dip in every continent in Q2'19 as North America, Asia, and Africa see 5-quarter lows

Global VC-backed fintech deals by continent, Q2'18 – Q2'19



# Mega-rounds boosted late-stage fintech deal share to a new 5-quarter high in Q2'19

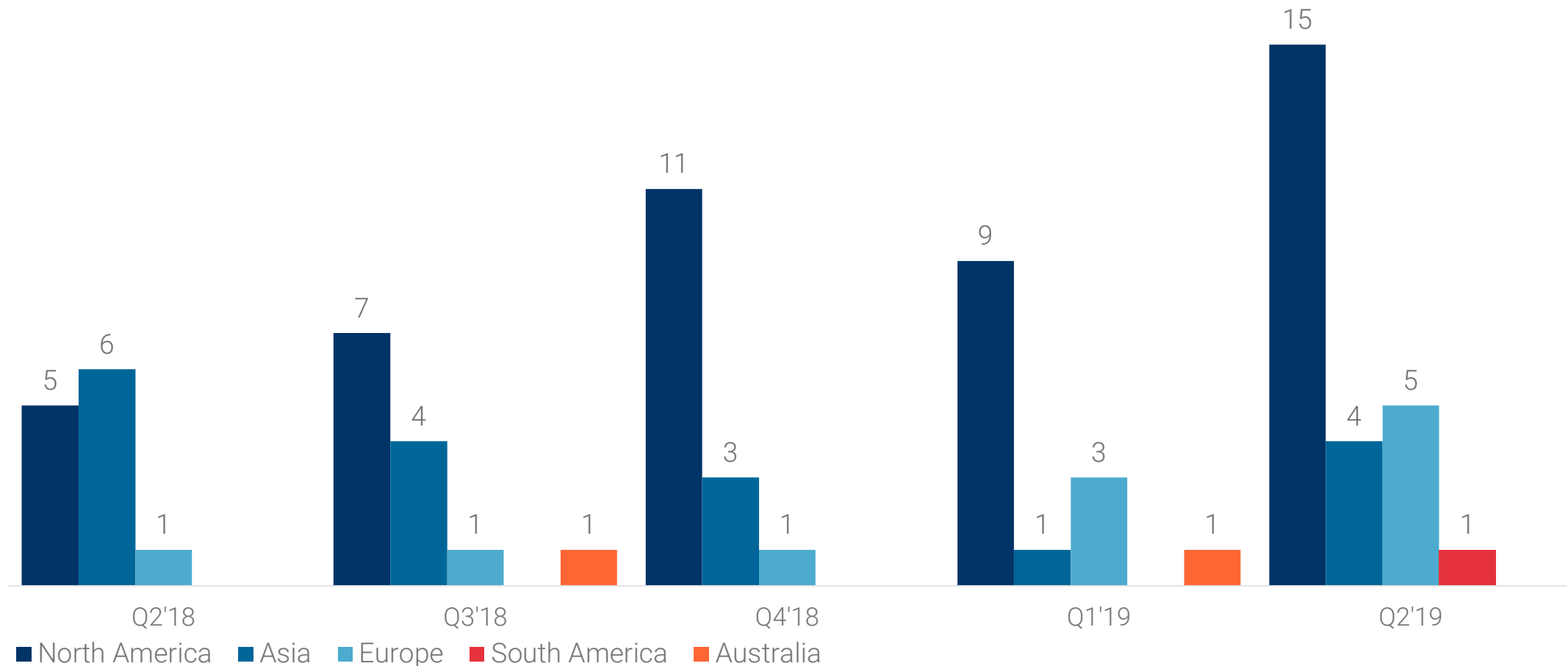
Annual deal share by stage to global VC-backed fintech companies, Q2'18 – Q2'19



FINTECH MEGA-ROUND INVESTMENTS ON PACE TO SET A NEW ANNUAL RECORD

# Q2'19: 25 fintech mega-rounds total \$5B

Global number of fintech mega-rounds (\$100M+), Q2'18 – Q2'19

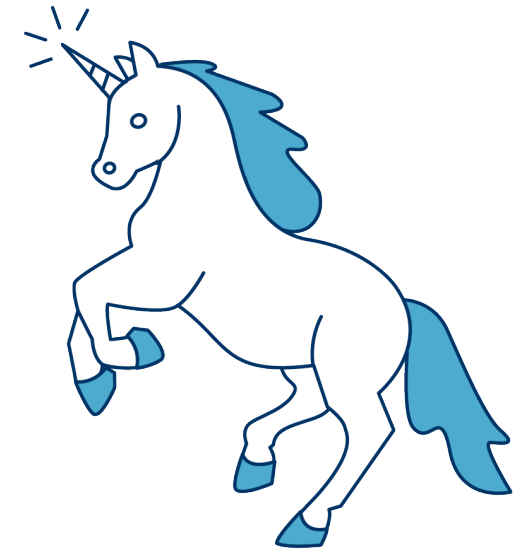


GLOBALLY THERE ARE

48 FINTECH UNICORNS

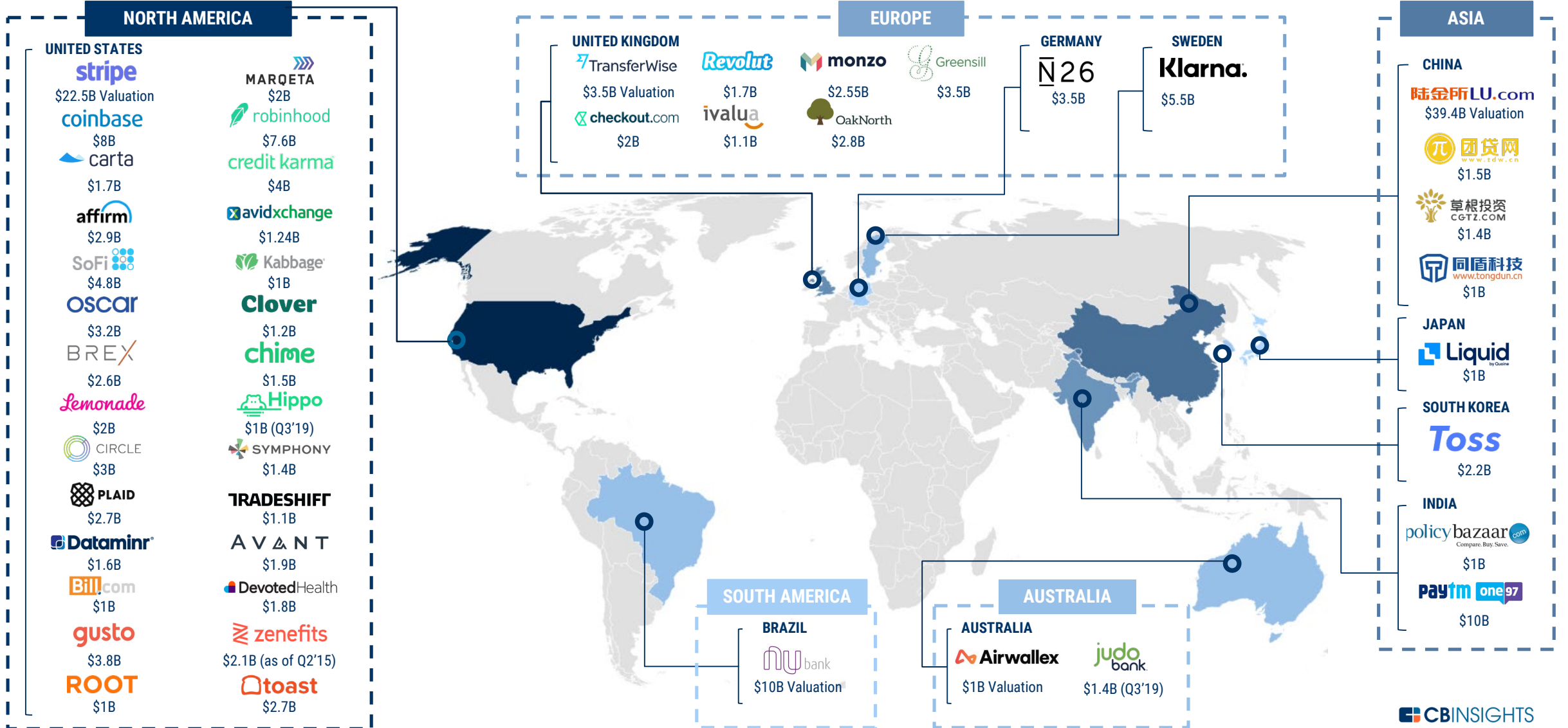
VALUED, IN AGGREGATE, AT

\$187 BILLION

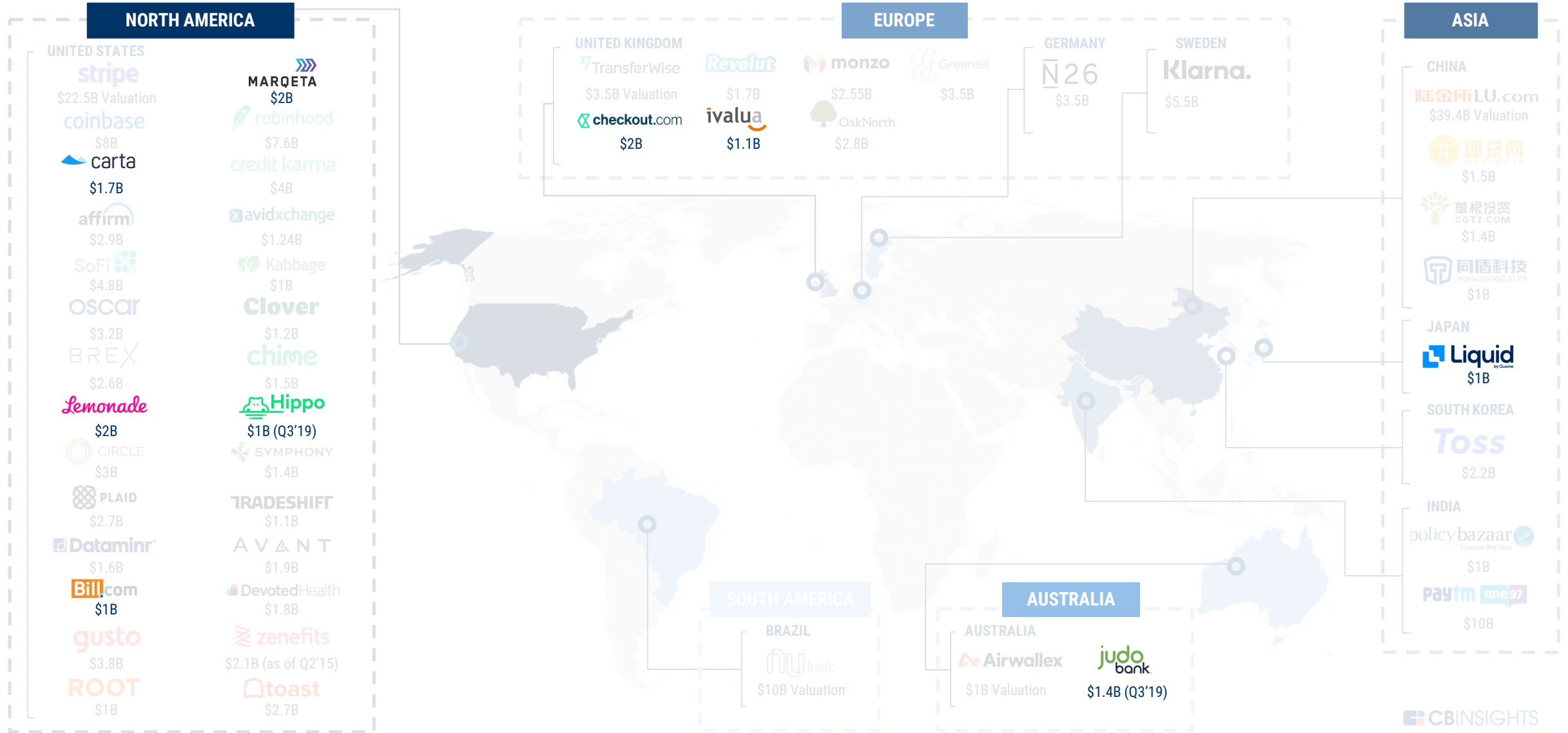


# 48 fintech unicorns valued at \$187B

Global VC-backed fintech companies with a private market valuation of \$1B+ (8/8/19)



# 7 new fintech unicorn births in Q2'19 and 2 in Q3'19



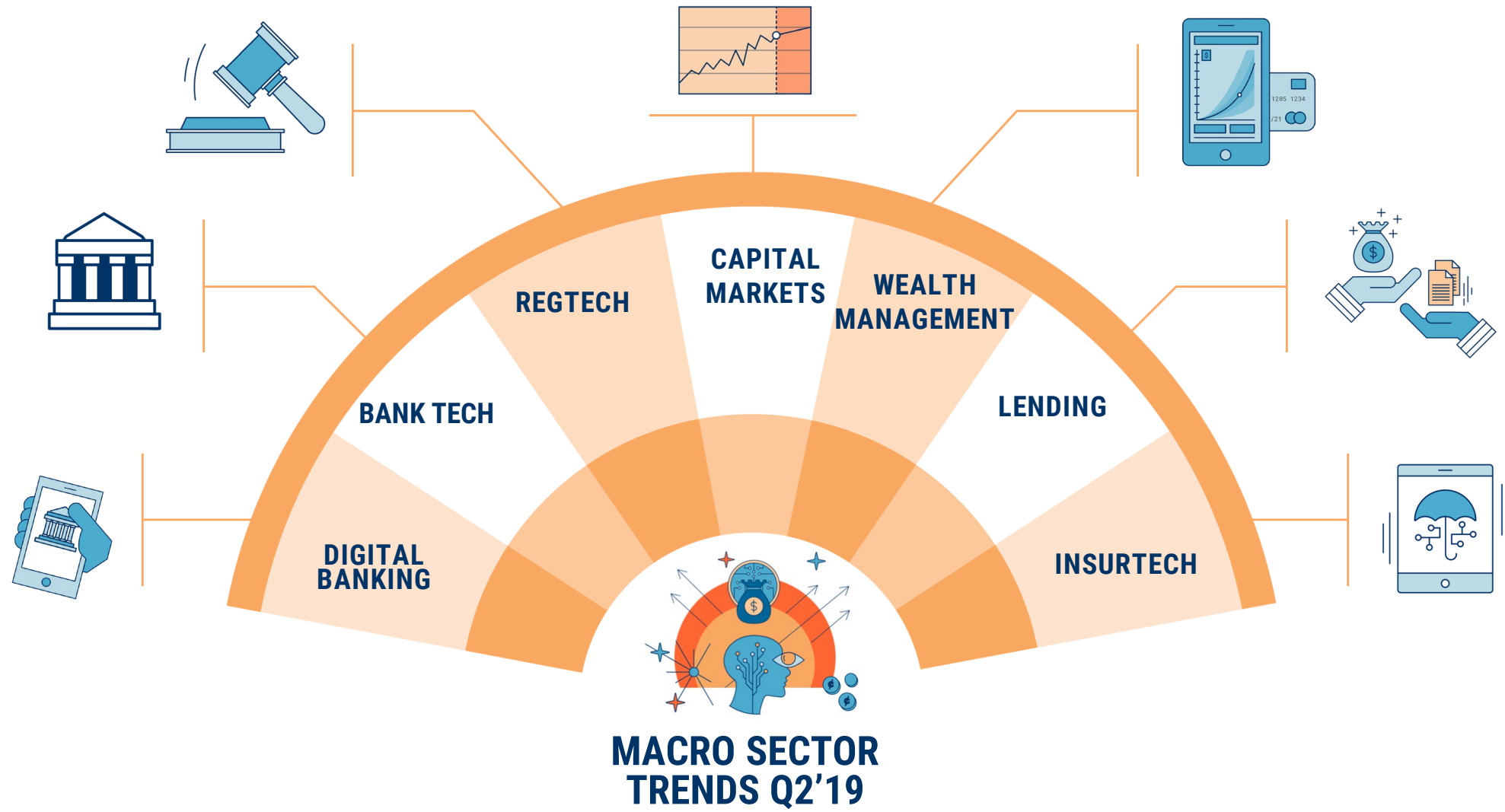




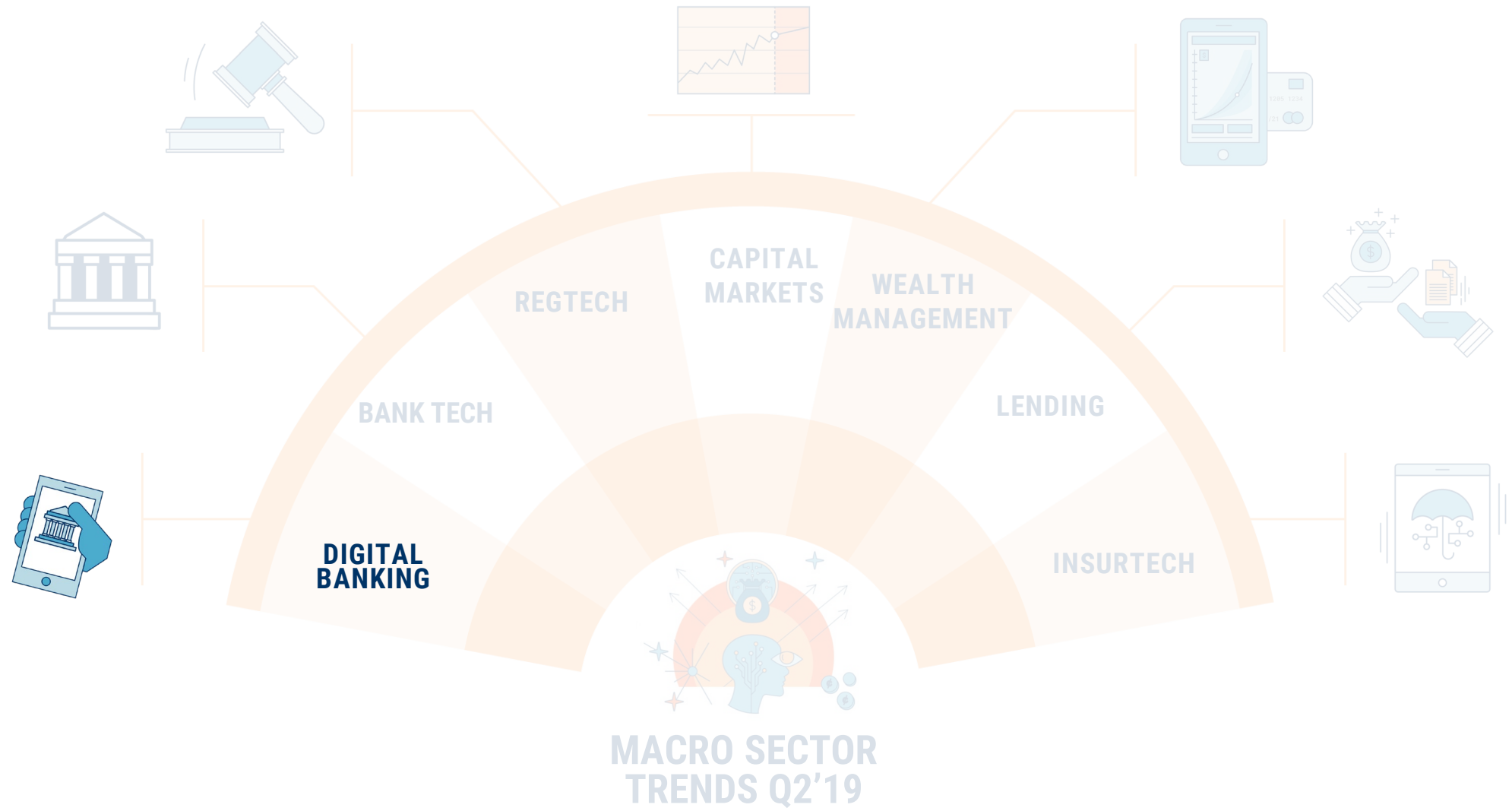
# Q2'19 Fintech Sector Trends



# GLOBAL VC-BACKED FINTECH Q2'2019

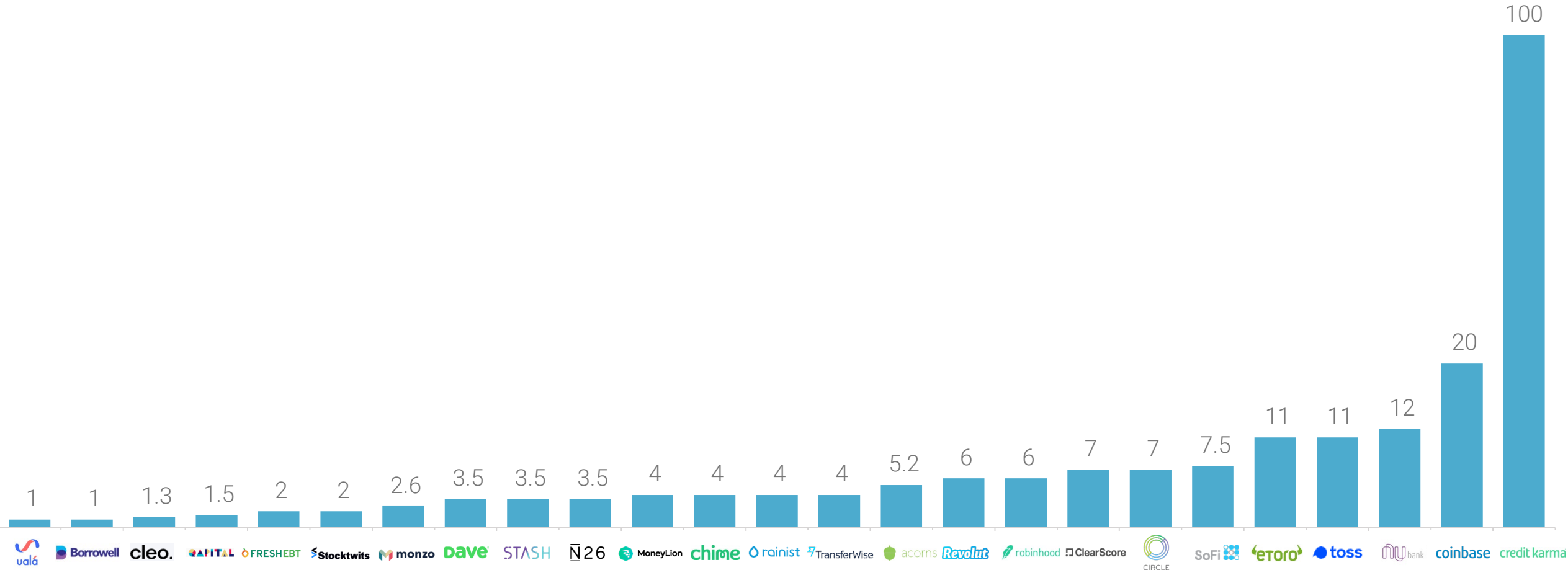


# GLOBAL VC-BACKED FINTECH Q2'2019



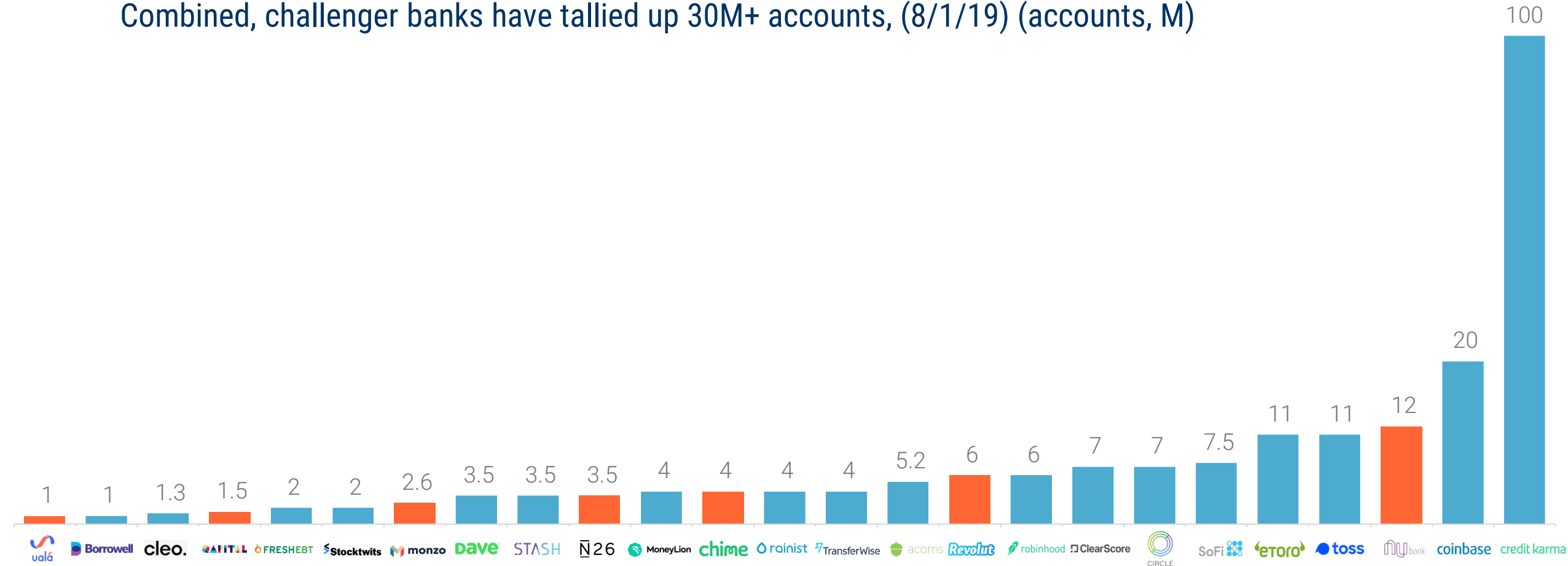
# The 1M+ fintech club by customer accounts

Since launch, these startups have added 230M+ combined accounts, (8/1/19) (accounts, M)



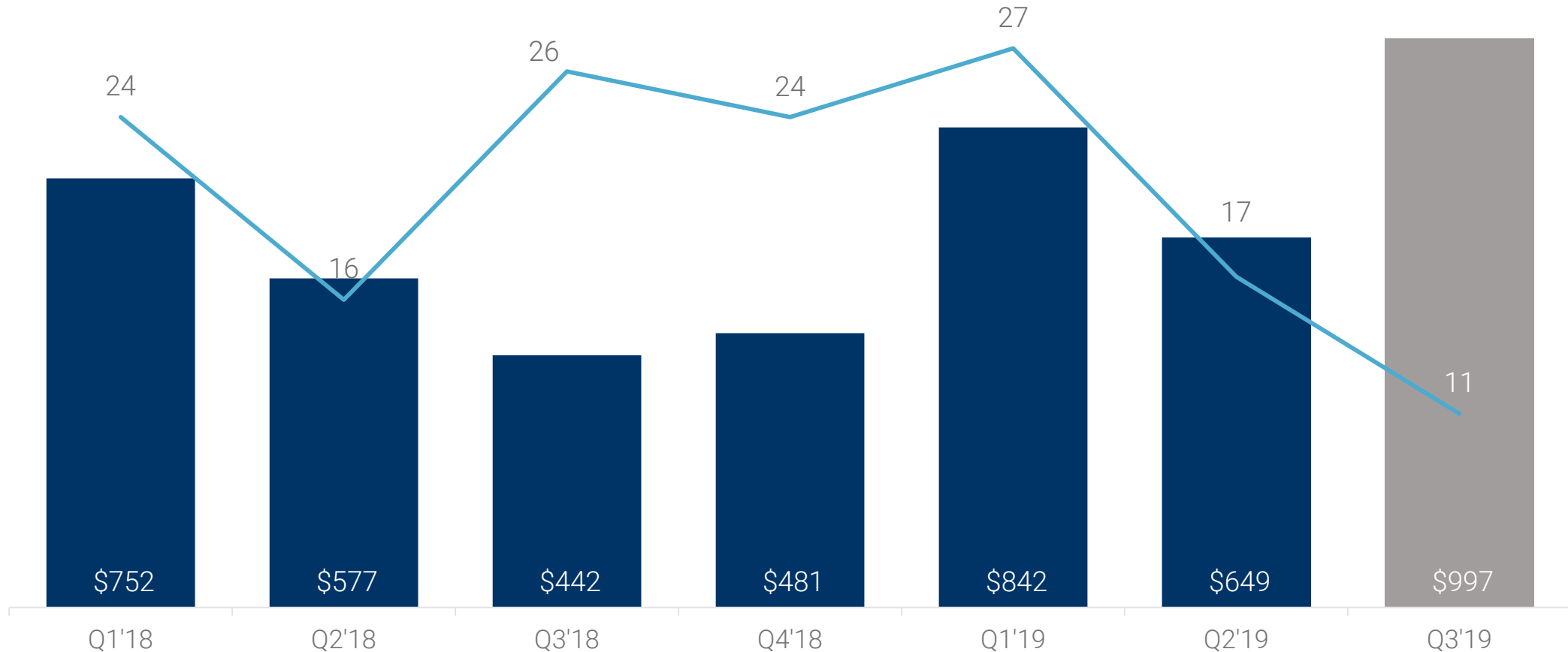
# Digital-first “challenger banks” make up the biggest cohort of the fastest growing fintech startups

Combined, challenger banks have tallied up 30M+ accounts, (8/1/19) (accounts, M)



# Challenger bank funding surpasses 2018's record year-end total, boosted by unicorn funding rounds

Global challenger banks VC-backed financing trends, Q1'18 – Q3'19YTD (8/1/19) (\$M)



# NUBANK IS EXPANDING INTO NEW MARKETS AND LOOKING TO PILOT SMB ACCOUNTS



## Total Funding

\$1.1B

## Country

Brazil

NuBank is a mobile-only “challenger bank” focused on the 100M+ unbanked and underbanked people in LatAm. NuBank reports supporting 12M customers across credit cards and NuCanta, the firm’s checking account business launched in 2018 following regulatory approval for a charter.

In July 2019, NuBank raised a \$400M Series F at a \$10B valuation. NuBank also opened the company’s second headquarters in Mexico and reportedly counts over 850 employees.

## SELECT INVESTORS:

Tencent, Goldman Sachs, Sequoia Capital, Tiger Global Management, Ribbit Capital, Thrive Capital, DST Global, Founders Fund, QED, Redpoint Ventures, TCV

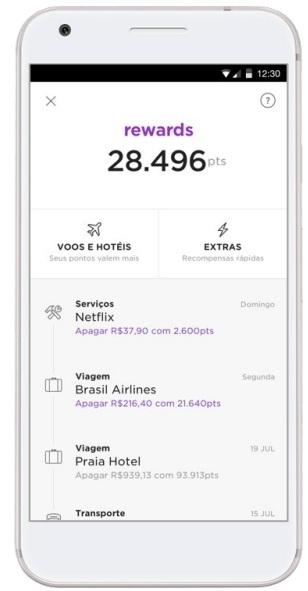


**NuBank opens office in Mexico**  
May 7, 2019 | REUTERS

**Goldman-backed NuBank heads to Argentina looking to add to its growing 9M customer base**  
June 12, 2019 | **Bloomberg**

**NuBank lets SMBs test new Bank service for free**  
July 16, 2019 | REUTERS

**Rumors float that NuBank plans to land in Colombia**  
July 17, 2019 | contxto



# UALA IS USING PREPAID CARDS TO BRING THE UNBANKED ONLINE



**Total Funding**

**\$44M**

**Country**

**Argentina**

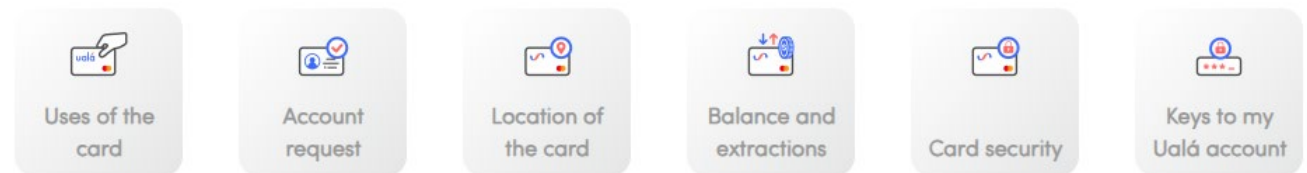
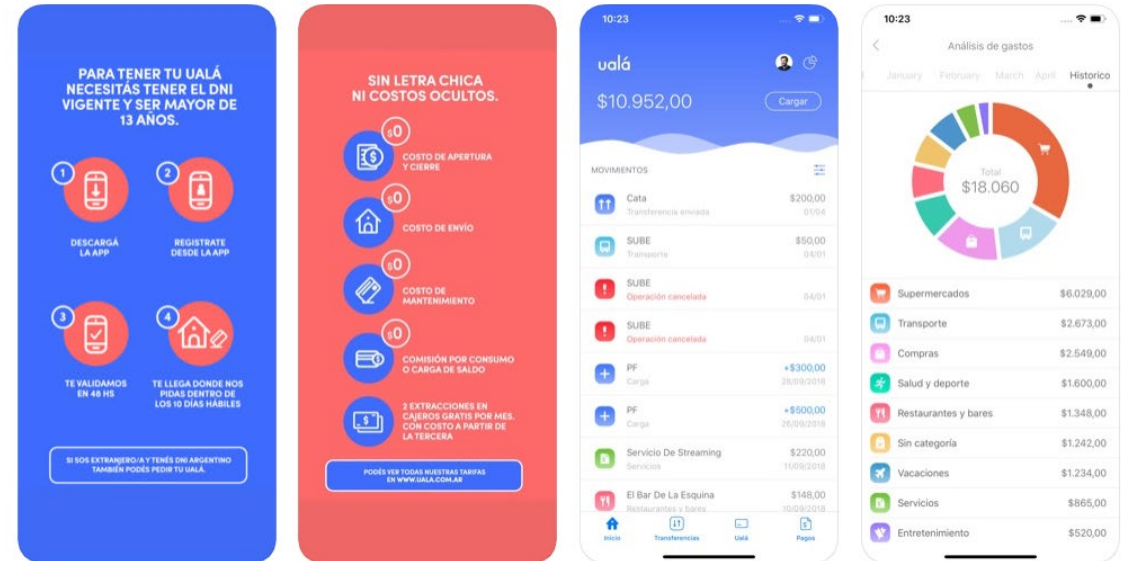
Uala is a virtual banking app that offers a prepaid MasterCard card and supporting app.

Uala is focusing on enabling digital commerce and largely appeals to unbanked consumers by creating an alternative to access popular online services like Netflix.

In April, Tencent made a corporate minority investment in Uala of an undisclosed amount. In July, the company crossed 1M reported accounts.

## SELECT INVESTORS:

Tencent, Goldman Sachs Investment Partners, Jefferies Financial Group, Monashees+, Point72 Ventures, Ribbit Capital





# Mexico could be the next battleground for challenger banks for local, global, and nontraditional players



**Total Funding:**  
\$7.4M

**Focus:** B2C pre-paid debit cards and accounts



**Total Funding:**  
\$1.5M

**Focus:** B2C perks and reward debit cards



**Total Funding:**  
\$0.08M

**Focus:** B2C debit cards for kids



**Total Funding:**  
\$0.02M

**Focus:** B2C pre-paid debit cards and accounts



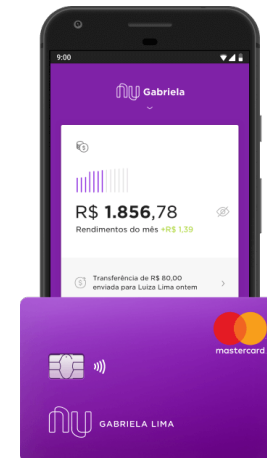
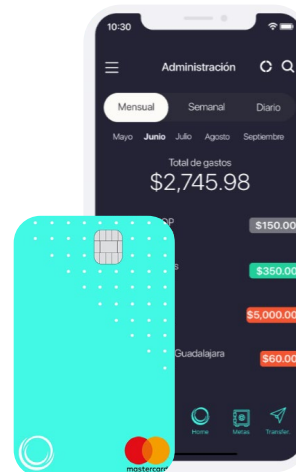
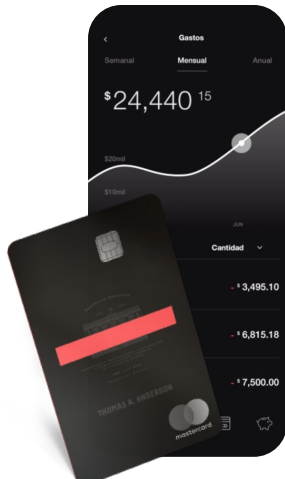
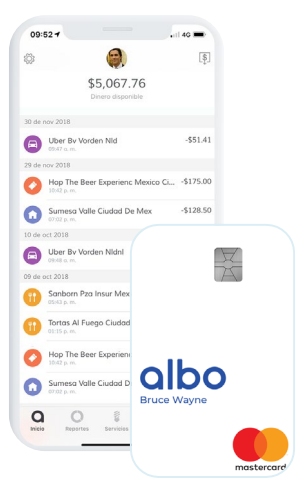
**May 2019:**  
Opened Mexico HQ

**Focus:** Credit and debit cards and bank accounts

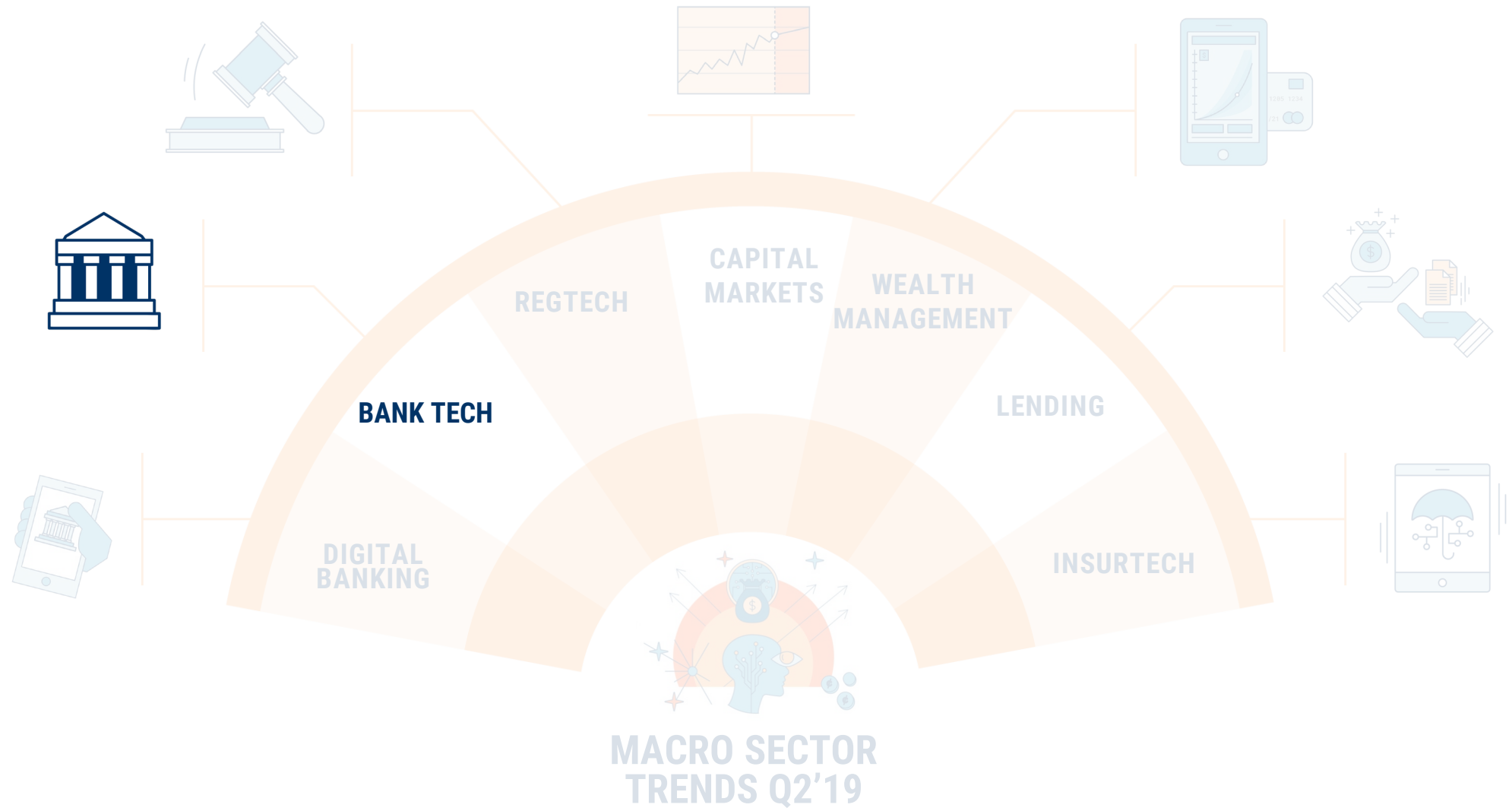


**May 2019:**  
Launched bank accounts for drivers

**Focus:** B2B debit cards for employees

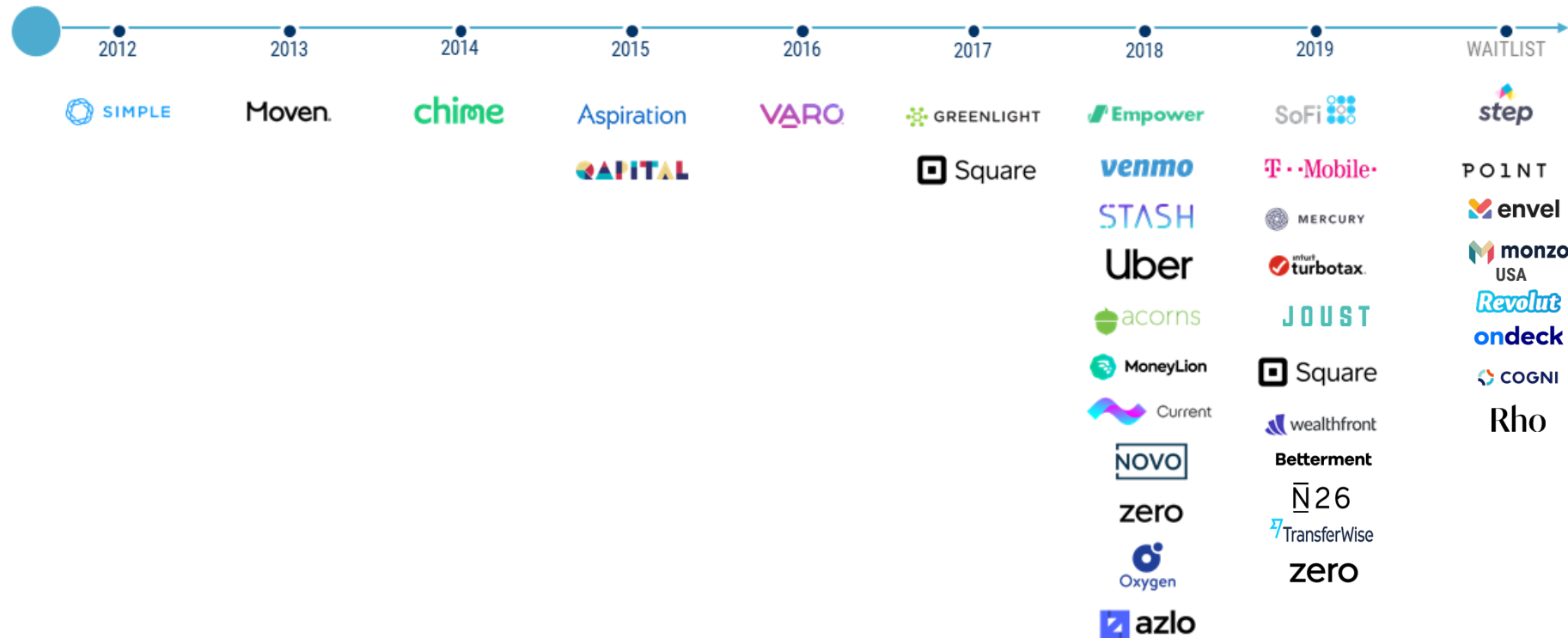


# GLOBAL VC-BACKED FINTECH Q2'2019



# As time to market decreases, more fintech firms are pushing into banking products

Timeline of digital banking products by launch date



FAST FOLLOWING PARTNER BANKS

# Tech cos and fintechs will continue to forge small bank partnerships to launch debit cards

COMPANY	Betterment	wealthfront	STASH	acorns	N26	TransferWise	NOVO
PARTNER BANK	GBC GEORGIA BANKING COMPANY	green dot	green dot	Lincoln SAVINGS BANK	axos BANK	CFSB COMMUNITY FEDERAL SAVINGS BANK	MIDDLESEX FEDERAL <i>where love is better.</i>
COMPANY	Square	Cash App	Uber	PayPal venmo	chime	Current	zero
PARTNER BANK	SuttonBank Old-fashioned Innovation	Lincoln SAVINGS BANK	green dot	The Bancorp	The Bancorp	Metropolitan Commercial Bank	EVOLVE bank & trust

# Banking-as-a-Service utilities ramp up as more fintechs look to launch branded banking products



In April 2018, StoneCastle Partners and Q2 Holdings announced the launch of Cambr, merging Q2's digital platform CorePro and StoneCastle's digital deposit network of 800+ community banks and relationships with banks of record.

**Select Q2'19 Partner:**



Green Dot leverages its bank, Green Dot Bank, to offer mobile banking capabilities to third-party providers.

In July 2019, Green Dot launched an in-house checking and high-yield savings account that may cannibalize its BaaS business.

**Select Q2'19 Partner:**



BankMobile, Customers Bancorp's digital division, grew initial distribution with students. It supports 2M accounts across 800 universities.

Now, it wants to capitalize on BaaS. Per Q2'19 earnings, total deposits to \$890M, up 12.2% YoY, including \$50M from the first white-label partnership.

**Select Q2'19 Partner:**



Cross River Bank lets other companies offer banking products to its customers via its APIs.

Cross River is actively developing a BaaS product. In the interim, it is making strategic investments and partnerships.

**Select Q2'19 Acquisition:**

**Seed**

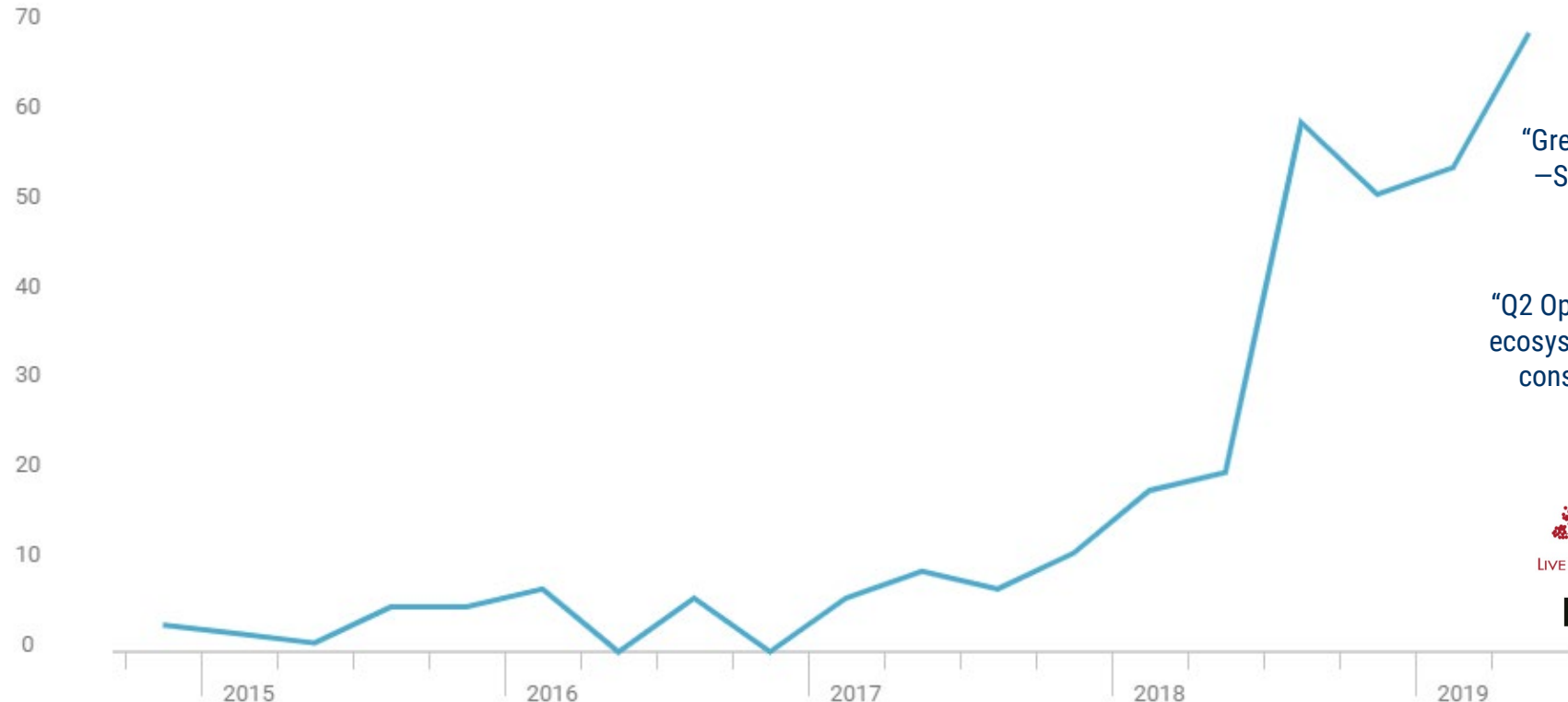
**Select Q1'19 Partner (UK):**



# BaaS is becoming a bigger trend on corporate earnings calls as banks look to reinvent models

Mentions of “Banking-as-a-Service” and “BaaS” on quarterly earnings calls

Number of mentions



## Who's talking about BaaS?



“Green Dot invented banking-as-a-service”  
–Steve Streit, Green Dot Founder & CEO



“Q2 Open is facilitating this banking-as-a-service ecosystem with several leading Fintechs, and we consider ourselves the leader in this space”  
–Matt Flake, Q2 CEO

## Others top mentions



# STARTUPS WANT TO CONNECT FINTECHS TO BANKS' LEGACY INFRASTRUCTURE VIA APIS



## Last Funding

\$33M Series B // June'19

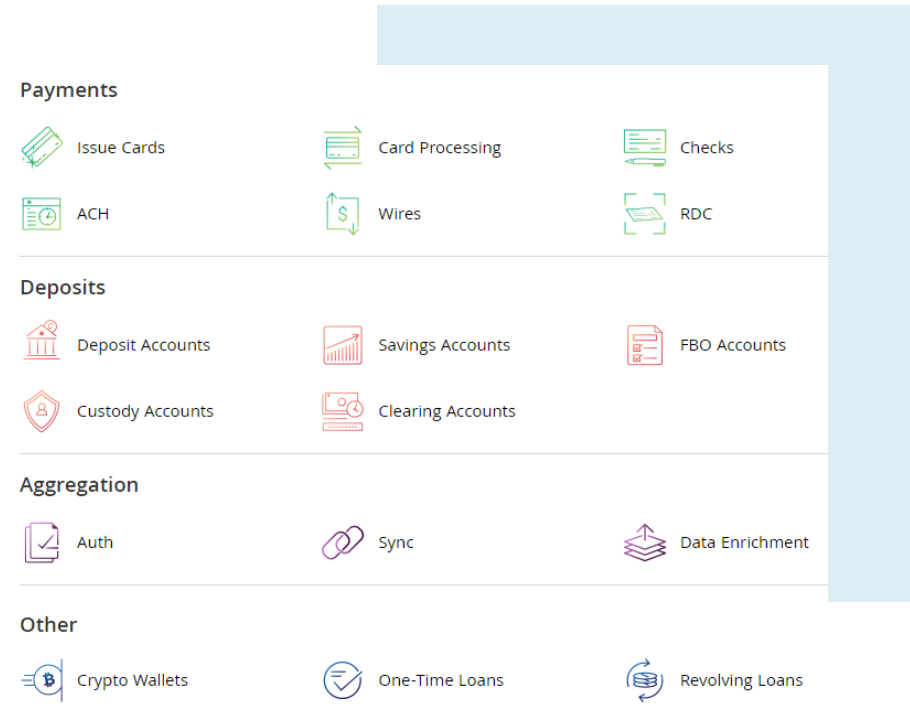
Synapse's APIs allow fintech developers to connect with banks to build financial services and for banks to automate and extend back-end operations.

Synapse is part of the broader banking-as-a-service trend taking hold in the industry. BaaS is the process of digitally connecting fintech companies to banks via APIs.

Synapse reportedly has 150 clients and 5M API requests daily, reaching 3M end customers. Clients include fintech startups such as Empower and Dave.com.

## SELECT INVESTORS:

Andreessen Horowitz, Trinity Ventures, Core Innovation Capital

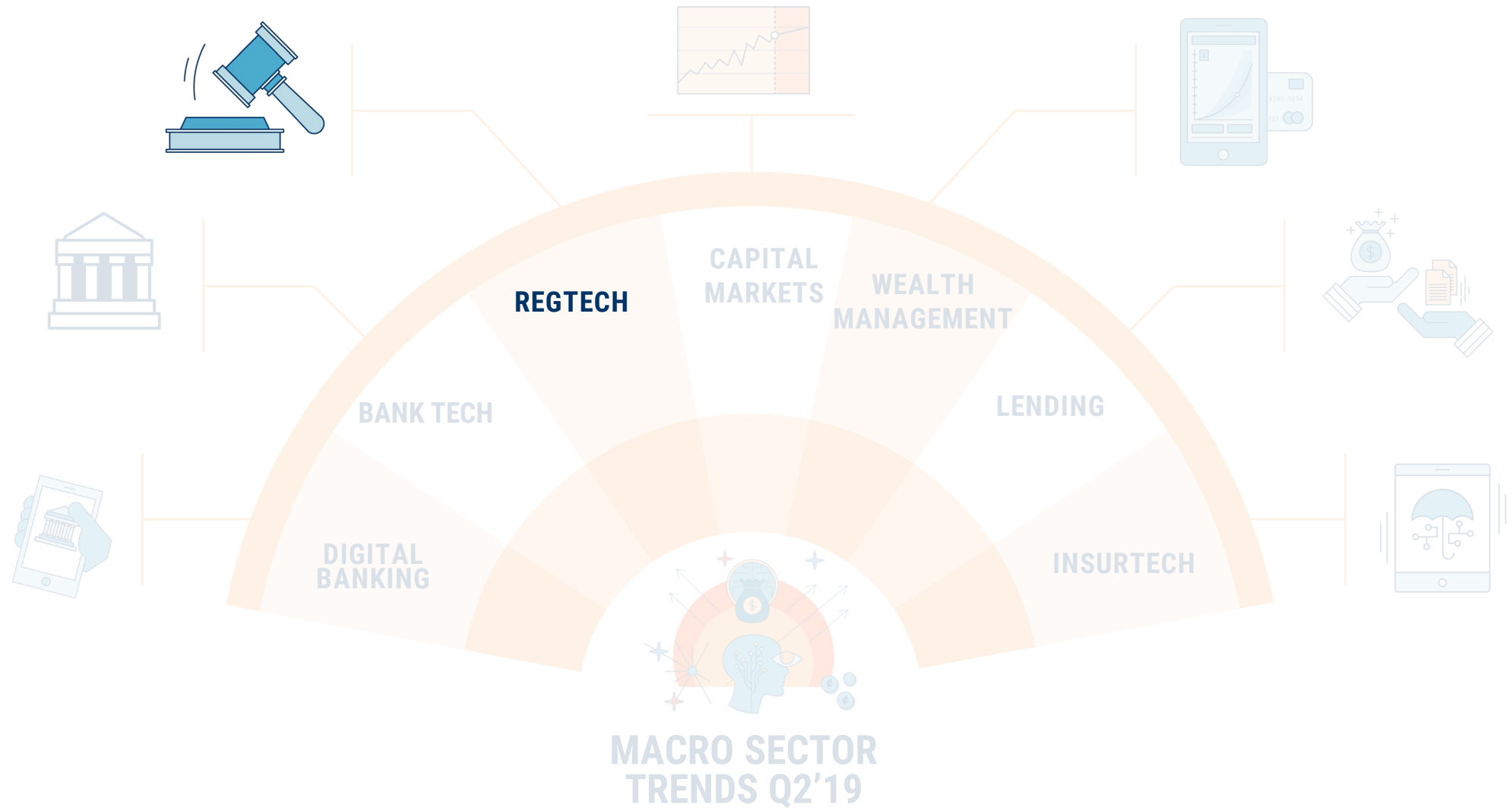


```
Cards Savings Loans ACH Wire
import os
from synapse_pay_rest import Client
from synapse_pay_rest import User
from synapse_pay_rest.models.nodes import CardUsNode

kwargs = {
    'nickname': 'My Debit Card',
    'document_id': user.base_documents[0].id
}

node = CardUsNode.create(user, **kwargs)
```

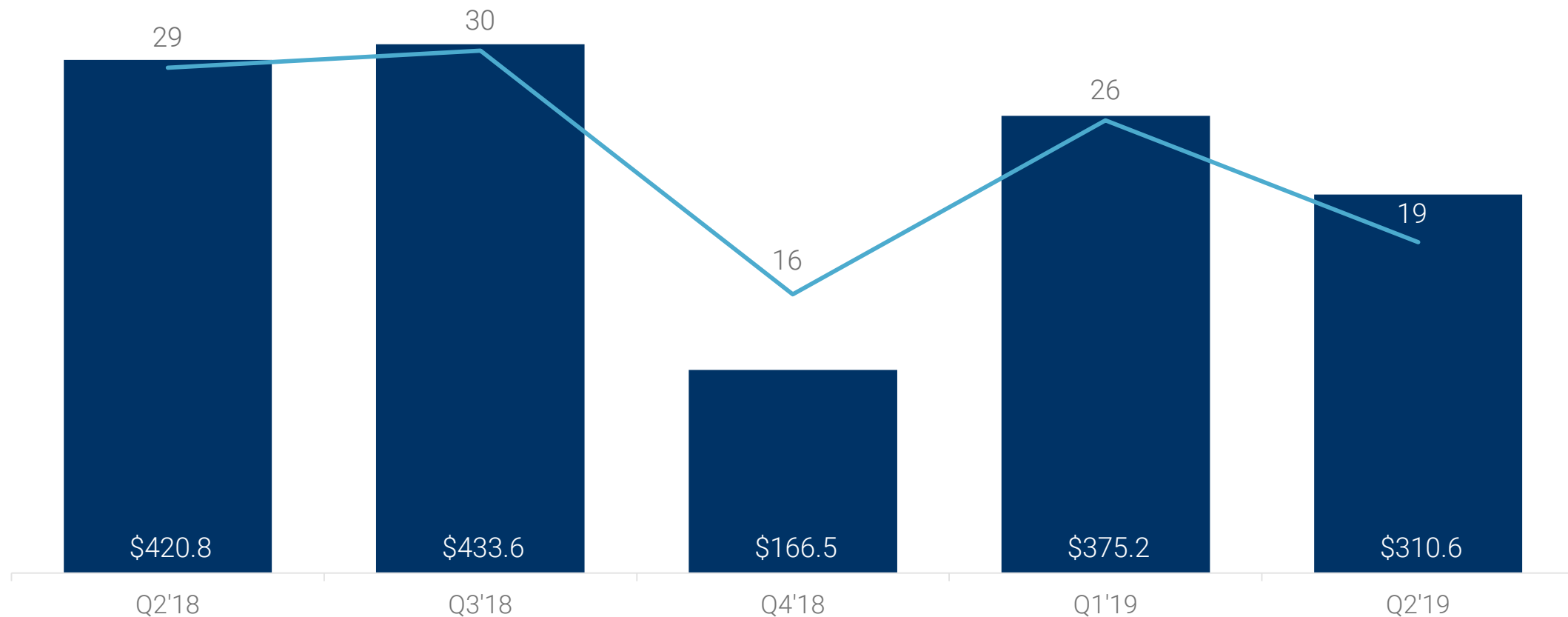
# GLOBAL VC-BACKED FINTECH Q2'2019





# Regtech deals and funding dropped off in Q2'19 to just 19 deals worth \$311M in funding

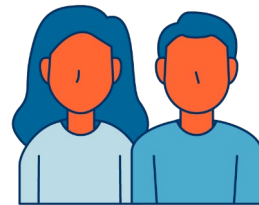
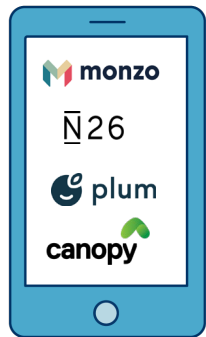
Global regtech VC-backed fintech financing trends, Q2'18 – Q2'19 (\$M)



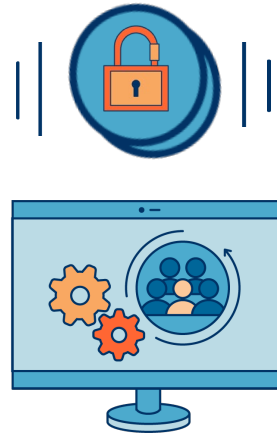
# In Europe, regulations are a catalyst for fintech utilities that are building bank APIs to comply with open banking

Select fintech startups leveraging open banking regulations in Europe

## CHALLENGERS



CONSUMER



## UTILITIES



API

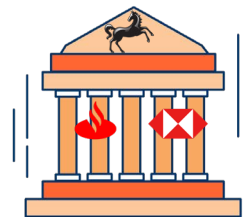


API

## INCUMBENTS



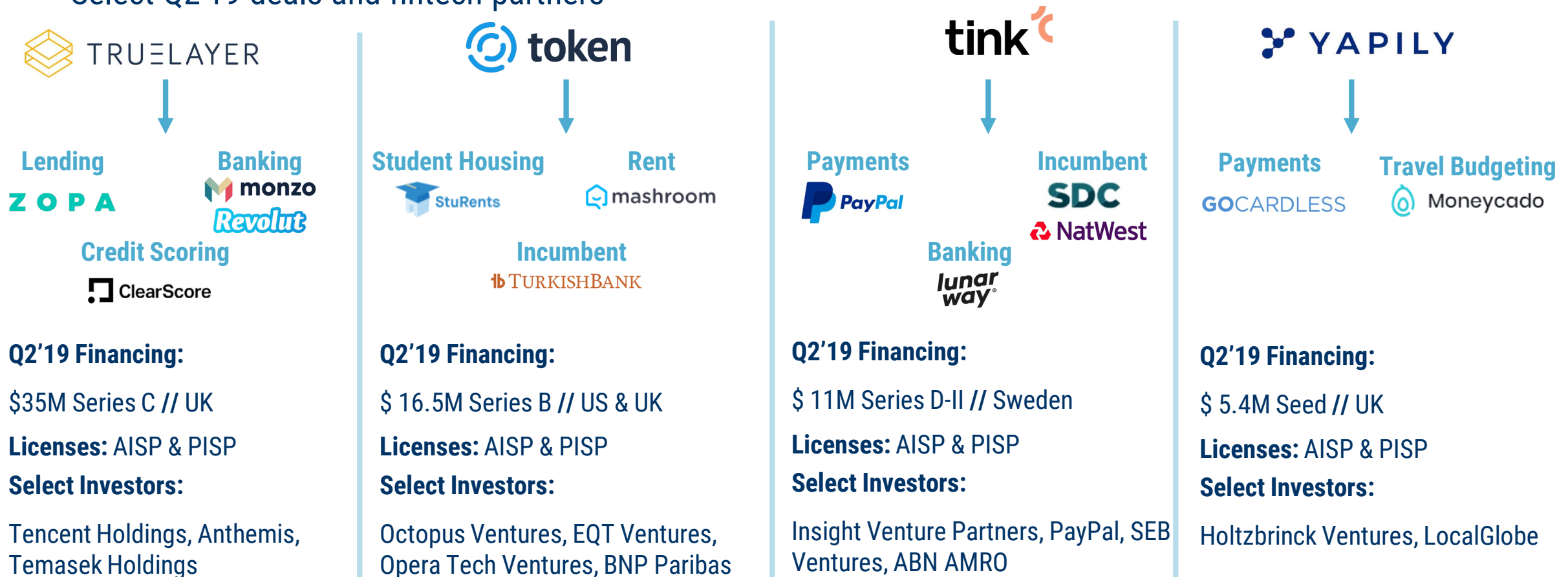
BANK 1



BANK 2

# Infrastructure players commoditize consumer data and will be the genesis of more fintech formation

Select Q2'19 deals and fintech partners



# And to scale and capitalize on open banking, they're combining forces and resources

Select M&A transactions in H1'19



**Quovo Total Funding Pre-acquisition:** \$20.95M

**Acquisition valuation:** \$200M

Fresh from a \$250M Series C investment in Q4'18, Plaid acquired US competitor Quovo in Q1'19. Quovo had an edge on Plaid in the US in wealth management where customers included robo-advisors like Wealthfront and incumbents like Vanguard.

In Q2'19, Plaid formally launched in Europe, leveraging Quovo's existing Payment Initiation Service Provider ("PISP") license with the UK's FCA.



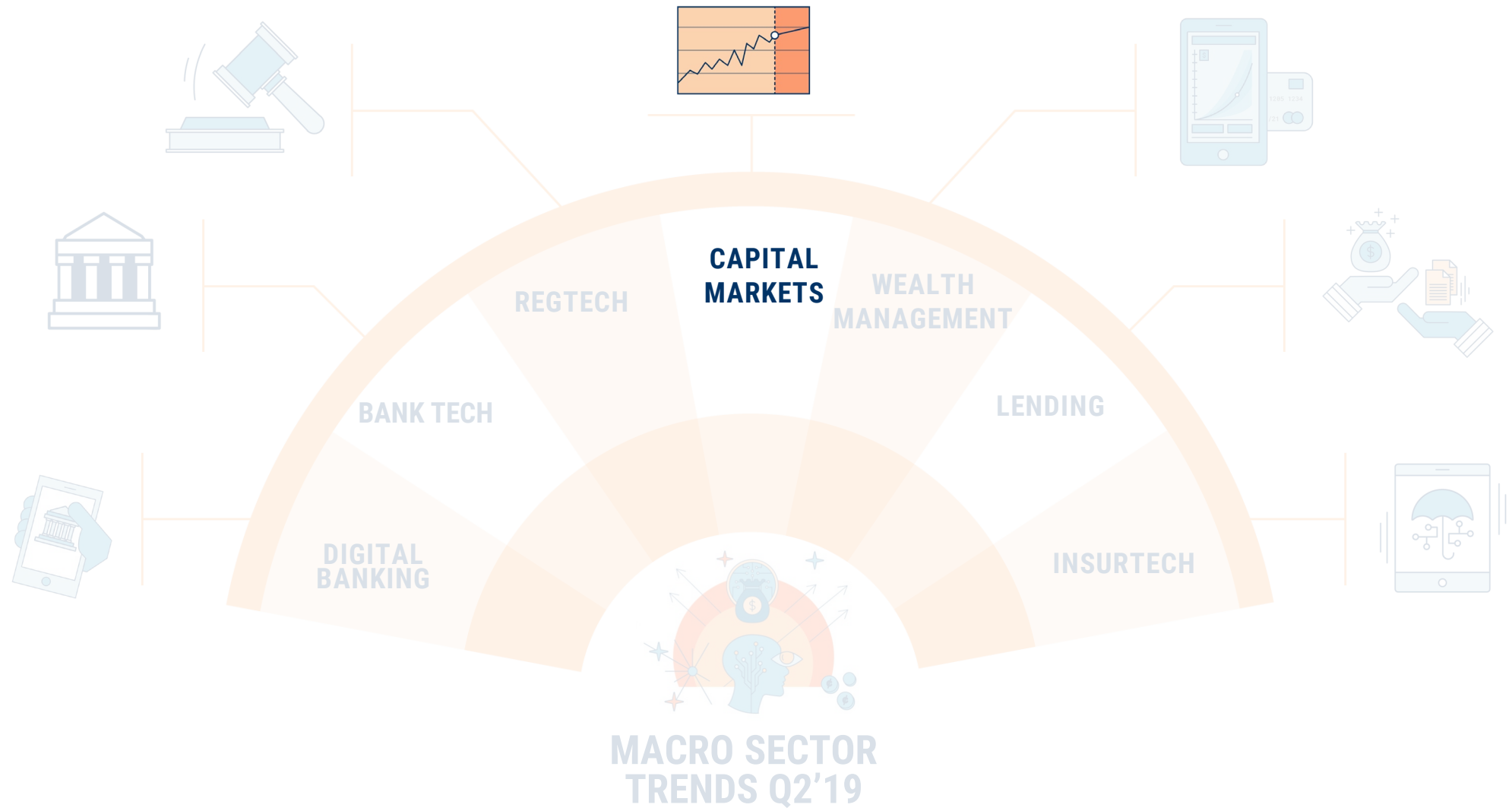
**Figo Total Funding Pre-merger:** \$19M

**Finreach Total Funding Pre-merger:** Undisclosed

In Q1'19, Germany-based Figo and Finreach announced plans to merge. Figo provides data aggregation services for financial institutions and fintechs while Finreach specialized in digital account switching.

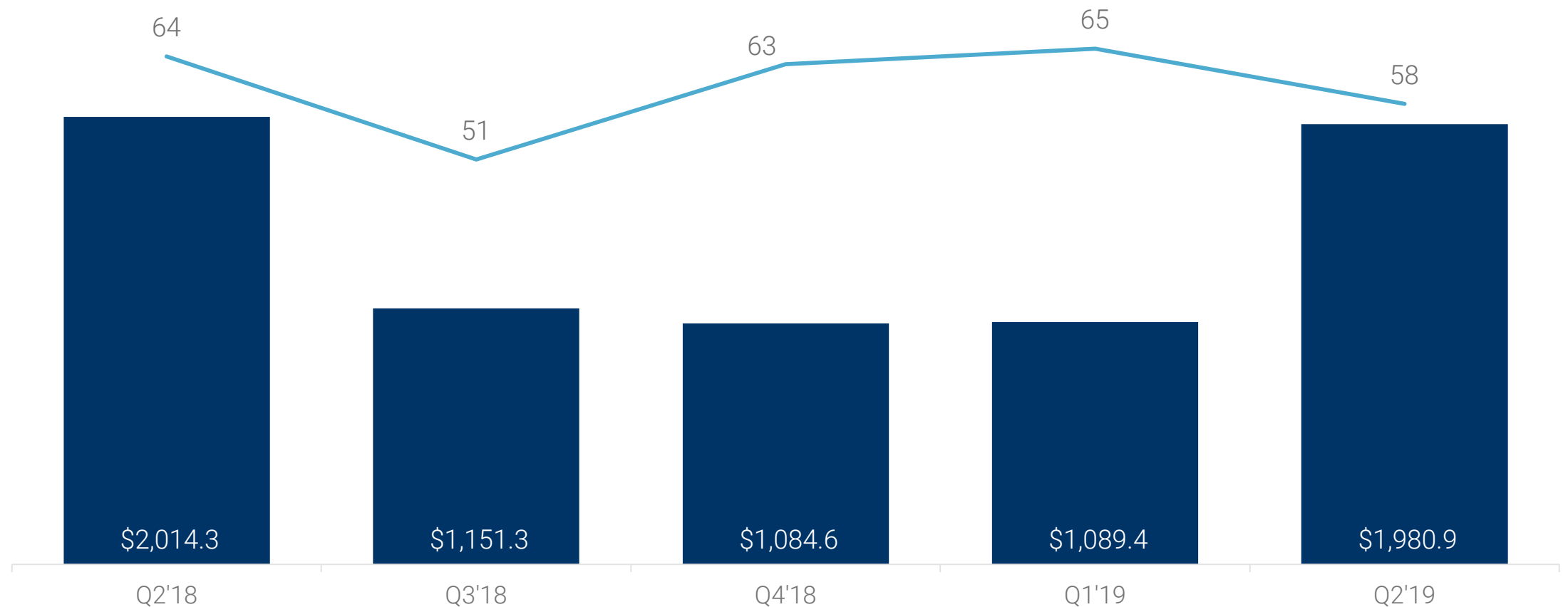
The deal is subject to approval from Germany's Federal Financial Supervision Authority (BaFin). Figo is a registered AISP and PISP under BaFin.

# GLOBAL VC-BACKED FINTECH Q2'2019



# Capital markets tech topped \$1.98B on the back of mega-rounds from financial institutions in Q2'19

Global capital markets tech VC-backed fintech financing trends, Q2'18 – Q2'19 (\$M)



# CAPITAL MARKETS TECH TARGETS THE STREET



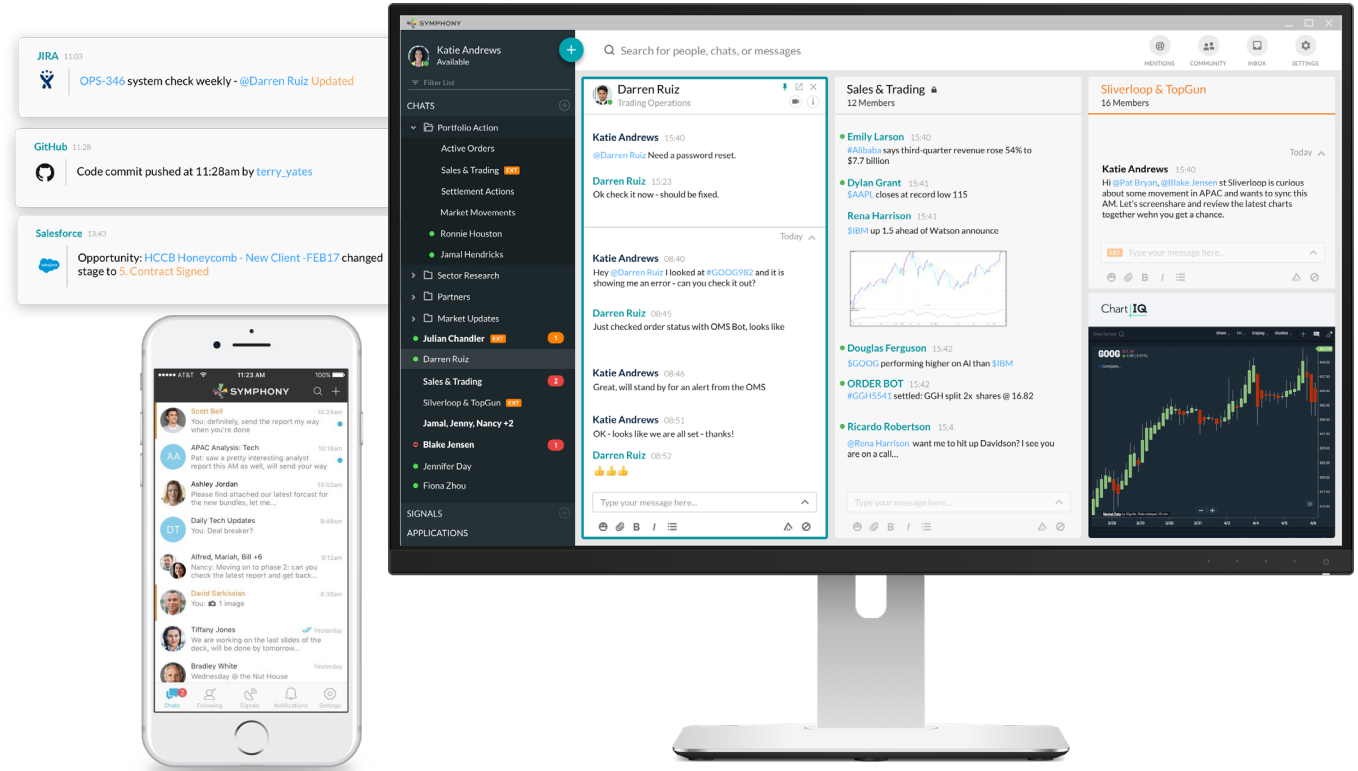
## Q2'19 Funding

\$165M Series E // Jun'19

Valuation \$1.4B

Symphony offers a cloud-based messaging and collaboration platform.

The technology originated out of an internal messaging system at Goldman called LiveCurrent. As of June 2019, Symphony counted 430,000 customers spanning 405 companies in over 60 countries.



## SELECT FINANCIAL INVESTORS



HSBC, Hong Kong Exchanges and Clearing have jointly launched two pilot bots on Symphony's platform to enable automation of margin call workflows

July 11, 2019 | HSBC & HKEX 香港交易所



# DIGITIZING THE FIXED INCOME MARKETS

## TRUMID

### Q2'19 Funding

### \$60M Series D-III // May'19

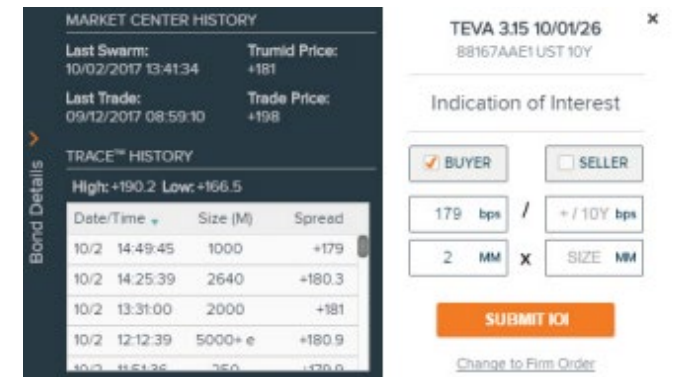
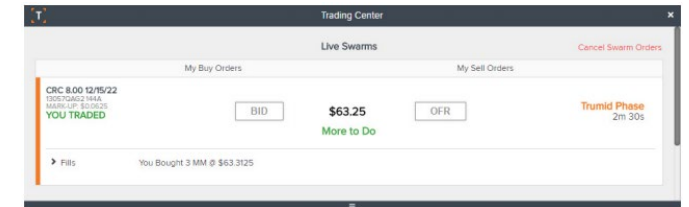
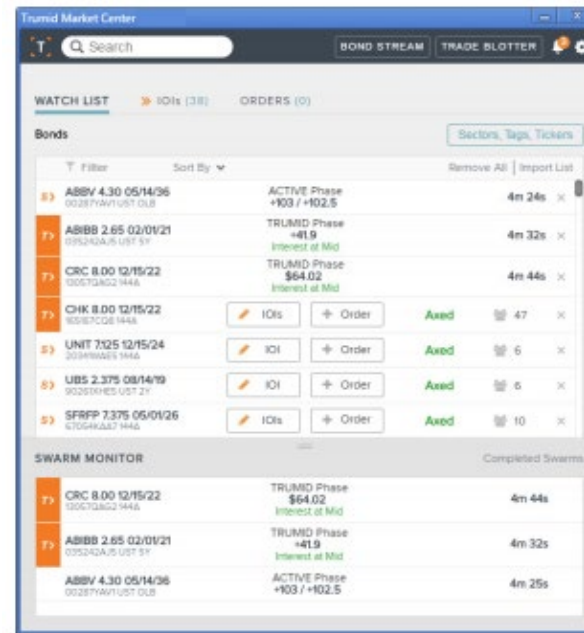
Trumid is a digital trading platform for corporate bonds.

Trumid's total trade volume increased almost 150% in 2018, according to the company.

As of January 2019, Trumid had 413 institutions onboarded across both the sell side and buy side.

Trumid acquired competing corporate bond trading platform Electronie in Q1'17.

Trumid does not currently provide services to buy- or sell-side institutions in Asia, but it says that "plans are underway for the Asian market," with Hillhouse Capital and Singapore Exchange as investors.



## SELECT FINANCIAL INVESTORS





# OVERHAULING 200,000 DESKTOPS COVERING 1,500 GLOBAL BANKS AND FIRMS



## Q2'19 Funding

\$17M Series C // May'19

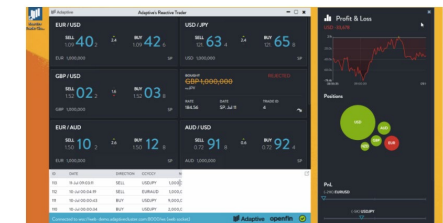
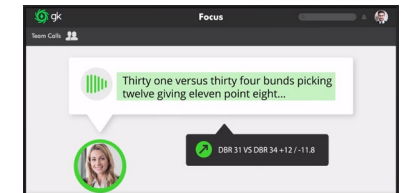
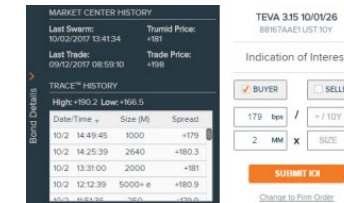
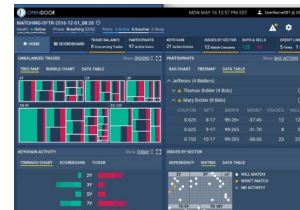
Openfin is an HTML5 container that powers B2B desktop applications for financial services applications.

Open reports its "OS for finance" is powering 200,000 desktops covering 1,500 global banks and firms across 60 countries.

Customers include fintech startups as well as financial institutions like NEX and hedge funds like Citadel.



VS.



## SELECT FINANCIAL INVESTORS



# Startups disrupting IPOs and exchanges picked up funding and regulatory approvals



**Q2'19 Development:** In May, the Long-Term Stock Exchange (LTSE) gained SEC approval to be an exchange. Following approval, the LTSE proposed listing standards to support long-term value creation for companies.

**Last Funding:** \$18.7M Seed in July 2016

**Select Investors:** Founders Fund



Trusted by over 12,000 companies & investors



**Q2'19 Funding:** \$300M Series E // \$1.7B Valuation

**Select Investors:** Andreessen Horowitz, Goldman Sachs PSI, Tiger Global, Lightspeed, Thrive

Carta's cap table management products may gain additional traction as more startups stay private for longer. Some of its customers have also gone public while continuing to use the service, underscoring the opportunity to reimagine the process of going public. CartaX, a secondary market, is one option, building a retail brokerage or a licensed rival exchange could be another.



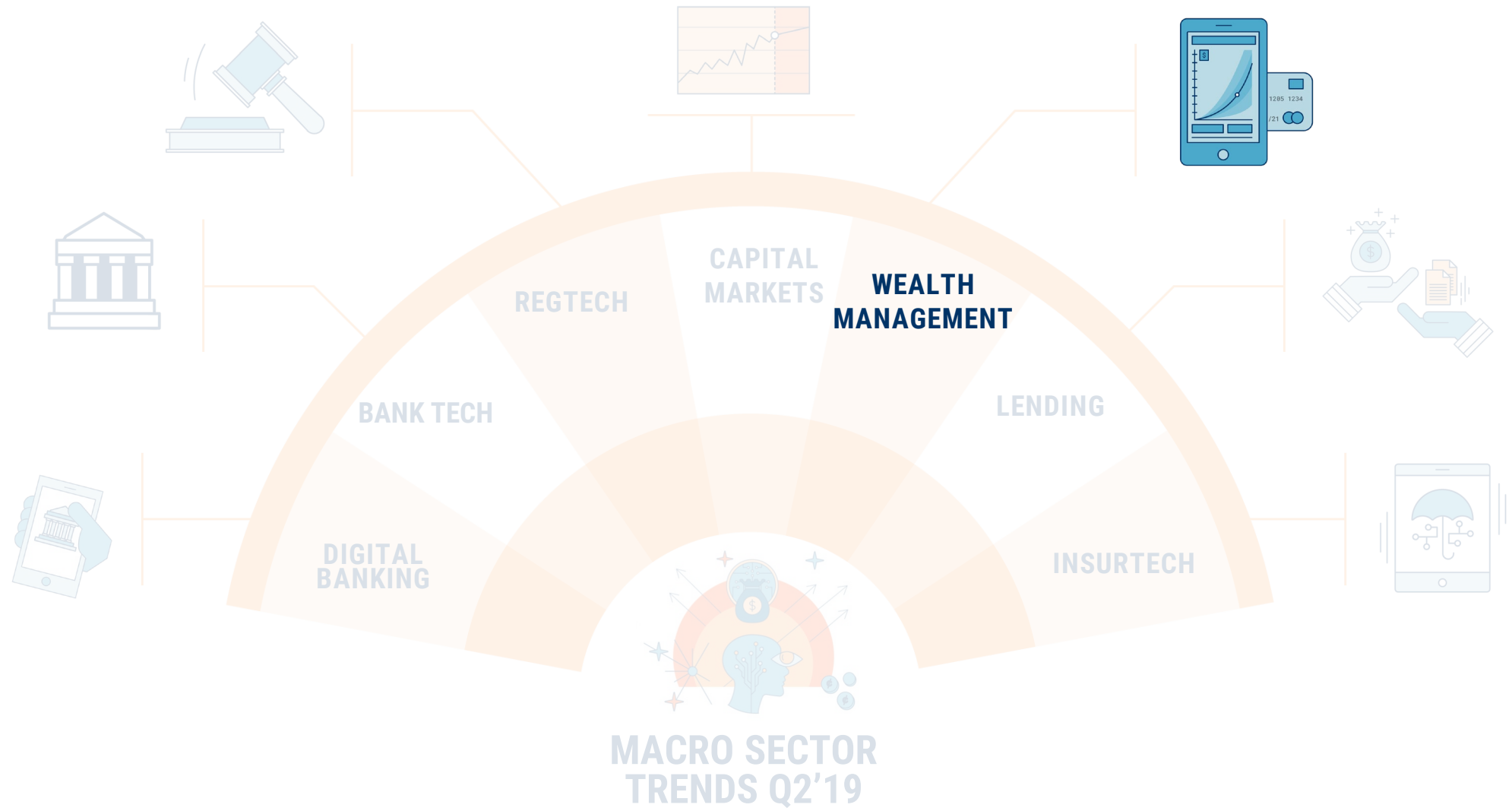
```
1 case {position(cxt, inst), nbbo(cxt, inst)} do
2   {:{ok, pos}, {:ok, bid, ask}} ->
3   {bid, offer} = spread_model(inst, pos, bid, ask)
4   # example: {:ok, :bid, price, quantity}
5   submit_orders(inst, [bid, offer])
6   ->
```

**Q2'19 Funding:** \$9.4M Series A

**Select Investors:** Green Visor Capital

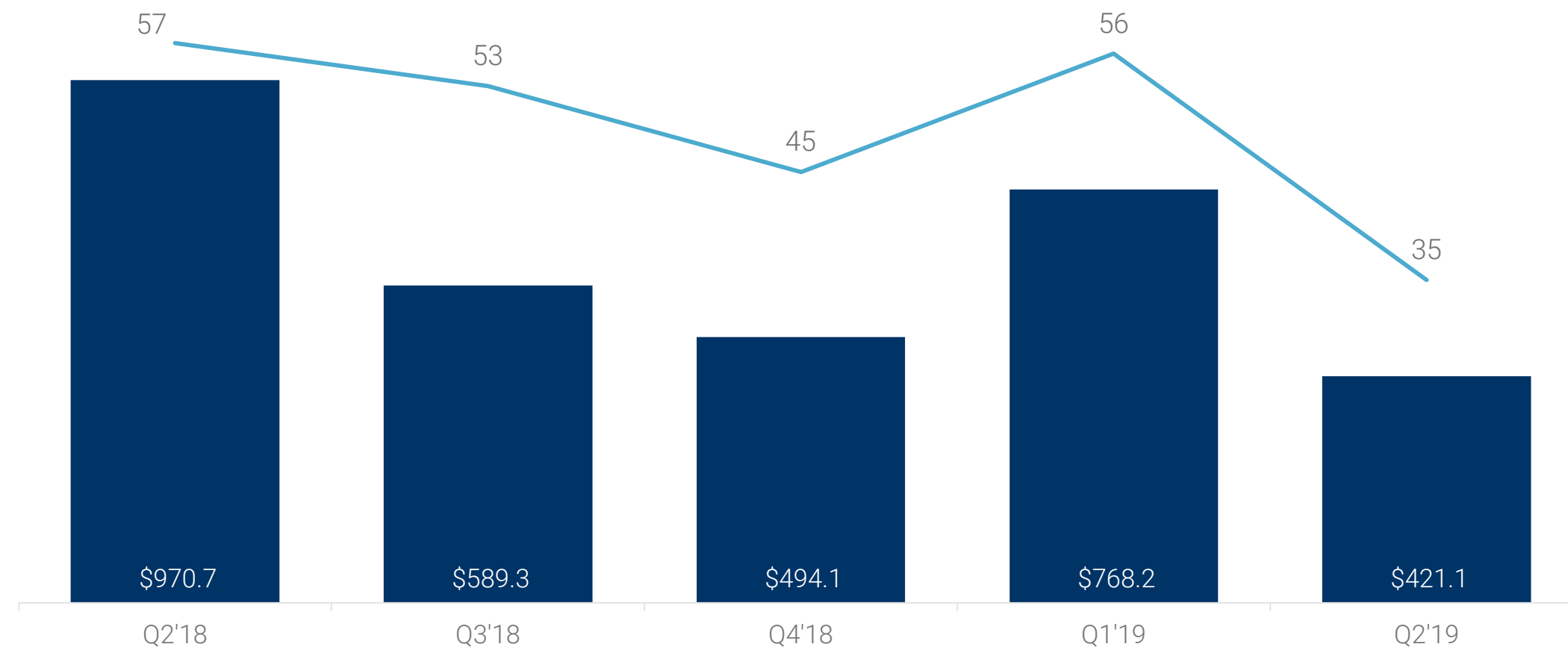
OneChronos has been operating under the radar to focus on building underlying algorithms for a new type of exchange using "Combinatorial Call Auctions". Auctions match buyers and sellers in a pure agency capacity. OneChronos is focusing on US equities first. Downstream that could expand as investor demand for other asset classes, like options or fractional investments, pickup

# GLOBAL VC-BACKED FINTECH Q2'2019

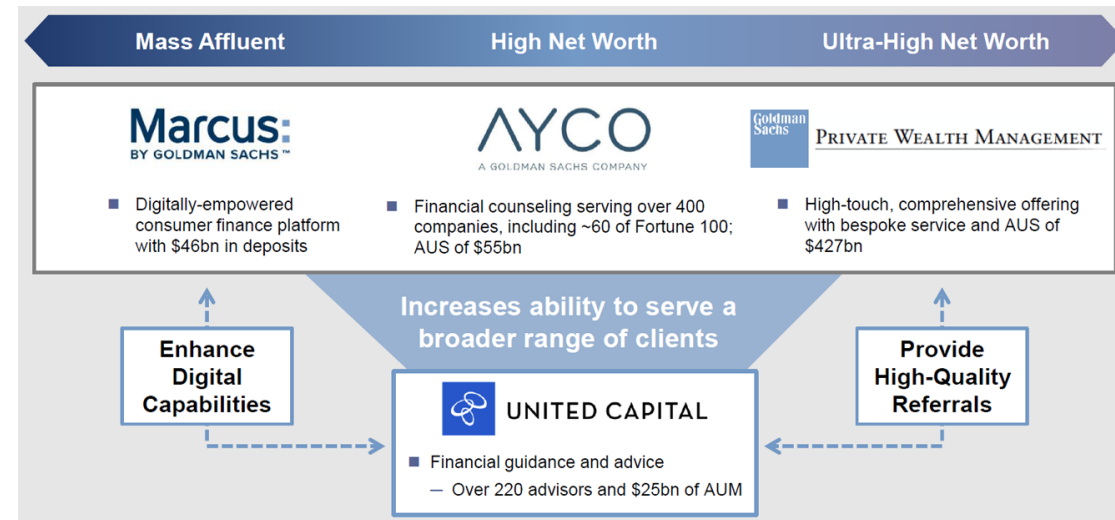


# Wealth tech deals and funding dropped to 35 deals worth \$421M, a 5-quarter low

Global wealth tech VC-backed deals and financing trends, Q2'18 – Q2'19 (\$M)



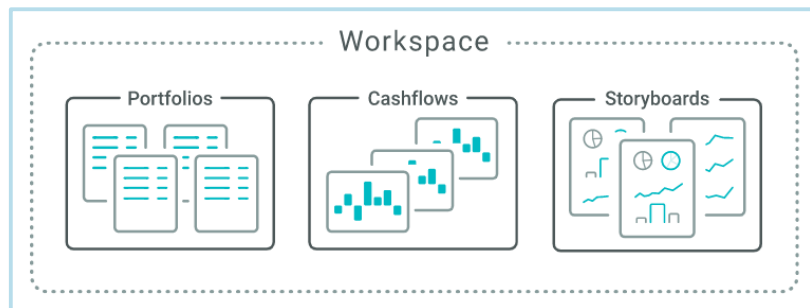
# Goldman Sachs targets wealth management with \$750M acquisition of United Capital



United Capital is a wealth management firm for high net worth individuals (HNI) with \$1M–\$15M in investable assets. United Capital has around \$25B assets under management (AUM), services 220 financial advisers, and operates across 95 offices.

Acquiring United Capital gives Goldman the technology prowess to service HNI customers that have less investable assets than typical for this demographic, opening up a new segment of the market. In time, United Capital's services could be added on top of Marcus, helping to keep assets under Goldman Sachs' management.

# Advisor tech startups target financial planning with highly customizable UX/UI and suite of products

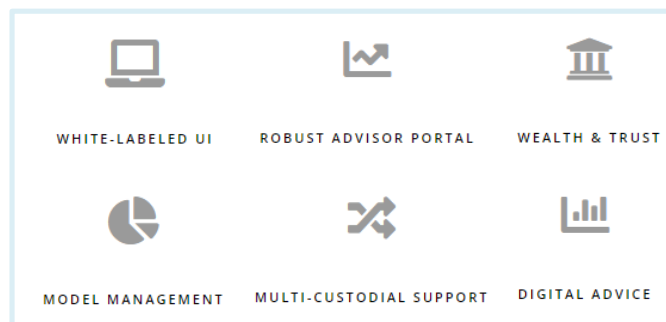


**Q2'19 Financing:** \$7.5M Series A

**Focus:** Multi-asset portfolio design and analytics with a suite of self-service tools

**Select Investors:**

Illuminate Ventures, 8VC, CreditEase Fintech Fund

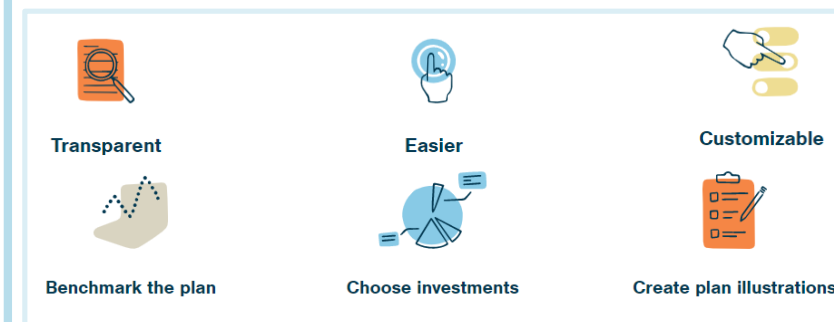


**Q2'19 Financing:** \$7.96M Series B

**Focus:** White-label wealth management suite for banks, credit unions, and advisors

**Select Investors:**

Operative Capital, Sorenson Ventures



**Q2'19 Financing:** \$30M Series B

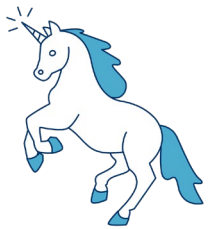
**Focus:** Retirement investing and planning for RIAs and employers with multiple integrations

**Select Investors:**

Primary Venture Partners, BNY Mellon, FinTech Collective, Point72 Ventures, Nationwide Ventures, Allianz Life Ventures, Franklin Resources, Goldman Sachs PSI

# More wealth techs want to democratize access to assets and diversification options for investors

## STARTUP OPTIONS

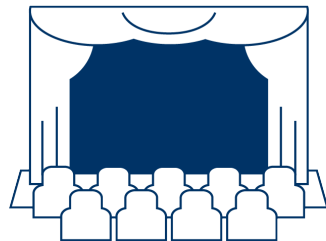


**Q3'19 Funding:**  
\$6M Series A

**Select Investors:**  
Social Leverage, Elefund  
CoVenture, The Weekend  
Fund, Rucker Park Capital



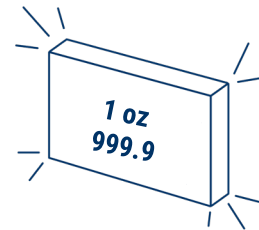
## MUSIC ROYALTIES



**Q2'19 Funding:**  
\$1M Undisclosed

**Select Investors:**  
Grotech Ventures, IDEA  
Fund Partners

## GOLD



**Q2'19 Funding:**  
\$6.27M Series A



**Q2'19 Funding:**  
Undisclosed Seed

## FUTURES



**Q2'19 Funding:**  
\$10M Seed

**Select Investors:**  
Citadel Securities, Jump  
Capital, PEAK6

## STRUCTURED NOTES



**Q2'19 Funding:**  
\$12M Series B

**Select Investors:**  
Allianz Life Ventures,  
William Blair, Piton  
Investment Management

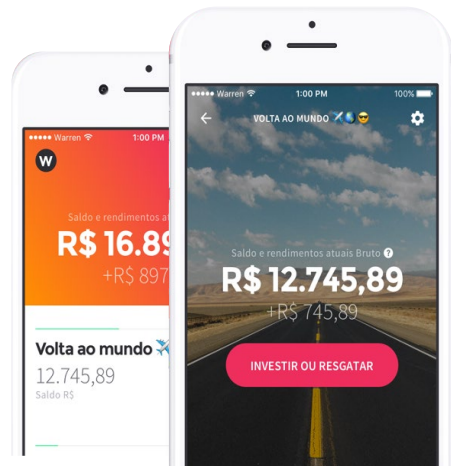
# Wealth tech is spreading to emerging markets with growing middle classes like Latin America

Select wealth tech deals in Latin America in H1'19

BRAZIL



Last Funding:  
\$6.3M Series A Q1'19



BRAZIL



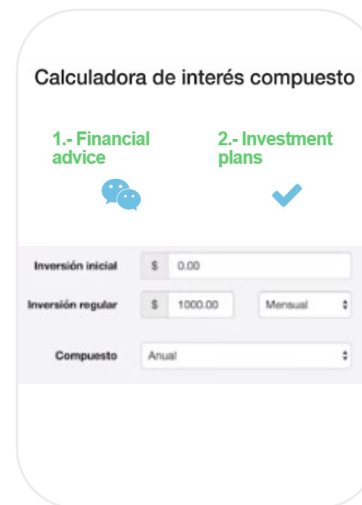
Last Funding:  
Corporate Minority Q2'19



MEXICO



Last Funding:  
\$0.06M Seed Q2'19



BRAZIL



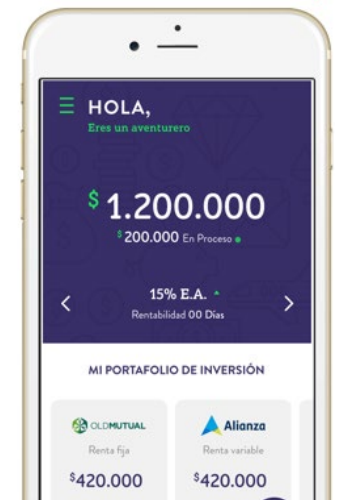
Last Funding:  
\$0.26M Angel Q1'19



COLOMBIA

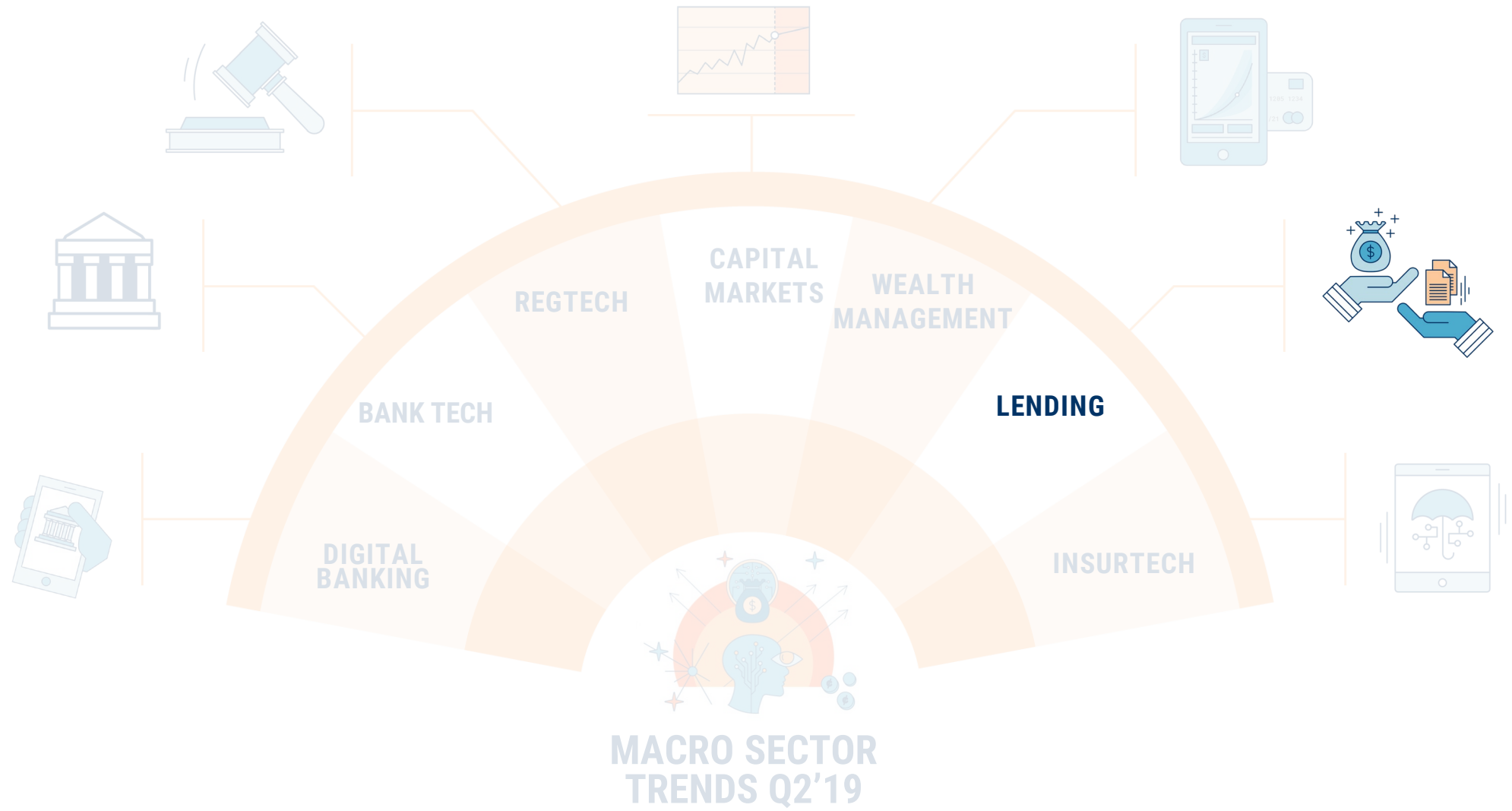


Last Funding:  
Undisclosed Seed Q1'19



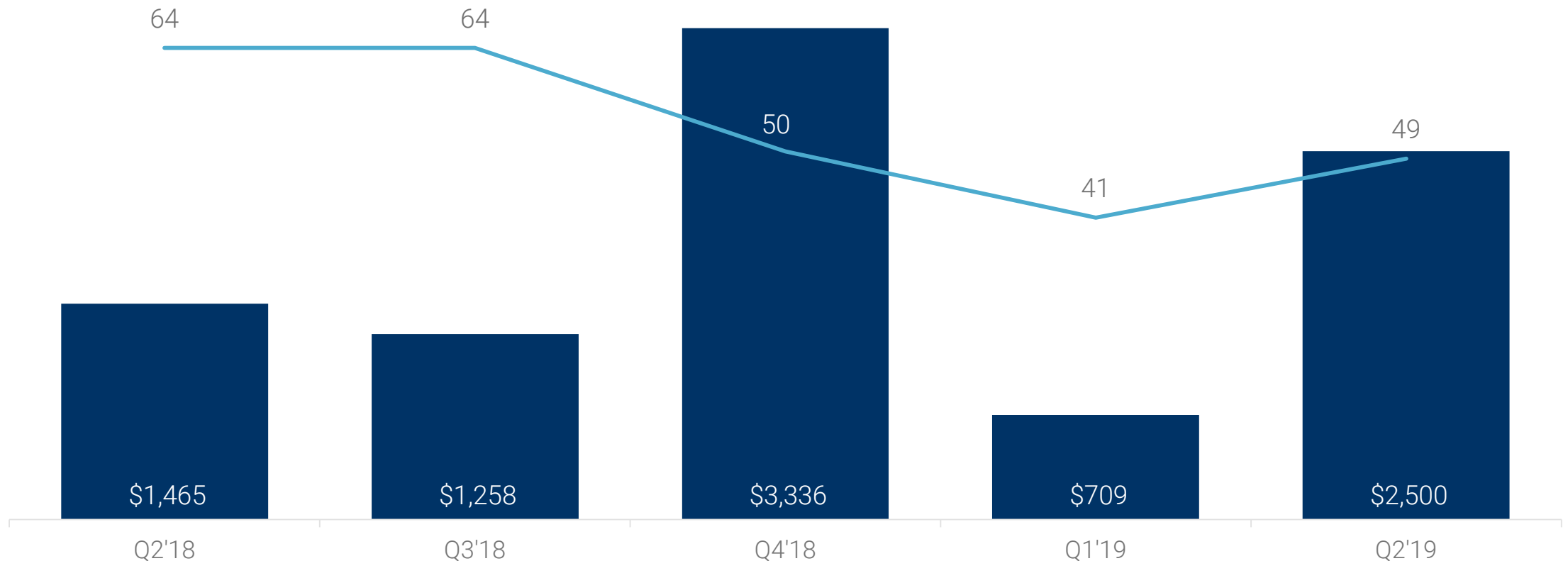


# GLOBAL VC-BACKED FINTECH Q2'2019



# Alternative lending funding neared \$2.5B across 49 deals, both up QoQ in Q2'19

Global alternative lending tech VC-backed fintech financing trends, Q2'18 – Q2'19 (\$M)



## FROM LENDING TO REBUNDLING FIN SERVICES

SoFi raised a \$500M Series G to accelerate its push to full-scale banking and topped 7.5M accounts

Company	Personal / Consumer	Mortgage	Business	Student	Credit Card	Debit Card	Peer-to-Peer	Processing / Gateway	Brokerage	Robo-Advisor	Savings	Crypto	Point of Entry (first product)
SoFi 	✓	✓		✓		✓	✓		✓	✓	✓	✓	Alternative Lending

### SOFI PRESS RELEASES

SoFi fills out insurance offerings together with Lemonade and Root Insurance

4/15/2019

SoFi refreshes home loans, making home buying painless and paperless

3/25/2019

SoFi introduces Stock Bits: Fractional share buying made easy

7/8/2018

SoFi releases SoFi Gig Economy ETF (GIGE) and SoFi 50 ETF (SFYF)

5/8/2019

# Fintech firms are unbundling the paycheck through employers to alleviate and prevent predatory debt

## PAYROLL FLEXIBILITY

**gusto**

## LOAN SERVICING

**scratch.**

**Payitoff**

## PRE-TAX SPENDING

**ALICE**

**bend**

**starship**

## PAYDAY ADVANCE

**earnin**

**SALARY FINANCE**

**neyber**

**CBINSIGHTS**

## EARNED-INCOME BENEFITS

**Even**

**dailypay**

**W WAGESTREAM**

**PayActiv**  
Security | Dignity | Savings

**instant**

**ZayZoon**

## STUDENT LOAN PAYOFF

**goodly**

**tuition.io**

**futurefuel**

**PEOPLEJOY**

**Vault**

**GUILD**

**pb Peanut Butter**

**commonbond**

The University of North Carolina at Chapel Hill		Pay Group: SPN-SHRA Non-Exempt	Business Unit: UNCCH						
103 South Building, Campus Box 9100 Chapel Hill, NC 27599-9100		Pay Begin Date: 07/10/2017 Pay End Date: 07/23/2017	Advice #: 00000002214873 Advice Date: 08/04/2017						
Employee ID: 00000000	Department: 260108-WSEE-HR Information Mgmt	TAX DATA: Federal NC State	Tax Status: Single Single						
Location: CHAPEL HILL, NC 27517	Job Title: OHR-Ofc of the Vice Chancellor Admin Support Specialist	Allowances: 0 0	Addr. Percent: 0						
Pay Rate: \$45,000.00 Annual		Addr. Amount:							
HOURS AND EARNINGS									
Description	Current	YTD	TAXES						
Regular	74.50	1,515.84	855.00						
Sick	3.50	71.21	19.50						
Bonus Leave	2.00	40.69	16.00						
Course Weather Cond III Close	0.00	3.00	60.81						
Civil Leave	0.00	8.00	162.23						
Holiday	0.00	72.00	1,459.97						
Medical/Communication Development	0.00	0.00	360.00						
Overtime @ .50 Time	0.00	14.50	289.59						
Overtime - Straight Time	0.00	14.50	289.59						
Regular (Overtime Week)	0.00	360.00	7,296.84						
Vacation	0.00	27.50	557.39						
<b>TOTAL:</b>	<b>80.00</b>	<b>1,997.74</b>	<b>1,390.00</b>						
			<b>28,707.21</b>						
BEFORE-TAX DEDUCTIONS		AFTER-TAX DEDUCTIONS		EMPLOYER PAID BENEFITS					
Description	Current	YTD	Description	Current	YTD				
TSERS - Retirement	97.66	1,688.82	NC State Empl Credit Union	25.00	425.00				
Critical Illness	32.10	513.80	Reliance Standard AD&D Empl	2.00	32.00				
NC Traffic Office - Parking	26.50	425.84							
NC Flex Group Life Employee	127.00	203.20							
Dental Plan	30.61	169.76							
Cancer Plan	7.59	121.44							
State Health Plan 80/20	7.52	120.32							
Vision Plan	4.29	68.64							
NC Flex Voluntary AD&D Empl	0.85	13.60							
<b>TOTAL:</b>	<b>199.83</b>	<b>3,325.22</b>	<b>TOTAL:</b>	<b>27.00</b>	<b>457.00</b>				
					<b>*TAXABLE</b>				
TOTAL GROSS		FED TAXABLE GROSS		TOTAL TAXES		TOTAL DEDUCTIONS		NET PAY	
Current	1,627.74	1,427.91	360.68	226.83	1,040.23				
YTD	28,707.21	25,539.47	6,528.74	3,782.22	18,396.25				
LEAVE BALANCES/ACTIVITY		VACATION		SICK		NET PAY DISTRIBUTION			
Year Begin Balance	167.83	244.00				Advice #	Account Type	Account Number	Deposit Amount
Earned This Year	79.33	56.00				00000002214873	Checking	XXXXX000000	1,040.23
Used This Year	33.50	27.50							
End Balance	213.66	272.50							
LEAVE DATA VALID THRU: 07/23/2017									
<b>TOTAL:</b>									<b>1,040.23</b>

## DIRECT DEPOSITS

**chime**

## FINANCIAL HEALTHCARE

**Brightside**

## PTO LENDING

**HoneyBee®**  
Employees Matter

## FINANCIAL LITERACY

**edukate**

**LEARNLUX**

**Onward**

**SMARTPATH**

## B2C PAYDAY ADVANCE

**Dave**

**brigit**

**EarlySalary**

**FIG LOANS**

**Payfully**

**Possible**

**Creditoo**

**ali crédito**

## DISRUPTING PAYDAY THROUGH EMPLOYERS

# Startups are partnering with employers to offer salary-linked benefits



INSTANT SALARY ADVANCE  
TO BANK ACCOUNT



MEDICAL  
EMERGENCY LOANS



SCHOOL FEES  
FINANCING



LOANS STARTING  
AT 0% INTEREST



ONE CLICK, LOW COST  
PERSONAL LOANS



3 / 6 MONTH EMIS  
FOR ALL SHOPPING NEEDS



3 / 6 MONTH EMIS  
FOR ALL SHOPPING NEEDS



SALARY ADVANCE CARD

**Q2'19 Funding:** \$1.16M Series C in May'19

**Select Investors:** Chiratae Ventures

India-based EarlySalary provides customers a small bridge loan until their next paycheck and also works through employers to provide salary-linked benefits. EarlySalary uses a social and online scoring technology-linked risk assessment to underwrite the loans.

The company reports 5M app downloads.



**SALARY  
FINANCE**



**ADVANCE EARNED PAY**

Sometimes having to wait until payday can mean falling back on high-cost debt like a payday loan or overdraft. We allow employees to draw down their pay as they earn it, making it easier for them to budget.

**ADVANCE**

**Q2'19 Funding:** \$32.8M Series C in April'18

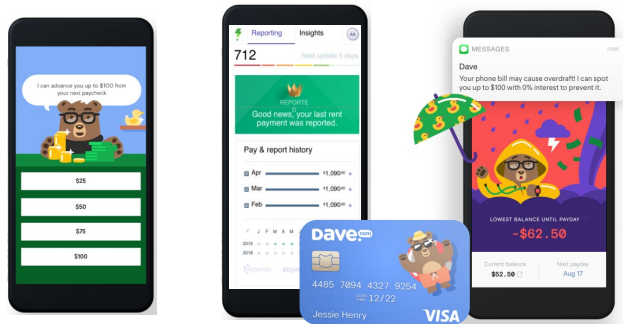
**Select Investors:** Blenheim Chalcot, Legal & General

UK-based Salary Finance offers installment loans that deducts loan repayments directly from an employees Salary. In December 2018, it launched a payday advance service allowing employees to access earned income.

In April 2019, SoFi co-founder Dan Macklin joined Salary Finance as CEO of its US arm following its Series C investment.

# B2C payday advance apps emerge as alternative to payday loans or incurring overdraft fees

**dave**



**Q2'19 Funding:** \$110M Debt-II

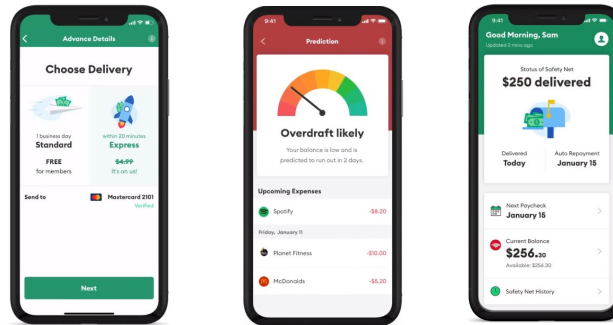
**Select Investors:** Victory Park Capital, NYCA JP Morgan Partners, CreditEase Fintech

**Business model:** Charges \$1 per month to advance up to \$100 per paycheck without a credit check or interest.

**Traction:** 3.5 users, 1M+ installs on Google Play



**brigit**



**Q2'19 Funding:** Undisclosed Series A  
**Valuation:** \$150M

**Select Investors:** Lightspeed, NYCA Partners, Canaan Partners, DCM Ventures

**Business model:** Charges \$10 per month to advance up to \$250 at a time without a credit check or interest.

**Traction:** 300K+ members, 100K+ installs on Google Play

**Possible**

	AMOUNT BORROWED	DUE ON OR BEFORE NEXT PAYCHECK	TIME TO REPAY	TOTAL REPAID	APR
Possible Finance	\$200	\$57.50	8 weeks	\$230	151%
Bank overdraft fees	\$10	\$35	24 hours	\$45	17,000%
Payroll advance apps	\$200	\$218	10 days	\$218	329%
Payday loans	\$200	\$230	2 weeks	\$230	390%

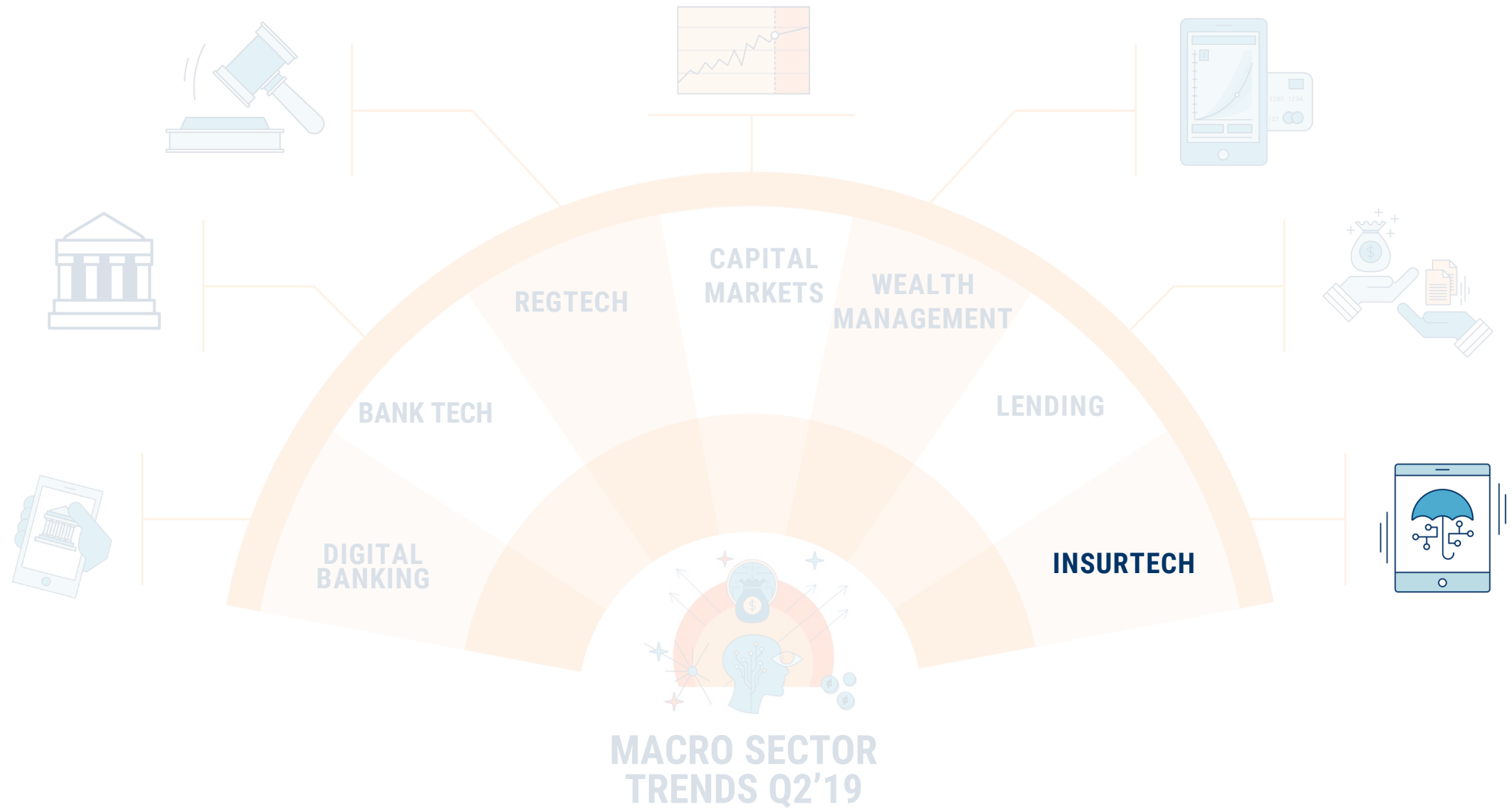
**Q1'19 Funding:** \$10.5M Series A

**Select Investors:** Canvas Ventures, Unlock Venture Partners

**Business model:** Fees vary by state starting at 15% per \$100 up to \$500 at a time without a credit check or interest.

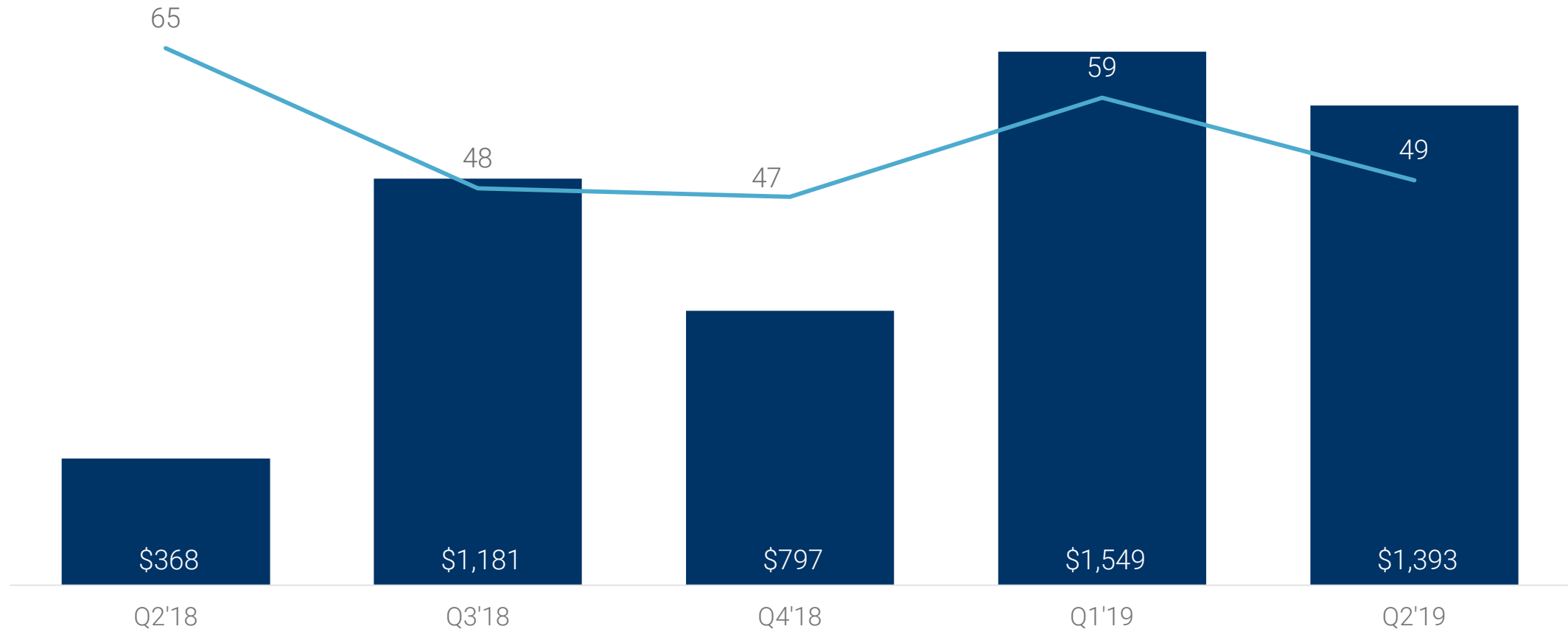
**Traction:** 50K+ loans processed, 100K+ installs on Google Play

# GLOBAL VC-BACKED FINTECH Q2'2019



# Insurtech deals and funding dipped in Q2'19, but funding was still well above 2018 levels

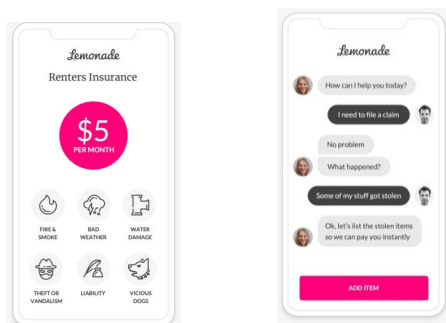
Global insurtech VC-backed fintech financing trends, Q2'18 – Q2'19 (\$M)





# SoftBank leads top three largest deals in global insurance tech landscape in Q2'19

Lemonade



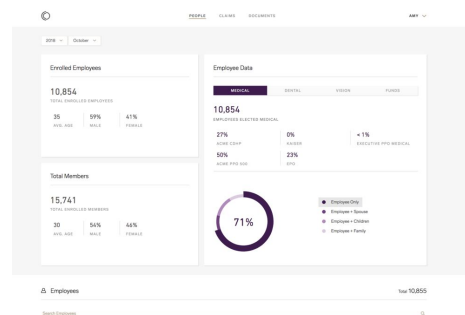
**Q2'19 Funding:** \$300M Series D

**Select Investors:** SoftBank, Allianz X, GV, Thrive Capital

**Business model:** Licensed insurance carrier that keeps a fixed fee of customer's home insurance premiums

**Traction:** \$58M in gross written premium in 2018

Collective Health



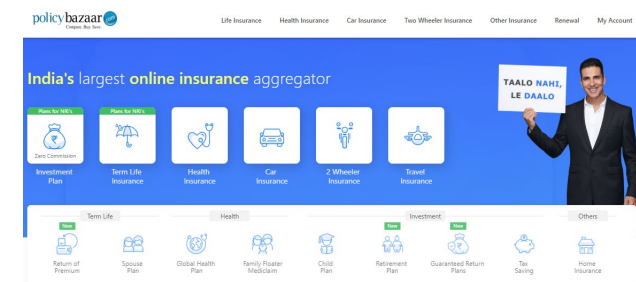
**Q2'19 Funding:** \$205M Series E

**Select Investors:** SoftBank, Mubadala Ventures, Founders Fund, DFJ Growth

**Business model:** Third-party administrator of health insurance for self-funded employers

**Traction:** 50 corporate customers comprising 200,000 members

policybazaar.com  
Compare. Buy. Save.



**Q2'19 Funding:** \$152M Series F

**Select Investors:** Softbank, Info Edge, True North, Tiger Global

**Business model:** Digital insurance aggregator that earns revenue from lead generation and policy sales

**Traction:** Largest insurance aggregator in India with 100M annual visitors

## QUIZ-BASED LIFE INSURANCE



### Last Funding

\$55M Series D // May'19

Health IQ is a Mountain View-based life insurance managing general agent that targets “health conscious” consumers and offers discounted term life insurance policies based on an online health literacy test and proof of fitness level.

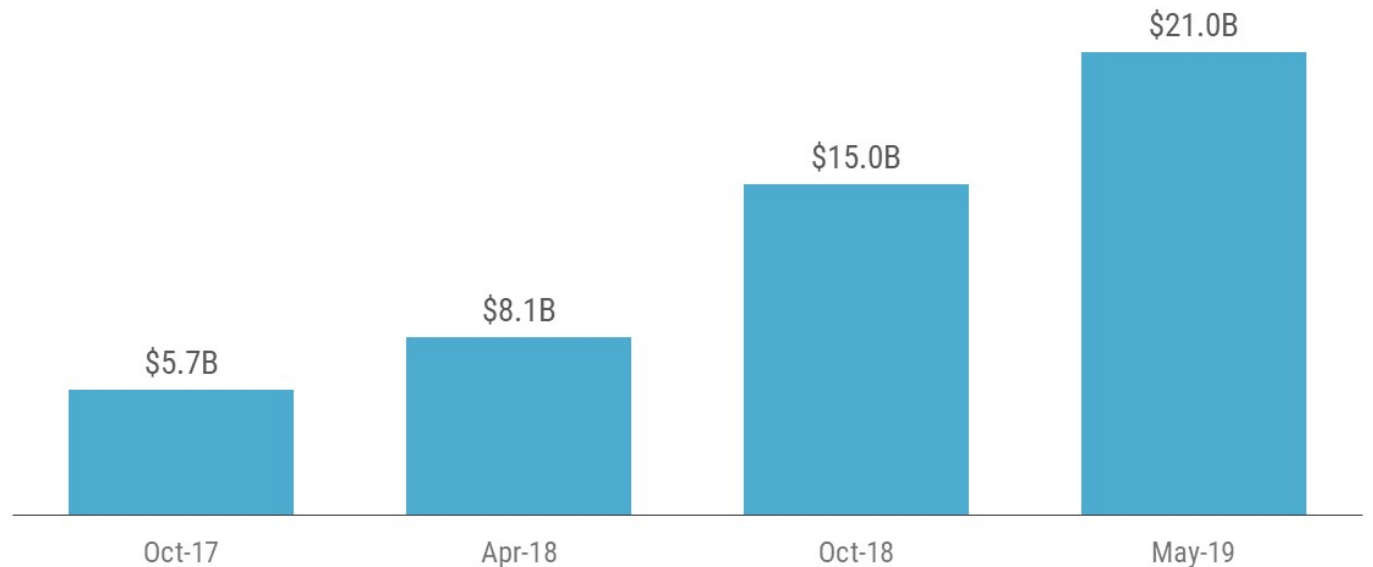
Health IQ has reportedly written close to \$21B in life insurance coverage over the last three years.

Investors include Aquiline Technology Growth, Andreessen Horowitz, Felicis Ventures, and Ribbit Capital.

## SPECIAL RATE LIFE INSURANCE PARTNERS



### Health IQ coverage in force



Source: Media mentions, Health IQ, CB Insights analysis

 CBINSIGHTS

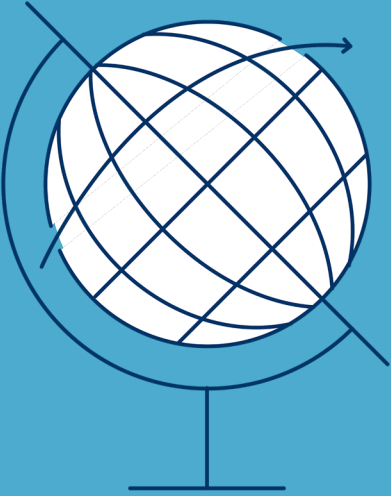
APPENDIX:

# Q2'19 global fintech financing trends





# Geographic Trends

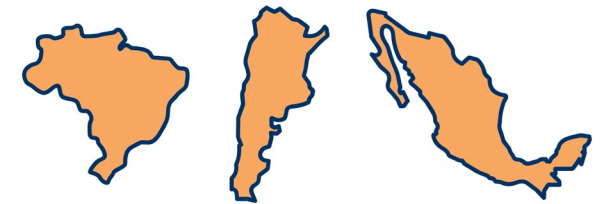


LATIN AMERICA FINTECH VC-BACKED EQUITY FUNDING IN Q2'19:

\$481 MILLION

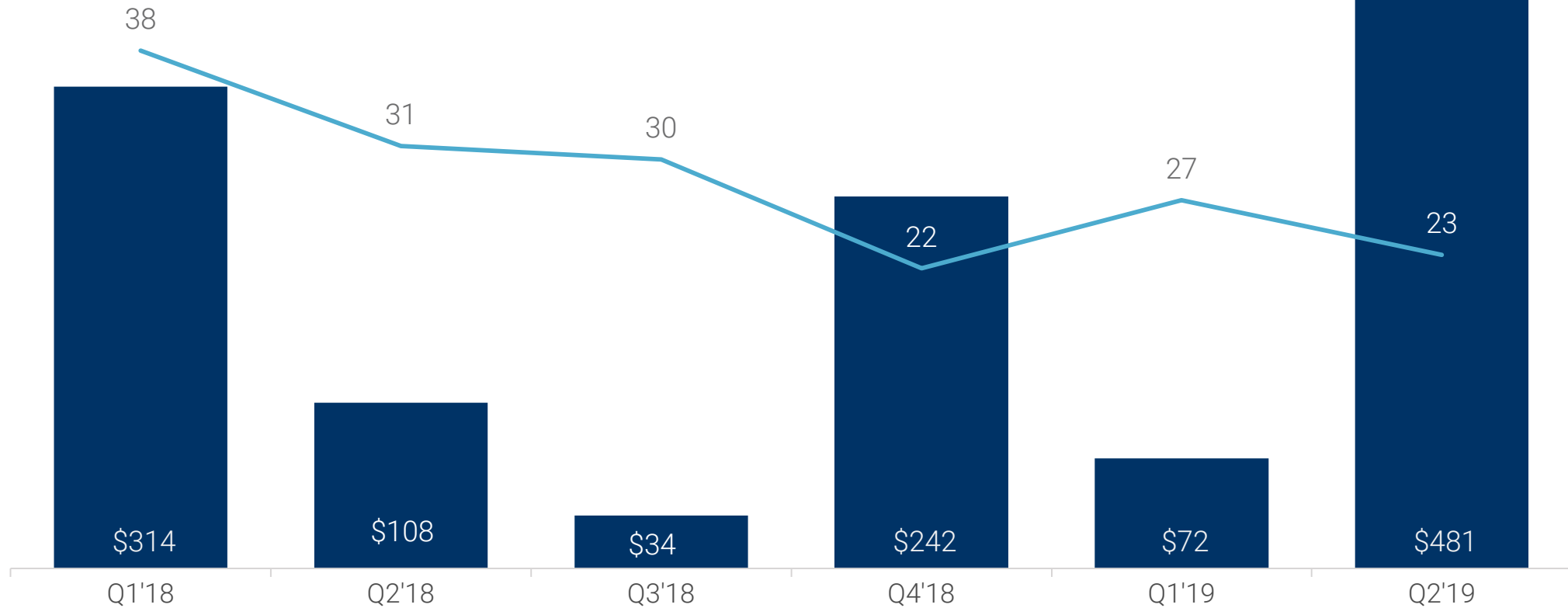
ACROSS

23 DEALS



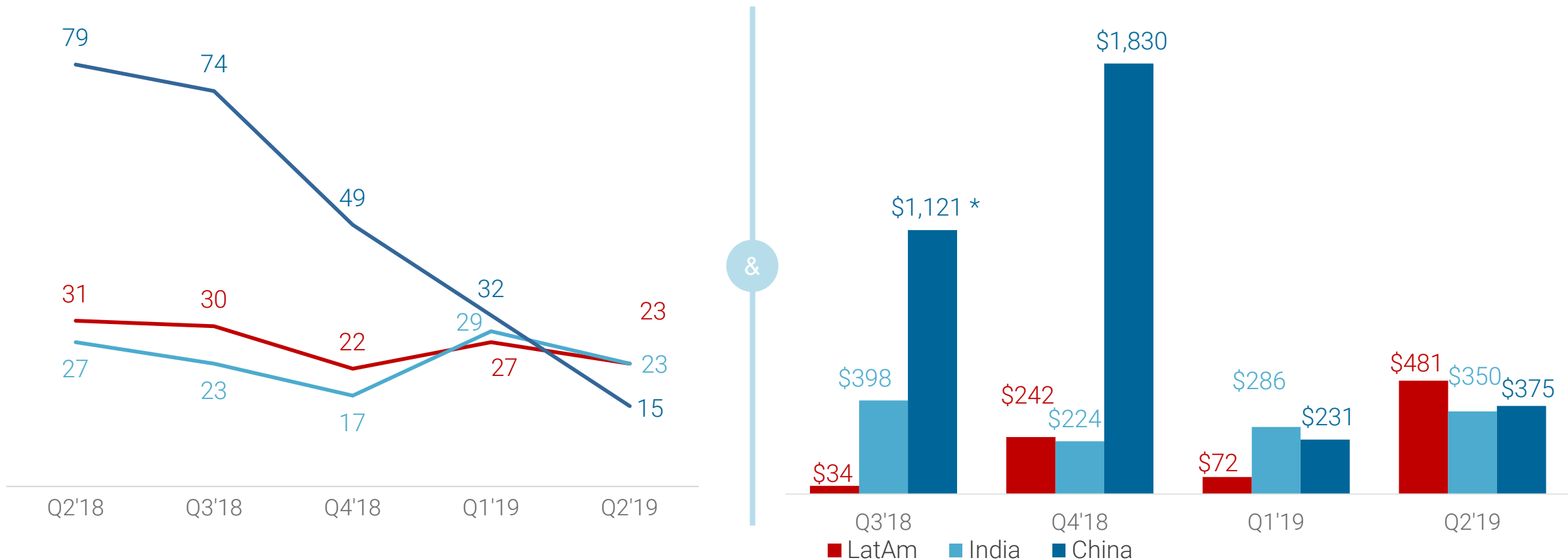
# Latin America remains a top growth market for fintech, and funding in Q2'19 saw a 6-quarter high

Latin America VC-backed fintech financing trends, Q1'18 – Q2'19 (\$M)



# Latin America fintech funding surpassed both China and India and deals surpassed China, both a first for LatAm

Global VC-backed fintech funding by region (Latin America vs China vs India), Q2'18 – Q2'19, (\$M)



# Fintech is driving startup growth in LatAm

Most well-funded VC-backed tech startups that have raised at least \$1M of equity funding since 2014



**Total Funding**  
\$147.4M

**Country**  
Mexico



**Total Funding**  
\$4M

**Country**  
Puerto Rico



**Total Funding**  
\$10.3M

**Country**  
Uruguay



**Total Funding**  
\$20.5M

**Country**  
Barbados\*



**Total Funding**  
\$33M

**Country**  
Chile



**Total Funding**  
\$64M

**Country**  
Argentina



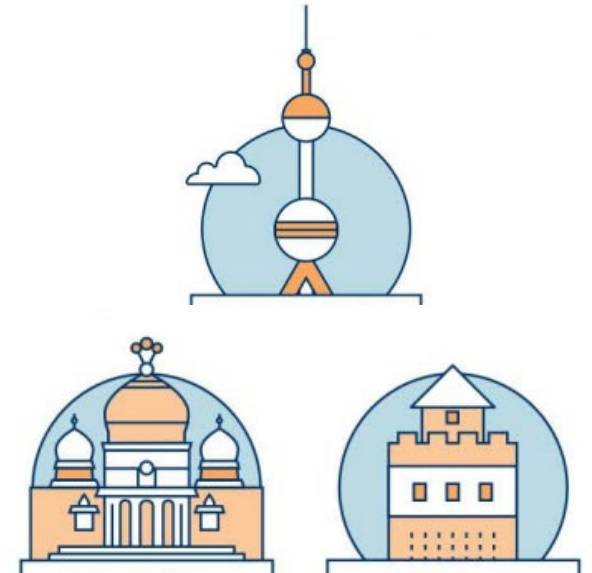


ASIA FINTECH VC-BACKED EQUITY FUNDING IN Q2'19:

\$1.1 BILLION

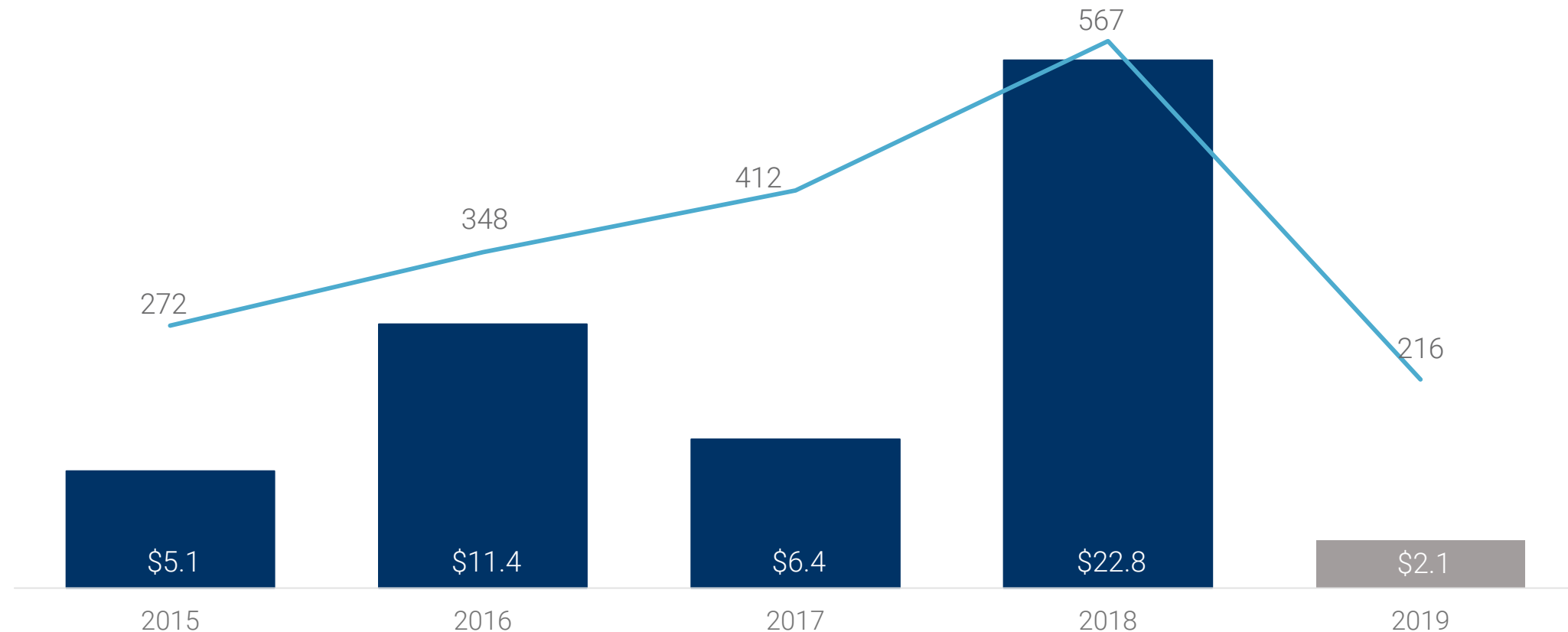
ACROSS

82 DEALS



# Asia fintech deals and funding will fall short of 2018's record as a result of a pullback in China

Asia VC-backed fintech financing trends, 2015 – Q2'19 (\$B)



India takes the lead as the top market in Asia for fintech deals for the first time ever

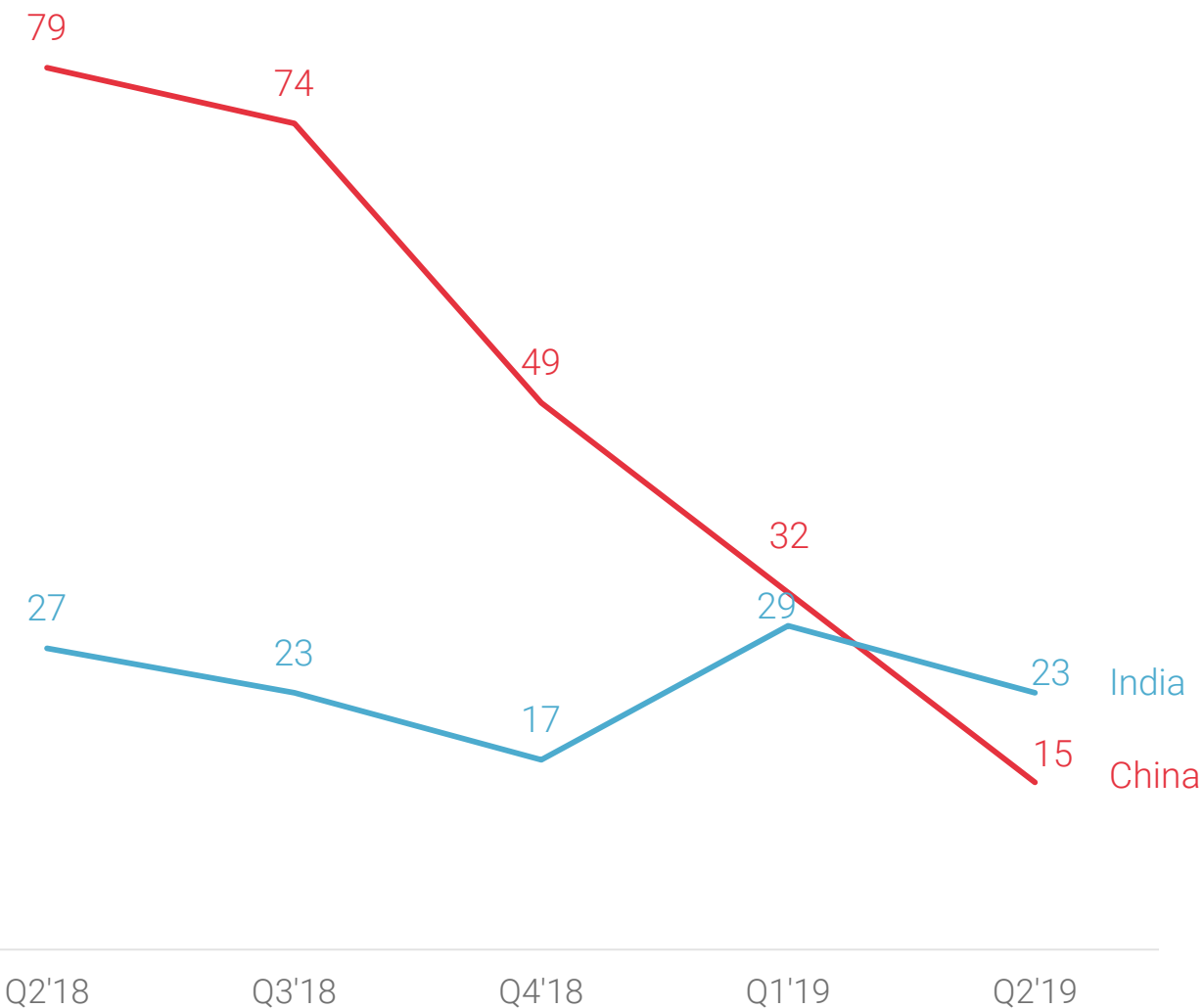
China saw deals drop to a new 5-quarter low of 15 deals, down 81% from Q2'18.

India also saw a slight dip to 23 deals. Despite both India and China seeing a pull-back in deals, India did not drop as sharply as China, which helped elevate India as the top market for fintech deals in Q2'19.



## India overtakes China as a fintech deal hub in Q2'19

China vs. India VC-backed fintech deals, Q2'18 – Q2'19



In Q2'19, China reclaimed the position as the top country in Asia for funding from India

China edged ahead of India with \$375M of fintech funding in Q2'19, despite a drop-off in deals.

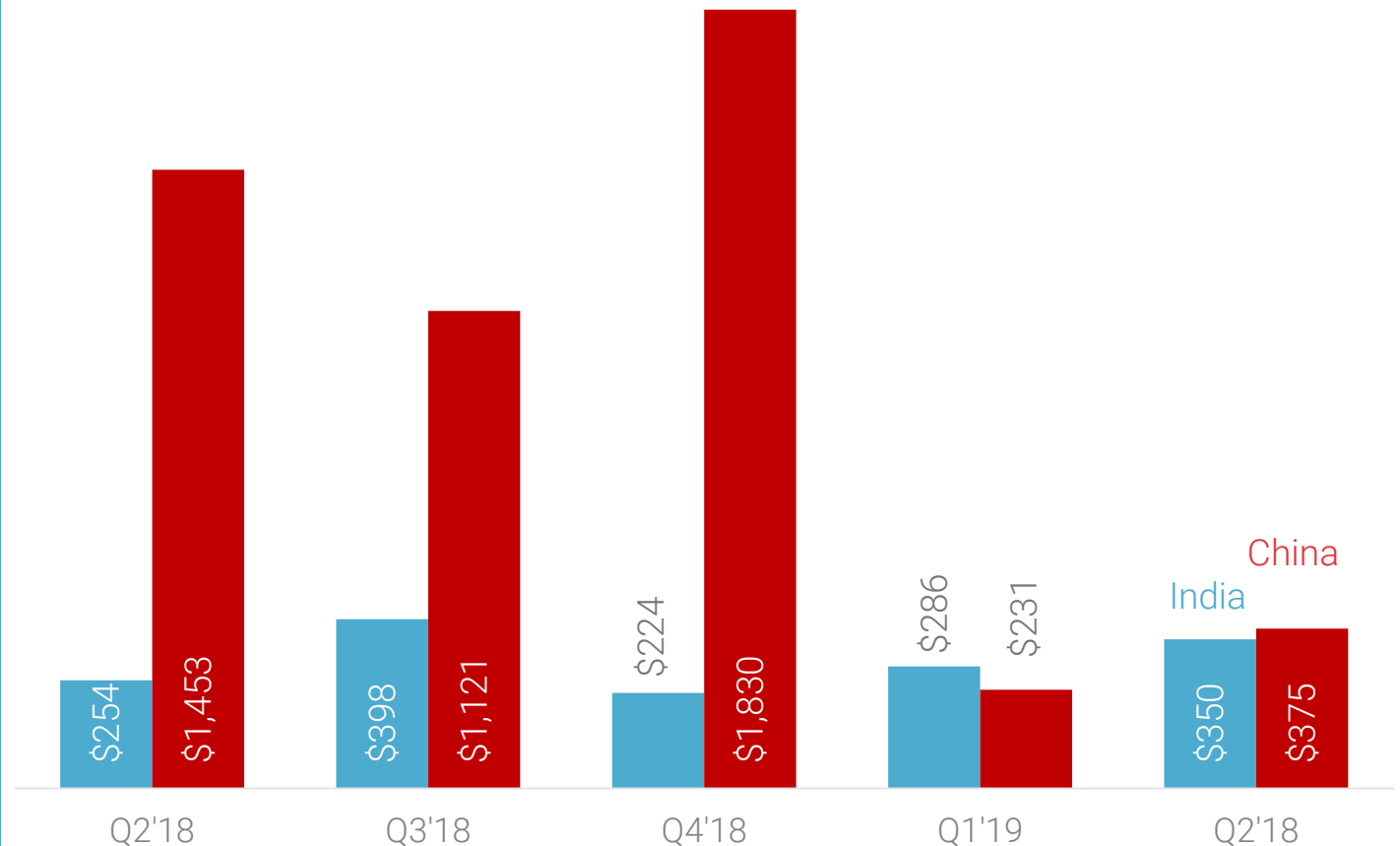
India saw funding top \$350M, growing for the second consecutive quarter.

Despite a strong quarter for funding, India lost the lead over China as Asia's top funding hub.



## China reclaims the lead from India as Asia's fintech funding hub in Q2'19

China vs. India VC-backed fintech funding, Q2'18 – Q2'19 (\$M)



\*Ant Financials' \$14B investment in Q2'18 is removed for illustrative purposes

US FINTECH VC-BACKED EQUITY FUNDING IN Q2'19:

\$5.1 BILLION

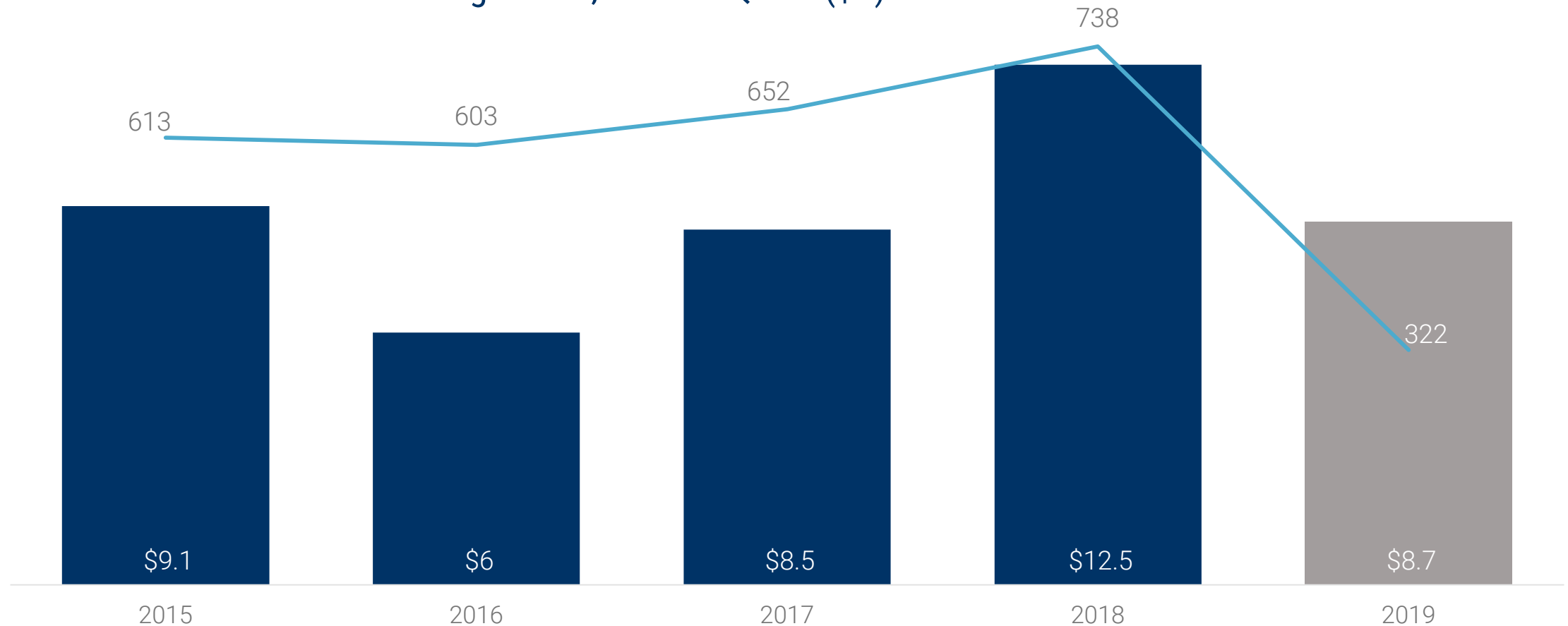
ACROSS

143 DEALS



# US fintech deals cooled down in the first six months of 2019, but funding could top 2018's high

US VC-backed fintech financing trends, 2015 – Q2'19 (\$B)



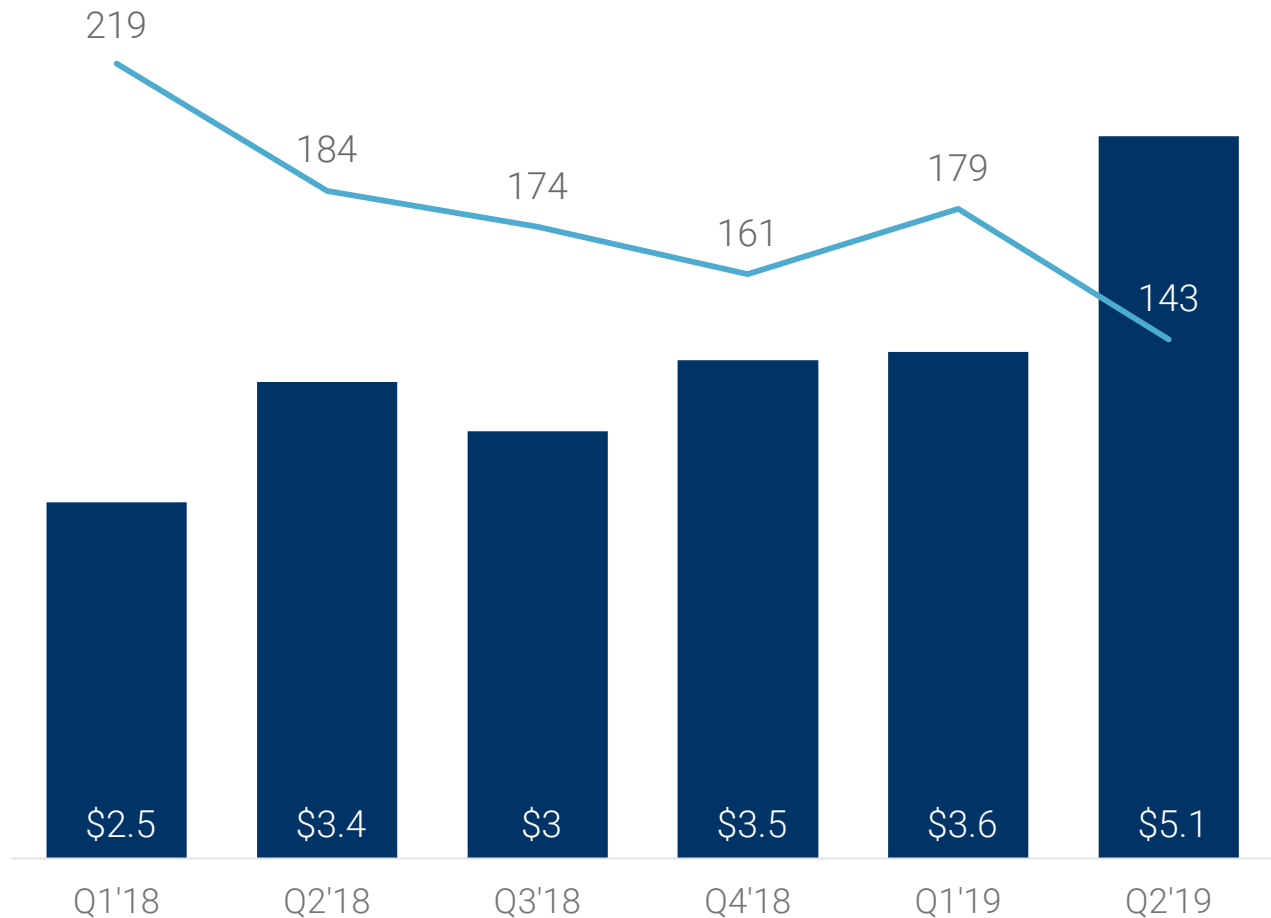
US saw 14 mega-round (\$100M+) investments in Q2'19 worth \$3.3B

The US saw funding top a new quarterly high of \$5.1B in Q2'19. However, deals slipped to 143, the lowest point since Q4'16.

The quarter continued to see mega-rounds go to scale ups like unicorns Sofi, Affirm, and Symphony. Mega-rounds also minted 3 of the 4 new US-based unicorns: Marqeta, Lemonade, and Carta. The US took 8 of the top 10 deals in Q2'19.

**US fintech funding in Q2'19 tops new quarterly high on the back of 14 mega-rounds while deals sink to 5-quarter low**

US VC-backed fintech financing trends, Q1'18 – Q2'19, (\$B)



# Q2'19 funding sets a new high for New York and California

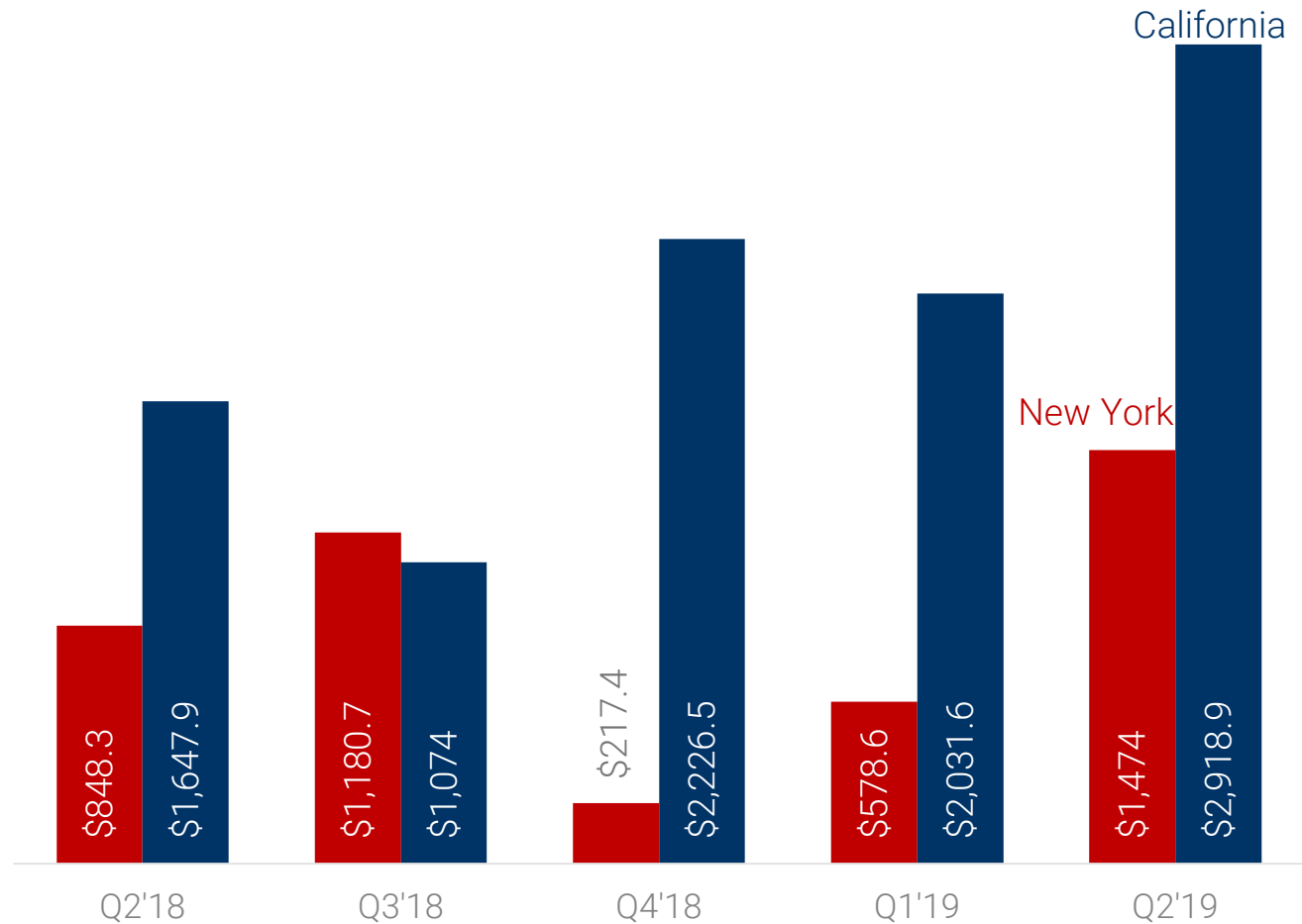
California saw 56 deals in Q2'19, worth \$2.9B.

New York saw 36 deals in Q2'19 worth \$1.47B. UiPath, headquartered in NY, took the top global fintech deal with a \$568M Series D.



## California and New York remain the top hubs for fintech

New York vs. California VC-backed financing trends, Q2'18 – Q2'19 (\$M)



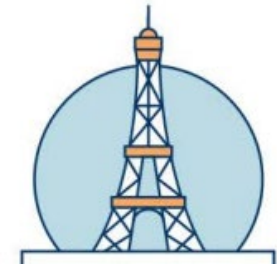


EUROPE FINTECH VC-BACKED EQUITY FUNDING IN Q2'19:

\$1.5 Billion

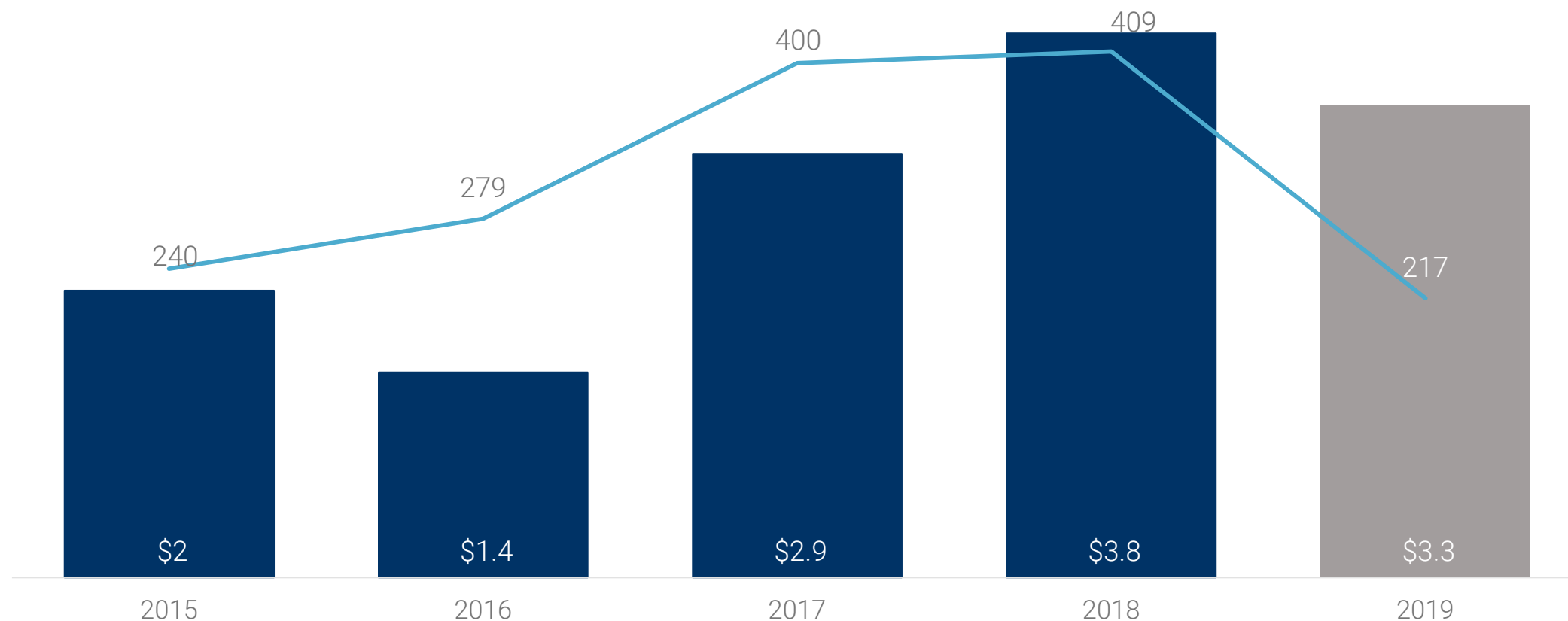
ACROSS

107 DEALS



# Europe deals and funding on track to top new highs on the back of mega-rounds to fuel market growth

Europe VC-backed fintech financing trends, 2015 – Q2'19 (\$B)



# UK funding surges to new quarterly record

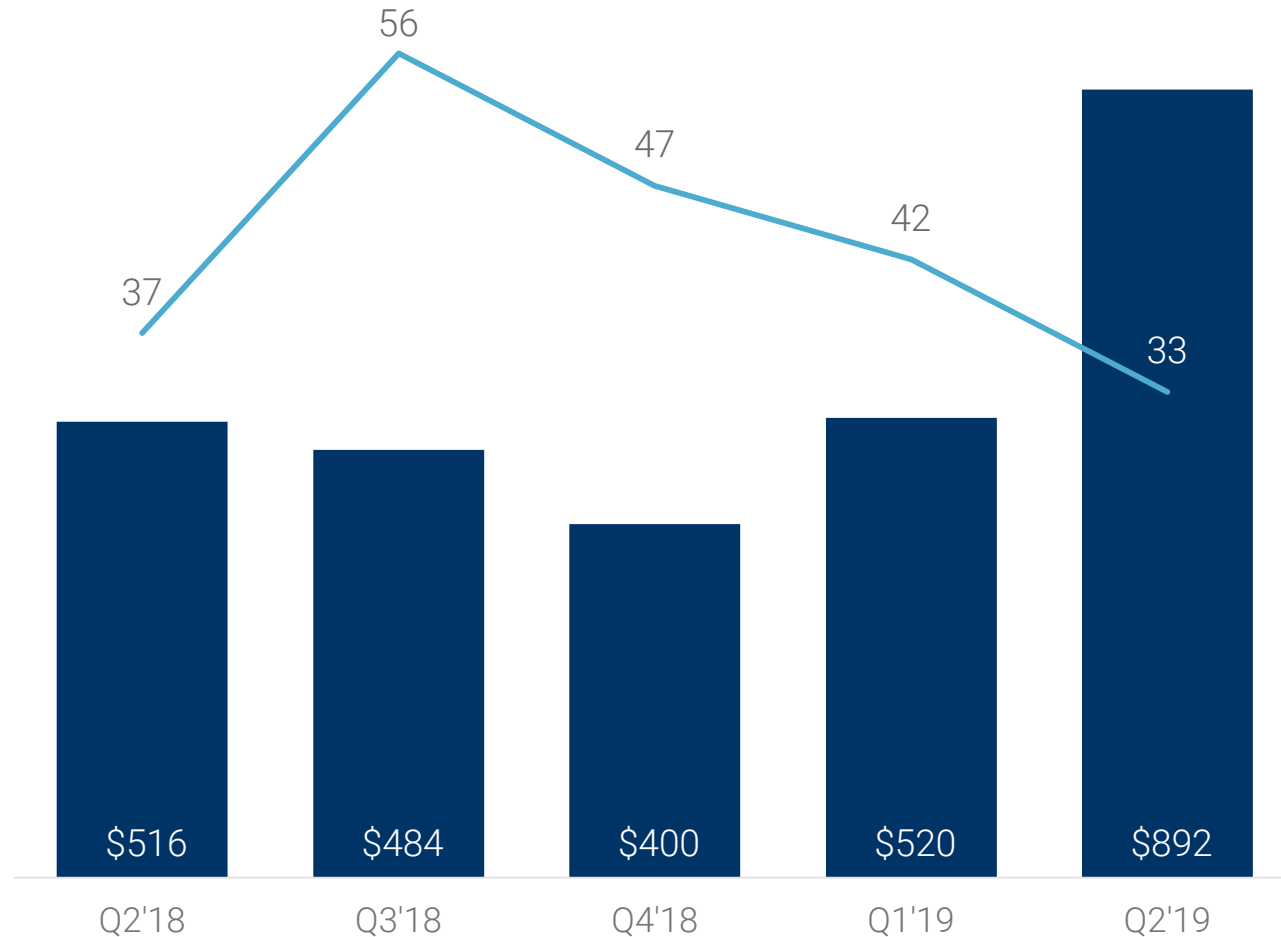
The UK continued to lead as the top fintech market in Europe in 2019. Funding set a new quarterly record of \$892M, but deals dropped to 33.

Funding surged on the back of a series of mega-round deals to unicorns including Monzo, Greensill, and Transferwise, as well as new unicorns including Ivalua and Checkout.com.



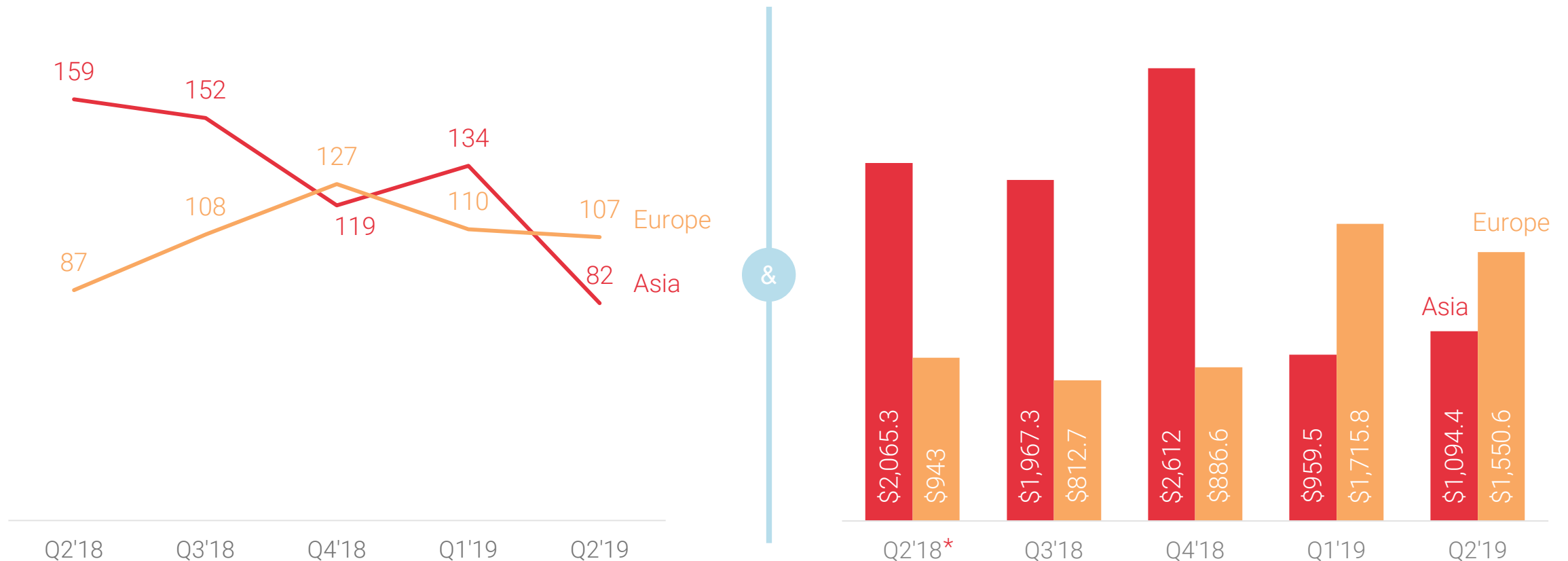
## UK funding tops new high despite deals dropping to a 5-quarter low

UK VC-backed fintech financing trends, Q2'18 – Q2'19 (\$M)



# Europe beats Asia as the second-top market for fintech deals and funding in Q2'19 and in H1'19

Global VC-backed fintech funding by region (Europe vs Asia), Q2'18 – Q2'19 (\$M)










# Biggest Deals & Most Active Fintech Investors



# US fintech unicorns took 8 of 10 top deals in Q2'19

The top 10 deals to VC-backed fintech companies were all \$200M+ mega-round investments

Company	HQ	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 UiPath	NY	Apr'19 // \$568M	\$1.02B (\$7.1B Valuation)	Accel, capitalG, Sequoia Capital, T. Rowe Price, Wellington Management, Coatue, Dragoneer, IVP, Madrona Ventures	Robotic process automation software
 SoFi	CA	May'19 // \$500M	\$2.69B (\$4.8B Valuation)	Qatar Investment Authority, XL Innovate, Third Point Ventures, Marketplace Funds	Student lending
 affirm	CA	Apr'19 // \$300M	\$1.03B (\$2.9B Valuation)	Lightspeed, Ribbit Capital, Spark Capital, Thrive, Founders Fund, Wellington Management, Sound Ventures, Fidelity Investments,	POS consumer lending and alternative financing
 <i>Lemonade</i>	NY	Apr'19 // \$300M	\$480M (\$2B Valuation)	Google Ventures, General Catalyst, SoftBank, Thrive, Allianz X	Internet P+C digital insurer
  carta	CA	May'19 // \$300M	\$444M (\$1.7B Valuation)	Andreessen Horowitz, Thrive Goldman Sachs PSI, Menlo Ventures, Lightspeed, Meritech, Tiger Global Management'	Cap table management for private markets









































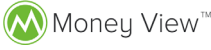














# 4 unicorns were minted in the top 10 deals in Q2'19

The top 10 deals to VC-backed fintech companies were all \$200M+ mega-round investments

Company	HQ	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
  MARQETA	CA	May'19 // \$260M	\$376.3M (\$2B Valuation)	Accel, capitalG, Sequoia Capital, T. Rowe Price, Wellington Management, Coatue, Dragoneer, IVP, Madrona Ventures	Open API payment card issuing platform
 credits	Brazil	Jun'19 // \$231M	\$312.9M (\$750M Valuation)	Qatar Investment Authority, XL Innovate, Third Point Ventures, Marketplace Funds	Alternative internet lender
  checkout.com	UK	May'19 // \$230M	\$230M (\$2B Valuation)	Lightspeed, Ribbit Capital, Spark Capital, Thrive, Founders Fund, Insight Partners, Wellington Management, Sound Ventures, Fidelity Investments,	E-commerce payments facilitator
 Collective Health	CA	Jun'19 // \$205M	\$434M	Google Ventures, General Catalyst, SoftBank, Thrive, Allianz X	Tech-enabled health benefits
 Divvy	UT	Apr'19 // \$200M	\$502.5M (\$700M Valuation)	Andreessen Horowitz, Thrive Goldman Sachs PSI, Menlo Ventures, Insight Partners, Lightspeed, Meritech, Tiger Global Management	B2B digital-first bank for expense management

# The most active fintech VCs from Q2'18 – Q2'19




































By unique fintech company investments (new or follow-on)

Rank	Investor	Select Fintech Investments					
1	<b>500</b> startups	 Albert	 Clearcover	 EASY KNOCK	 peoplefund	 EMQ	 YayPay
		 bloomcredit	 CHIPPER	 Spare	 CUBE Wealth	 Back Office	 sarwa
2	<b>a16z</b>	 carta	 coinbase	 stripe	 DevotedHealth	 PLAID	 cross river
		 TransferWise	 branch	 tally	 Health IQ	 ADDI	 Synapse
3	<b>Ribbit Capital</b>	 Revolut	 Coalition™	 Razorpay	 ualá	 ROOT	 affirm
		 upgrade	 Jetty	 CRED	 Toss	 BREX	
4	<b>Accel</b>	 monzo	 WorldRemit	 UiPath	 scripbox <sup>®</sup>	 TESSIAN	 Money View™
		 CIRCLE	 ACKO	 CHAINALYSIS	 Coverfox		
5	 salesforce ventures	 wefox	 runa	 blend	 GOCARDLESS	 futureFuel	 ELLEVEST
		 Kooltra	 free	 FORTER			



# The most active fintech VCs from Q2'18 – Q2'19

By unique fintech company investments (new or follow-on)

Rank	Investor	Select Fintech Investments
6		     
7		     
8	 宜信新金融产业投资基金 CREDITASE FINTech INVESTMENT FUND	    
9		   
9		   
9		   

# Methodology

CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to [info@cbinsights.com](mailto:info@cbinsights.com) and we can work together to ensure your firm's investment data is up to date.

## What is included:

- Equity financings into emerging fintech companies. Fundings must be put into VC-backed companies, which are defined as companies who have received funding at any point from venture capital firms, corporate venture groups, or super angel investors.
- Fundings of only private companies. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment by a venture firm(s).
- Only includes the investment made in the quarter for tranching investments. If a company does a second closing of its Series B round for \$5M and previously had closed \$2M in a prior quarter, only the \$5M is reflected in our results.
- Round numbers reflect what has closed – not what is intended. If a company indicates the closing of \$5M out of a desired raise of \$15M, our numbers reflect only the amount which has closed.
- Only verifiable fundings are included. Fundings are verified via various federal and state regulatory filings, direct confirmation with firm or investor, or press release.
- Previous quarterly VC reports issued by CBI have exclusively included VC-backed rounds. In this report, any rounds raised by VC-backed companies are included, with the exceptions listed.

## What is excluded:

- No contingent funding. If a company receives a commitment for \$20M subject to hitting certain milestones but first gets \$8M, only the \$8M is included in our data.
- No business development/R&D arrangements, whether transferable into equity now, later, or never. If a company signs a \$300M R&D partnership with a larger corporation, this is not equity financing, nor is it from a venture capital firm. As a result, it is not included.
- No buyouts, consolidations, and/or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.
- No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm(s).
- No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/loan issued to emerging startup companies, even if included as an additional part of an equity financing, is not included. If a company receives \$3M with \$2M from venture investors and \$1M in debt, only the \$2M is included.
- No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.



WHERE IS ALL THIS DATA FROM?

**The CB Insights platform  
has the underlying data  
included in this report**

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