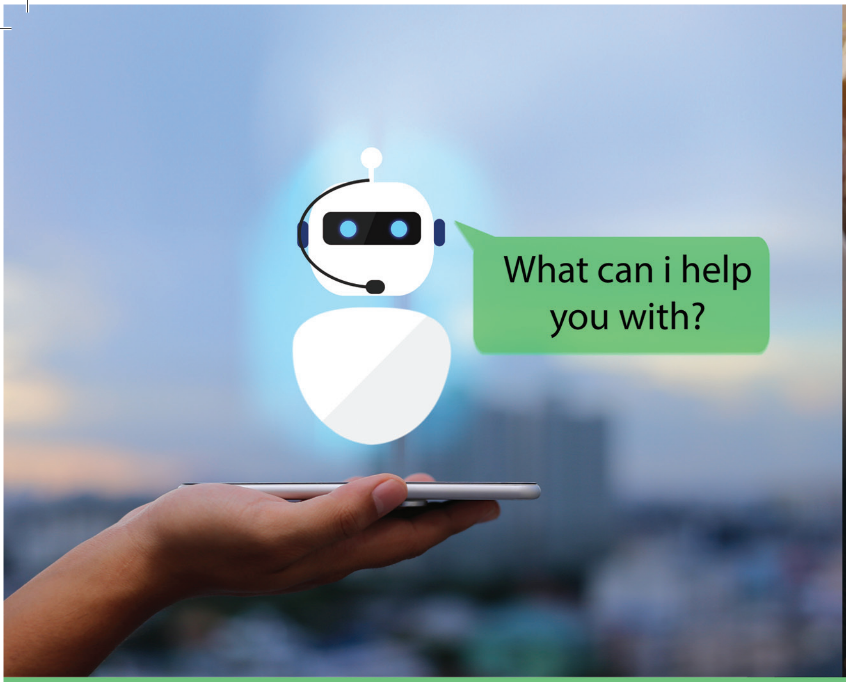


TAG Report

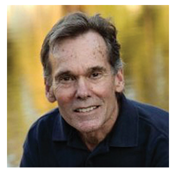
2022

Georgia Fintech Ecosystem:

Right Time, Right Place, Right Now

TAG
Technology Association
of Georgia


Authors:



Don Campbell, Managing Principal, RightCourse LLC, a management consulting firm that assists organizations of all sizes with optimizing business strategies and processes, marketing channels and IT planning in the Fintech, Software, and Technology sectors.

Glen Sarvady is Managing Principal of payments strategy firm 154 Advisors and a regularly published thought leader. Glen is a 25-year veteran of Atlanta fintech including leadership roles at CheckFree (now Fiserv) and McKinsey.

Reese Porter is an experienced fintech executive currently advising startups. Reese was formerly an EVP and General Counsel at Merchant e-Solutions and Payspan and a past Co-Chair of Fintech South.

TAG | FinTech

Georgia Fintech Ecosystem – Right Time, Right Place, Right Now

The Georgia fintech community continues to amaze. It’s not only one of the top global fintech innovation centers, but it continues to aggressively expand the breadth and depth of its key technologies and services. And it has delivered all of this through some extraordinarily difficult business environments.

The last two years (2020 and 2021) have been challenging for all. The fintech industry was in the right place at the right time and helped the world through the excruciating pandemic that hit hard in 2020. Fintech products and services enabled essential service continuity as citizens sequestered at home to curb the spread of the virus. Unfortunately, the pandemic continues to haunt us today. Adding to the complexity, a worldwide supply chain slowdown has impacted the availability of many products as container ships moored offshore were unable to get into port. More recently, a significant spike in interest rates impacted the cost of goods and financing.

The power of fintech technologies helps businesses and consumers build stronger and more personalized relationships and improve the efficiencies of money movement. During the tough business times of the last two years, fintech solutions that had been gradually achieving market adoption suddenly experienced great market demand. As a result of the difficult times, financial transactions have become simpler and faster than ever before.

The Georgia fintech community also faced another challenge. Following a spirited period of mergers and acquisitions that began in 2019, some of the key players of fintech community consolidated into mega-fintech-companies. Multiple large acquisitions and mergers consolidated some of the largest fintech organizations thus strengthening their foothold in world markets. Following the closure of these mega deals, the challenge became consolidating the merged and acquired entities into streamlined, nonredundant entities with recalibrated marketing and sales strategies intended to improve both the top and bottom lines. Here’s a reminder of some of the key recent transactions: Fiserv acquired First Data, FIS acquired Worldpay, Global Payments and TSYS merged, AMEX acquired Kabbage, Morgan Stanley acquired E*Trade, and Goldman Sachs acquired GreenSky.

Chart A

2022 Ecosystem by the Numbers

Georgia’s Fintech Ecosystem – By the Numbers – 2021 Data	2020	2021	%change
Fintech companies in Georgia (as of May 2022) (TAG Research)	201	210	4.5%
Fintech employees in Georgia (TAG Research)	39,000+	42,000+	+7.7%
Combined revenue of public companies with a significant presence in Georgia (Yahoo Finance)	$37 B	$49 B	+32.4 %
Market capitalization of GA public companies with a significant presence in Georgia (Yahoo Finance)	$192 B	$233 B	+21.4 %
Combined transaction volumes by Fiserv, FIS, Global Payments, BofA Merchant Services, and Elavon (Nilson)	71.4 B	80.5 B	+12.7%

Let’s face it, the combination of an ongoing pandemic, skyrocketing interest rate growth, and supply chain interruptions is a lot for an any ecosystem to weather all at the same time.

The Technology Association of Georgia (TAG) is happy to announce that the fintech ecosystem did an excellent job weathering the hard times, delivering new efficiencies, and most importantly continuing to innovate.

Today’s 200+ fintech Georgia-based companies employ an estimated 42,000+ professionals. And this number is growing by the day as organizations realize the work environment advantages that Georgia offers. Several large and well-known fintech organizations (e.g., VISA, Capital One, and Black Rock) along with top-notch high-tech companies (e.g., Microsoft, Cisco, Apple, and Intel) have announced plans to add an estimated 5,000 new high-tech jobs in Georgia by 2024. “The core of our high-tech employment base has long been a key advantage in Georgia,” noted Larry Williams, CEO of the Technology Association of Georgia. “With a great university system and technology infrastructure, Georgia, and specifically Atlanta, is a powerful magnet for fintech and other high-tech companies.”

Chart A is a summary of Georgia’s fintech ecosystem. There are 18 fintech public companies that are either headquartered in Georgia or have

a significant presence in the state measured by employee count, innovation centers, and IT infrastructure systems. Please note that we include Fiserv, FIS and Deluxe in these numbers. While these companies are headquartered outside of Georgia, they each have a very large presence in Georgia. The combined revenues of the top ten public companies was $74.3 billion in 2021 which represents an increase of 15.7% over 2020 revenues of the same group of companies.

The top ten companies measured by market capitalization in 2021 grew 21% to $274 billion. We believe that this growth in market capitalization is attributed to the worldwide movement toward digital payments and the general acceptance of the new and innovative products and services now available.

Chart B

General Fintech Industry Data	2020	2021	% change
Estimated Global purchase card transactions in 2021 (Nilson)	454 B	551 B	+21.4%
Global transaction value of digital payments including digital commerce and mobile POS payments (Statista Market Outlook, 2021)	$5.2 T	$7.4 T	+13.6%
Payment transactions in the U.S in 2021 (Nilson)	111 B	131 B	+18%
Total investments in fintech companies (Deloitte)	53.9 B	131.4 B	+131.4%
Total M&A deal value for fintech companies (Deloitte)	$50.9 B	$42.5 B	-16.5%
Fintech Initial Public Offerings (IPO) (Deloitte)	22	48	118.2%
Fintech IPO Raise	$13.3 B	$20.7 B	56%

The increase in revenues across the fintech industry is also reflected in an increase in transaction volumes across world markets (Chart B). The Nilson Report, a recognized research firm of the payments industry, reported that the combined transaction volumes of U.S. merchant acquirers including Fiserv, FIS, Global Payments, BofA Merchant Services, and Elavon grew by more than 12%, from 71 billion in 2020 to 80 billion in 2021.

From a global perspective, the number of purchase card transactions grew in 2021 by 21% to 550 billion over 2020. The average annual growth of global transactions is expected to average about 13% for the next five years. Nilson reports that projections of U.S. purchase transactions will grow from 111 billion in 2020 to 144 billion in 2025.

Another indicator of fintech industry growth is the amount of investment fintech companies are bringing in and the amount of cash raised via IPOs. Deloitte reports that fintech industry investments “soared to $131.4 billion, up 144% from $53.9 billion in 2020.”

According to Deloitte, the bread of investment interest was seen across all sectors in 2021. “Insurtechs saw a 216% increase in funding, accounting for 13% of the total for the year. Meanwhile, banktechs saw a 186% increase (representing 63% of the total), investechs had a 110% increase (9%), and proptechs had a 43% increase in year-over-year funding (15%).” Another positive sign is on the IPO side.

According to Deloitte, “2021 was again the best performing year over the past 20+ years for initial public offerings as well. 48 companies went public, raising a total of $20.7 billion, versus 22 companies and $13.3 billion in 2020. In 2021, fintech IPOs raised $20.7 billion in cash compared to $13 billion in 2020.”

TAG continues to be very positive about the growth potential of the fintech markets and the contribution Georgia is making to drive innovation and market adoption. For further details of the Georgia fintech players, please see pages 9 and 10 of this report for a listing of the private and public fintech companies in Georgia. More information on mergers and acquisitions that have occurred between 2020 and YTD 2022 is also available on pages 11 and 12.

Visit the TAG Fintech website for more information about the Georgia ecosystem. https://www.tagonline.org/societies/fintech/

Georgia Students Connecting with Fintech Professionals

Jonathan Godbey, Ph.D.
Clinical Associate Professor of Finance
Robinson College of Business
Georgia State University

Tommy Marshall
Executive Director
Georgia Fintech Academy

The Georgia Fintech Academy was created in 2019 to meet a growing demand for talent in Metro Atlanta and across the state of Georgia. It is housed at Georgia State University’s Robinson College of Business and is open to students throughout the University System of Georgia.

Initially, the Georgia Fintech Academy offered five core courses. These courses ranged from a foundational overview of the fintech ecosystem to deep dives into banking, information security, data analytics and financial technologies.

GEORGIA FINTECH ACADEMY
UNIVERSITY SYSTEM OF GEORGIA

Recently, faculty at Kennesaw State University added a series of courses focusing on payments. In Spring 2022, nearly 900 students from 23 institutions across the University System of Georgia were enrolled in these courses.

To effectively prepare students for a successful career in an area as dynamic as fintech, these courses cannot be delivered in a traditional manner. Faculty must constantly update course materials but, more importantly, they collaborate with fintech companies. Sponsor companies prepare challenge statements relating to real issues in hopes of finding a viable solution. Motivated by the realistic component of these projects, student teams compete to earn the right to present their findings to a panel from the sponsor company. Students work with industry mentors and their instructors but ultimately, they are solely responsible for delivering a solution. The winning teams earn more than a grade. They earn valuable experience and a connection with fintech professionals.This collaboration allows students to experience a real-world, professional work environment while companies can meet and evaluate talent over an extended period. This experience is valuable for all students but particularly beneficial for those who were not raised in professional homes. The result may be generational change for these students.

In addition to courses, the Georgia Fintech Academy offers a speaker series, a podcast, and career fairs.

The speaker series, which was virtual during 2020 and 2021, is now delivered in a hybrid format. Thought leaders from across the fintech ecosystem keep students updated on the latest developments. These events are extremely valuable for students, faculty and even industry professionals. Speakers typically present on Wednesday evenings with more events occurring in Fall and Spring semesters than in the Summer term. The list of events is regularly updated here: https://georgiafintechacademy.org/events/.

The podcast, though not interactive like the speaker series, is equally valuable. In each podcast, the Executive Director, Tommy Marshall, interviews an industry professional and a current student. Several of the Georgia Fintech Academy courses use the podcast and speaker series as primary material.

The career fairs are the ultimate product of the Georgia Fintech Academy. There, companies will find a diverse set of students from across the state of Georgia who have a skillset unlike any other.

The Often Underappreciated "Fin" Half of Fintech

Glen Sarvady, Managing Principal, 154 Advisors

Much of the public's perception of fintech focuses on disruptive products engaging directly with consumers- think Venmo, Chime and SoFi. Nonetheless, fintech by definition involves the intersection of technology and financial services, and a growing majority of these solutions are delivered in collaboration with traditional banks and credit unions. Even an Atlanta fintech success story like Greenlight, which markets its teen debit card/banking app directly to families, partners with Truist- which is also among its key investors.

The Atlanta fintech ecosystem particularly excels at delivering "white label" solutions through financial institutions; therefore companies like IDology, Urjanet and Global Payments may not be household names, but their capabilities are integral to their customers' success.

Nearly all major US banks have established corporate venture funds to invest in growth stage fintech firms, in order to have a voice in product direction and to participate in the financial upside often generated by market penetration. Increasingly, the nearly 10,000 US community banks and credit unions have recognized the importance of leading edge technology to their future success and the need to engage with these players as well. Individually (there are approximately 150 community banks and 90 credit unions in the state of Georgia alone), these institutions lack the resources to assess the fintech landscape and make appropriate investments. Industry associations have stepped up to fill this gap, providing their member FIs with the aggregate expertise to make market-moving fintech decisions.

The Independent Community Bankers Association has operated a THINKTech accelerator program since 2019, vetting fintech companies and fostering 1-on-1 connections with community bankers looking for tech solutions to address real world market challenges. "Innovation is a continuous journey that is best realized when technology is used to enhance human touchpoints," said ICBA Executive Vice President and Chief Innovation Officer Charles Potts, an active member of Atlanta's fintech community. "Through ICBA's ThinkTECH initiatives we're working to source and cultivate promising fintech solutions primed to help community banks remain nimble and responsive to evolving market dynamics and customer needs." Georgia-based cybersecurity governance platform Finosec as well as Momnt (see below) participated in 2021's cohort.

The Community Bankers Association of Georgia is addressing members' interest in fintech through several initiatives. The organization launched its Innovation Circuit blog as a repository for innovation news, resources and events, and established an Innovation Committee headed by Chris Stanley of Atlanta's SouthState Bank. It has also partnered with Fintech Atlanta on Run It by the Buyers, a quarterly venue at which fintech companies present new product ideas and receive candid, actionable feedback from bankers that comprise their target customer base. The CBA of GA also created an Innovation Exploration curriculum of training and development programs suitable for all levels of practitioners.

In the credit union space a pair of funds- CMFG Ventures, the corporate venture arm of CUNA Mutual Group, and Curql, a collective of 69 investing credit unions and related entities- are deploying nearly half a billion dollars in combined equity to fintech startups with missions to enable credit unions' digital transformation. Georgia's Own Credit Union- a $3 billion, 200,000 member institution and Georgia's third largest CU- is a member of Curql, whose portfolio includes Atlanta-based financial institution cybersecurity provider DefenseStorm. CMFG Ventures has a stake in Atlanta-based embedded lending enabler Momnt.

The inherent synergy that exists between chartered financial institutions and fintech firms is increasingly recognized by participants across the landscape. Given Georgia's strength in such companies operating "behind the curtain," the continued trend toward collaboration certainly bodes well for the ecosystem's growth- and for the products available to bank and credit union customers.

Regaining payments leadership will require banks to embrace digital, adopt new business models, and even collaborate with fintech competitors.

Mohammed Akuma
Senior Director
EY-Parthenon
Financial Services Organization (FSO)
Southeast Regional Lead

Sara Elinson
Partner/Principal
EY-Parthenon
EY Americas Fintech
M&A Leader and EY Americas Payments
M&A Leader

In brief

- Payments are crucial to banks' overall customer value proposition and generate, directly or indirectly, between 20% and 30% of the typical bank's profits.
- Fintech competitors with vertical-specific strategies and innovative business models have grown revenues and valuations significantly faster than banks.
- Banks can reassert themselves in payments by embracing new business models and capabilities while "bringing the bank" to their value propositions.

Fintech competitors have walked through an open door by exploiting digital-first business models and offering interesting payment solutions. These new rivals often target specific customer verticals (and their differentiated needs), employ new value propositions, and scale rapidly. Banks have been slow to respond to this competitive threat and have fallen behind.

A rapidly evolving environment

The ongoing digital transformation is disrupting strategies and business models in many industries. The pace of innovation and change in customer expectations, accelerated by the COVID-19 pandemic, has placed a premium on embracing new ways of pursuing growth.

Payments, a high-volume transactional business, is well-suited to technological innovation. Payment methods that address new types of consumer needs, from buy-now-pay-later (BNPL) products to digital wallets that enable person-to-person (P2P) payments or offer consumer rewards, have grown in popularity. The competitive landscape in business payments also has created expectations of new capabilities, such as application programming interfaces (APIs) to embed payments in other ecosystems and global pay-outs. Real-time payment rails are about to unleash a whole new wave of use cases and opportunities.
Leading P2P payments firms now have more customers than the largest bank and are adding bank-like accounts and services to compete for what banks now have – status as customers' primary financial relationship, with the profitability potential it affords.

The market has noted the difference. Valuations of fintech firms in the payments space grew at an annual compound rate of 27% between 2016 and 2020, according to an EY analysis.1)Over the same period, banks saw their market capitalizations decline by 1%. 2) There are many reasons for the difference, but the loss of payments-related revenues and relationships is among the most significant factors.

How banks can position themselves for payments success

Competing in this new environment requires banks to embrace digitalization and transform their business models in ways that might, at times, feel counterintuitive – partnering with competitors, for example, or crossing organizational silos – but can create compelling benefits for consumers and merchants.

We believe banks can focus on five strategies to defend – and grow – their payments business going forward:

- Focus on distinct verticals
- Leverage partnerships and ecosystems
- Bring the bank into the payments proposition
- Organize around a commerce proposition
- Modernize technology and data capabilities
- Regaining payments leadership can drive banks' growth

To read the full article, please go to "How Banks can Win at Payments" (ey.com).

TAG Chats with Sean Banks, Partner, TTV Capital

Sean Banks
Partner
TTV Capital

TAG sat down with Atlanta-based TTV Capital's Sean Banks to get some insights on the investment climate for the Georgia fintech industry in 2022 and beyond. Some of TTV's Georgia-based fintech investments have included: Cardlytics, Greenlight, Greenwood Bank, Medxoom and Defensestorm.

Georgia has been a lucrative market for fintech investors for quite some time now. Do you think it will continue to be a hotspot for investors?

Georgia, specifically Atlanta, will continue to be top of mind for a wide range of investors as they build out their portfolios. Atlanta is recognized worldwide for its market-ready innovations across multiple fintech sectors including payments, card processing, risk assessment, analytics, online lending, cryptocurrency, and many more. Well-known companies like Fiserv, FIS, Equifax, and NCR have already reached millions of users across the globe which make the handling and management of finances so much easier. I have confidence that our fintech community will be high on the investor radar screen for a long time to come.

We are seeing more and more investors who are not already based in Georgia investing here. Is that something you are seeing, and can you share some insight on this trend?

Venture capital companies are broadening their geographic reach as they realize how expensive it is to build high-tech businesses in some of the traditional markets such as Silicon Valley, New York, Boston and Seattle. Atlanta attracts attention based on the cost of living and doing business, economic incentives, technical talent, and its reputation for fintech success. We are also seeing a healthy expansion of investors supporting the more technical companies such as network and data security, enterprise business applications, blockchain, and analytics. We've seen recent news from Apple, Microsoft, and Cisco announcing they are increasing their employee count in Atlanta. These foundational technologies are critical to the implementation of fintech solutions on every level and will continue to keep Georgia in a prominent position for fintech.

As you look forward beyond 2022, what are some of the technology areas that will attract investors? And where does Georgia stand with those technologies?

The secret to successfully looking ahead is noticing how global markets are absorbing the recent fintech innovations. We want to see which technologies today are successful, how they are impacting businesses and consumers, and what future opportunities they create. Two key areas we are watching closely are both based on the presumed success of the blockchain architecture. Here are a couple of examples which use the decentralized abilities of blockchain to deliver new solutions.

Decentralized Finance, commonly referred to as DeFi, is financial services delivered via public blockchains. Without a central authority, such as a bank, financial transactions can be completed without intermediaries. Many believe it's the future of finance, so it's high on our watch list.

Another is Web3. Web3 also focuses on decentralization but in this case it's the World Wide Web, or the internet. It uses the public blockchain design to put more ownership in the hands of users and thus increases the trust factor.

Ireland's Fertile Fintech Landscape- and Recognition of Atlanta as a US Beachhead

Jane O'Sullivan
Trade Development Executive
Financial Services/Fintech & Construction

Enterprise Ireland is the Irish Government's trade and innovation agency. Our goal is to build successful, long-term business relationships between international companies and Irish partners. We currently manage a portfolio of 3,500 investments across 1,700 companies, with largely early-stage investments at pre-seed and seed stage. Enterprise Ireland supports a further 4,300 companies to grow and export internationally through workshops, entrepreneurial programs, R&D schemes, etc. to develop the Irish startup ecosystem beyond our direct equity investment portfolio.

Ireland is now the fourth-largest exporter of financial services in the EU — over 40% of global hedge fund assets are serviced in Ireland. Recognized as an important operational hub for the biggest names in financial services, over 250 of the world's leading financial services firms operate in Ireland, from Bank of America Merrill Lynch to Barclays and Sumitomo Mitsui. As a result, its depth of regulatory expertise and caliber of talent is second to none. These global powerhouses alongside financial disruptors from other European markets have driven the development of multiple subsectors such as the Irish Regtech sector to a point where seven Irish companies are on the Global Regtech 100 list (2022).

Exceptional talent, vibrant investment activity and a renowned research base combine to create one of the world's leading tech hubs. As a result, Ireland is a hotbed of fintech innovation, helping the financial services industry respond to challenges and opportunities from the digitalization of banking to new payments models and ever-changing compliance requirements. Our location on the edge of Europe, coupled with membership of the EU has created an open and competitive market which has forced the rapid and sustained development of the local Fintech ecosystem.

For many years Enterprise Ireland has nurtured the growing fintech ecosystem domestically and internationally across a network of 40 global offices. This pipeline development is coming to

fruition with the recent announcement of Ireland's seventh unicorn – TransferMate, the third Irish fintech to achieve unicorn status after Fenergo and Wayflyer. The new Irish Innovation Seed Fund, backed by the Irish government, reaffirms Ireland's commitment to local startups supporting them in their ambitions to start and scale internationally.

The growth of Irish companies in the U.S. has always relied on a warm reception from local fintech partners and organizations and several Irish companies are lucky enough to call Atlanta their home away from home. From startup to unicorn, Irish fintechs such as Worldnet, Sysnet, FINEOS and Wayflyer have chosen Atlanta to be their ideal base from which to scale their U.S. operations.

Georgia's Thriving and Constantly Evolving Fintech Ecosystem As of May 2022

Private Fintech Companies

2Checkout
Agora
Alogent
Aptys
Apptega
Aquina Health
Arcanum
Arcus
Authomate
Avivatech
Bank Shot
BasisCode Compliance
BearTax
Benjamin
Bitcoin Depot
BitMinutes
BitPay
Bluefin Payment Systems
Brightwell Payments
Buckle
bZx
CampBX
CAN Capital
Cartera
CapWay
CardSystems Solutions
Carputty
CeloPay
Charityvest
Chosen Payments
Cinc Systems
Coinwallet
ConnexPay
Control Scan
CoreCard Software
Corlytics
Corserv
DataSeers
DefenseStorm
Defynance
Delta Data Software
Digital Opportunities Group
Digilence
Drum Technologies
eBanqo
Econocheck
eCredable
edea
EnrichHER
Entersekt
EthioPay
eVance Processing
eVestment
FactorCloud
FeatherPay
Featurespace
FI Navigator
FilmHedge
Finastra
FINEOS
Finosec
FINSYNC
First Performance Global
FirstView
FivePoint Payments
Fold
FormFree
FSS Technologies
Funding University
GHX
goEBT
GoProcure
Gravy
Green Payment Processing
Greenlight Financial Technology
Greenwood
GroundFloor
Guap Coin
H2cryptO
Hive Financial Systems
IDology
iLumen
InComm
Ingo Money
Instant Financial
Intellekt
International Payments Processing
IPC Systems
Ivy Lender
Keep Financial
KyckGlobal
Layr
Lazlo
Ledgible
LendingPoint
Lending Science
MAXEX
MaxRewards
Medxoom
MerchantE
MeridianLink
MicroBilt
Momnt Technologies
Moov
myFloc
NetRoadshow
Neuravest
nFront Security
NOW
OmegaFi
Oversight Systems
P2P Cash
Waystar (acquired Patientco)
PayDN
Payrix
Payroc
PaySett
Pindrop
PlanPro
Polygon.io
PPRO
PrimeRevenue
ProfitStars
Prolific Banking
ProText
Purchasing Power
Qoins
Relay Payments
Revel Systems
Rialtic
Roadie (unit of UPS)
RoadSync
Ryze
Safe Systems
Safely
SAI Global US
Salary Finance
Secure Bancard
Securegive
Sionic Mobile
SmartPath
Softgiving
Springbot
Stax
Steady
Strategic Link
Swipe Credit
Sysnet
TaxSlayer
Telrock
TermStreet
Thanks Again
TIFIN Wealth
Tmro
TransacXion Technologies
Trusted Sale
TrustStamp
UL
Unbanked (formerly Ternio)
Unscramble
Urjanet
Vanco Payment Solutions
Verdata
Verde International
Vericast
VeriCheck (VCI)
Verifacto
Verifone
Vesta
Vital4
VIVA Finance
VSoft
Wayflyer
Wealth Migrate
Worldnet Payments
WorldWatch Plus
Yellow Card
Zurly

Public Companies

ACI Worldwide (NASDAQ: ACIW)
ADP (NASDAQ: ADP)
American Express (NYSE: AXP) (includes Kabbage)
Atlanticus Holdings (NASDAQ: ATLC)
Bakkt (NYSE: BKKT)
BMW (OTCMKTS: BMWYY) (includes ParkMobile)
Bottomline Technologies (NASDAQ: EPAY)
Cardlytics (NASDAQ: CDLX)
CoreLogic (NYSE: CLGX)
Deluxe (NYSE: DLX)
Ebix (NASDAQ: EBIX)
Equifax (NYSE: EFX)
EVO Payments Inc (NASDAQ: EVOP)
FIS (NYSE: FIS)
Fiserv (NASDAQ: FISV)
FLEETCOR Technologies (NYSE: FLT)
Global Payments (NYSE:GPN) (includes TSYS)
Goldman Sachs (NYSE: GS) (includes GreenSky)
InterContinental Exchange (NYSE: ICE)
Invesco (NYSE: IVZ)
IOU Financial (CVE: IOU)
Jack Henry & Associates, Inc. (NASDAQ: JKHY)
LexisNexis Risk Solutions (NASDAQ: RELX)
Morgan Stanley (NYSE: MS)
nCino (NASDAQ: NCNO)
NCR Corporation (NYSE: NCR)
Paya (NASDAQ: PAYA)
Priority Technology Holdings, Inc. (NASDAQ: PRTH)
Q2 (NYSE: QTWO) (includes Gro Solutions)
Repay Holdings (NASDAQ: RPAY)
Synchrony Financial (NYSE: SYF)
US Bancorp (NYSE:USB) (includes Elavon)
VISA(NYSE:V)

Find more information on these companies and ongoing updates at:
https://www.tagonline.org/societies/fintech/fintech-companies/

Georgia's Thriving and Constantly Evolving Fintech Ecosystem

Mergers & Acquisitions from 2020 to 2022 (as of May 2022)

Venture capital, IPO and spinoff transactions

Mergers and acquisitions

Visit https://www.tagonline.org/societies/fintech/mergers-and-acquisitions/ for transactions from 2017 and prior, plus the latest updates

2022 (as of May 2022)

- Keep Financial raises $9 million seed round led by Andreessen Horowitz
- FilmHedge closes $100 million in debt financing
- Intercontinental Exchange announces plan to acquire Black Knight for $13.1 billion
- FIS acquires Payrix for an undisclosed sum
- nCino acquires SimpleNexus for about $270 million
- Merchant e-Solutions is acquired by Integrum Holdings from Cielo for $290 million
- Groundfloor announces $118 million in investments from Medipower and a large number of individual investors
- Verdata raises $3 million in seed funding
- Wayflyer raises $150m in Series B financing co-led by DST Global and QED Investors
- REPAY acquires Payix for up to $95 million

2021

- AmerisourceBergen acquires FirstView Financial for an undisclosed amount
- NCR acquires LibertyX, a digital coin currency solution, for an undisclosed sum
- Wayflyer secured $76 million in Series A funding
- Cardlytics acquires customer data platform Bridg for about $350 million.
- Fiserv acquires NetPay – terms not disclosed
- Now Corp. secured $29 million in funding from Brigade Capital Management and Virgo Investment Group
- Carputty raises $7.2 million in seed round capital
- Intuit acquires MailChimp for $12 billion
- Goldman Sachs acquires GreenSky for $2.2 billion
- UPS acquires Roadie
- Equifax acquires Appriss Insights
- FLEETCOR acquires ALE Solutions
- Equifax acquires Teletrack
- Artis Technologies announces a $7 million Series A round led by Saluda Grade
- Relay Payments raised $45 million of what is projected to be a $60 million funding round
- Waystar acquires Patientco for an undisclosed amount
- RoadSync raises $30 million in Series B funding led by Tiger Global
- Now secures $9.5 million in Series A funding led by Virgo Investment
- Monotto acquires by Horicon Bank
- Equifax acquires Kount
- Jack Henry acquires Stackfolio
- Bakkt announced plans to go public via a SPAC by merging with VPC Impact Acquisition Holdings, with an expected valuation of $2.1 billion
- SimpleNexus acquires LBA Ware for an undisclosed amount
- Global Payments acquires Zego for $925 million
- Repay to acquires Billing Tree for $503 million
- Greenwood closes $40 million of Series A funding led by Truist Ventures
- Cardlytics purchases Dosh, a cash-back offers platform, for $275 million
- Deluxe acquires First American Payments Systems for $960 million
- Medxoom lands $8 million investment
- Priority Technology Holdings, Inc. merges with Finxera Holdings, Inc.
- LendingPoint announced a $125 million preferred equity investment from Warburg Pincus
- NCR acquires ATM operator Cardtronics for $2.5 billion
- Fiserv acquires Ondot Systems

2020

- Verifone acquires 2Checkout for an undisclosed amount.
- Moov raises $27 million in Series A capital
- Relay Payments raised $43 million in venture capital
- Urjanet raises $14.65 million in Series D funding from investors including Equifax and Oak HC/FT
- Worldline acquires Ingenico for $8.6 billion
- Greenlight raises $215 million in C-Round funding, valuing it at $1.2 billion
- PPRO raises $180 million from Eurazeo Growth, Sprints Capital, and Wellington Management; and $90 million from JPMorgan Chase & Co. and Eldridge
- AMEX acquires Kabbage
- Payroc acquires Gateway Payments
- Payroc acquires Strategic Payment Systems
- Paya acquires The Payment Group
- Paya goes public via SPAC merger
- Trust Stamp raises $7.7 million in Series A and crowdfunding equity
- EVO payments raises an additional $150 million in equity capital
- Featurespace raises $37 million in funding
- Morgan Stanley acquires online broker E-Trade for $13 billion
- Intercontinental Exchange acquires Bridge2Solutions, integrating it with ICE's subsidiary Bakkt
- Bakkt raises $300 million in Series B funding from investors including Microsoft and Boston Consulting Group
- RoadSync raises $5.7 million in venture funding

Decentralized Finance - Disrupting Traditional Financial Systems

Jagruti R Solanki, CPA, MBA
CFO, BitPay

In traditional financial models, access to capital and financial services such as lending, saving, payment processing and investing require customers to go through a qualification process with one or more intermediaries such as banks and brokers. Decentralized finance ("DeFi") aims to change this dynamic, enabling peers to transact directly through tools like smart contracts instead of with a company. In DeFi, traditional intermediaries are replaced by protocols that are open source, highly efficient, and accessible to anyone globally. Using key blockchain attributes such as distributed networks and encryption technology, DeFi platforms can offer a secure system to record transactions in a tamper resistant and anonymous manner. This makes the information on the DeFi network impossible to alter, thereby increasing its integrity and reliability.

Value transacted on large DeFi exchanges grew five-fold between August 2020 and 2021.[1] Some of the most promising use cases include:

- **Decentralized Exchanges:** One of the first DeFi applications, decentralized exchanges ("DEX") are typically created on the Ethereum network and offer users the ability to buy / sell / swap cryptocurrencies. A DEX (such as Uniswap) stands in contrast to a centralized digital asset exchange like Coinbase that relies on traditional order book methods to trade. Without ceding control of assets to an intermediary prior to the transaction, users can execute trades against a liquidity pool instead of stipulating specific limit orders.

  DEXs use automated market makers ("AMMs") that maintain price discovery for any order size. To encourage users to provide liquidity into pools, liquidity providers earn fee income from users and swaps. Some decentralized exchanges also subsidize their participants with additional rewards or governance tokens. Some also share a portion of overall protocol revenue with their governance token holders.

- **Lending and Borrowing:** Certain DeFi protocols allow users to pledge cryptocurrency like Bitcoin as collateral, securing a stablecoin-denominated loan at an attractive interest rate. One leading DeFi lending platform offers loans to consumers based on the liquidation threshold of the underlying crypto collateral. The liquidation threshold determines the point at which a position is deemed under-collateralized. Due to Bitcoin's volatility, the platform allows participants to borrow up to 70% of their Bitcoin value. If the value of this collateral drops below 70% of loan value, then the position could be liquidated absent the pledging of further assets. Such innovative ways of borrowing have given consumers options to gain access to capital much faster than current financing routes, as DeFi borrowing can operate 24/7 from anywhere in the world.

- **High-interest bearing products:** Since 2018, high-interest bearing products have been introduced using DeFi protocols enabling users to deposit crypto for a handsome yield. Dollar-pegged digital assets called stablecoins have also enabled users to generate yield on crypto assets deployed in these DeFi markets, becoming a popular way to earn yield while guarding against crypto's price volatility. Converting fiat like U.S.dollar to a stablecoin like USDC is the easiest way to tokenize holdings, which can then be deployed in DeFi protocols.

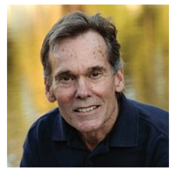
[1] https://decrypt.co/85570/defi-dex-trading-volume-chainalysis-report-2021

By offering interest rates exceeding 10% in some cases, DeFi lending platforms have become a popular alternative to holding deposits in traditional low interest-yield savings accounts.

Regulation around DeFi and its many applications remains unsettled, with minimal consumer protections and safeguards in place compared to traditional financial systems. As such, DeFi investing remains high risk and should be pursued with caution. Nonetheless, DeFi has already shifted many companies' macroeconomic operating perspectives level, given the clear potential to outperform traditional finance systems in the near future. As a major Fintech hub, Atlanta is well positioned to foster broader exploration of DeFi applications and lead the way in redefining how financial systems operate.

About Jagruti:
Jagruti came to the US as a first-generation immigrant in 2006 to earn her MBA. In 2007 she joined leading Atlanta-based audit firm Aprio as an auditor. Over the next dozen years she helped build the company's blockchain practice and became a CPA and nationally recognized thought leader in the space, being elected an assurance partner in 2019. Today, Jagruti is the CFO Of Atlanta-based BitPay, the world's largest cryptocurrency payment processing company.

Pros and Cons of Cryptocurrency Regulation



Don Campbell, Managing Principal
RightCourse LLC

To regulate or not to regulate cryptocurrency. That is the question. Although it's doubtful that Shakespeare's Prince Hamlet was concerned about it at the time. Regardless, regulating cryptocurrency is not an easy question to answer.

Lawmakers in the U.S. have been openly debating how this dynamic market could be regulated without taking away the entrepreneurialism we see in the market today. It's by no means a clear-cut decision. Even SEC Chair Gary Gensler has described Crypto as the "Wild West." So, there are pros and cons regulators must consider. Let's review some of them.

Pros of Regulation

- **Prevent money laundering and tax evasion** – criminals can use the anonymous nature of crypto trading to launder ill-gotten gains. Regulation would put a framework in place to prevent this.
- **Protecting the investor** – if an investor puts his/her savings in an interest-earning crypto account, can the investor be sure their savings are protected? Would an FDIC-like program properly protect an investor?
- **Aligning crypto values to other commodities** – fiat-backed stablecoins are generally pegged to currencies like the U.S. dollar on a 1:1 basis by assets with the asset value held in reserve. That way, if all owners want to withdraw their tokens at the same time, they could.
- **Building market confidence** – regulations could help institutional investors stabilize the market by boosting investor and user confidence. Statistics say that about 15% of U.S. citizens hold cryptocurrency. The question is whether government regulations would increase this percentage dramatically.

Cons of Regulation

- **Innovation will suffer** – cryptocurrency companies have been able to raise funding in part because there are few complex security laws. The decentralization offered by blockchain means new product development can move fast without cumbersome oversight.
- **Decentralization is powerful** – taking intermediaries out of the transaction flow is the ethos of blockchain. And the strength behind cryptocurrency. It takes certain powers away from big banks and corporations and empowers the individual.
- **Regulations hurt prices** – overly regulated markets tend to drive commodity prices down, at least in the short term, until cryptocurrency investors can get a handle on the rules.
- **Crossing borders freely can be good** – without strict regulations, crypto can move more freely around world markets. Too many onerous regulations would likely push investors to more crypto-friendly markets. This is something U.S. regulators want to avoid.

Caution and open dialogue have been the name of the game so far in the U.S. Finding the balance between too much regulation and freedom to evolve based on new and innovative business practices is certainly not an easy task. TAG's Fintech Society fully supports the open dialogue.

Demystifying the Startup Landscape

Kristin Slink
Founder and CEO
Tech AF

When it comes to innovation, exploring the startup ecosystem is a great way to identify trends and discover new technologies. However, the landscape can be tricky to navigate for non-experts. To make things easier, we've put together a quick guide to leveraging Georgia's startup ecosystem.

Let's begin with some basics. By definition, a startup is a "newly established business"- which is rather broad. It's helpful to consider the various tiers of startup companies, the characteristics of these stages and how you can get involved.

A newly established company that does not yet have a product, customers or revenue is known as a "pre-seed" startup. Companies in this stage are honing in on the problem they've chosen to address and testing ideas on how to create innovative products to solve them. These companies are typically either self-funded (the founders are spending their own money and not drawing a salary) or have received some form of nominal investment, often from friends and family members. If you're looking to apply new technology to an existing business, this may be too early a stage for you. However, if you are looking to be on the ground floor and have influence on the products a business will create, serving as an advisor or a mentor to such endeavors is a great way to get involved.

Companies with a product in market and some degree of traction in the form of customers or revenue are considered "early stage" startups and are typically working on things like perfecting product market fit and establishing go-to-market strategies. Most have raised some funding from outside investors. This is a great stage for established companies to engage as a beta or pilot customer. The perks of getting involved at this juncture are enhanced ability to shape the end product, and often priority pricing and added attention as an inaugural customer. Similar to pre-seed companies, these also offer great opportunities to get involved as an advisor or mentor and play a pivotal role in the startup's early success and strategy.

Once a startup has been in the market for a longer period of time and established a history of generating revenue and acquiring new customers, they are considered to be in the "growth stage." At this point companies are usually seeking larger investments to "scale the business," i.e., fund rapid growth, hiring and marketing. If your business is looking for a more established product, this is the stage to explore. It's usually more difficult to find strategy or product roles in these firms as compared to pre-seed or early stage startups, but they're a great source for new technologies and innovation.

Georgia has many programs working with startups across all of these stages. The Advanced Technology Development Center (ATDC) at Georgia Tech has its own fintech vertical, and Atlanta Tech Village (ATV) in Buckhead also offers a robust community. These programs offer mentor opportunities as well as organize events showcasing technologies from the many companies engaged with these programs.

Involvement with organizations like TAG's Fintech Society provides direct contact with the leaders of these programs and helps professionals stay up to date on the many exciting events taking place in our ecosystem.

Kristin Slink is a veteran of two startups with successful exits and has raised a combined $55 million in funding. She served as the Fintech Catalyst at the ATDC for three years and continues to nurture two startups. She is currently the founder and CEO of Tech AF, having developed its proprietary system designed specifically for non-technical founders. She moved to Atlanta in 2018 with the acquisition of her company LoanHero, and quickly fell in love with the city's vibrant fintech scene. You'll find Kristin regularly at pitch, networking and tech events across Atlanta and beyond.

Seven Key Fintech Technologies Driving Innovation

To help fintech executives in their planning, here is TAG Fintech's summary of the information.

Seven Key Fintech Technologies Driving Innovation

In late 2021, McKinsey & Company released a paper identifying key technologies that are shaping the future of fintech. To help fintech executives in their planning, here is TAG Fintech's summary of the information.

Fintech Technologies[1]	Application of Technology for Fintech	Business Impact
1.Artificial Intelligence (AI)	· Greatly enhanced data analysis and simplification of business processes · Automatic factor discovery – hones financial modeling · Privacy-aware data analytics – advanced encryption, zero-knowledge proofs · AI semantic processing – identifying key business patterns	· Operations efficiency · Data insight · Collaboration with non-bank partners
2.Blockchain – Distributed Ledger Technology (DLT)	· Ability to disrupt and improve traditional value chains and structures · Ability to record, share and synchronize data across a distributed network · Smart contracts enable real-time transaction settlement	· Digital asset exchanges · Valuable DeFi assets · Central Bank Digital Currency (CBDC)
3.Cloud Computing	· Improve platform integrity thru automated/embedded security controls · Reduces technical risk with a consistent, cross-environment technology stack · AI-cloud platforms are supporting image/audio search, banking as-a-service	· Increase efficiencies · Reduce app downtime · Improves time-to-market
4.Internet of Things (IoT)	· In banking, IoT-based inventory and property financing helps manage risk · Trade finance (shipping/logistics) – on-demand liquidity, smart contracts · Insurers are using IoT to analyze risk and improving underwriting and claims · Wireless communications networks – NFC, connected end-point devices	· Improves risk management · Improves customer relations · Integration IoT/blockchain
5.Open-Source, SaaS and Serverless	· Open-Source (free to use) software bring new products to market quickly · Critical to the launch of new fintech business · Serverless architectures means more flexible scaling of apps	· Value generating technologies · Time to market speed · Broad scalability factors
6.No-Code Development Platforms (NCPD)	· Build new applications using code containers instead if traditional programming – visual fast development tools · Component reuse, customizable workflow processes · Audit trails and documentation can be automated	· Quick response to market changes · Reduction in apps build-time · Flexible scaling
7.Hyper Automation	· Streamlining financial processes and accounting reconciliation · Deployment of software robots and chatbots at scale · Streamline workflow information and business interactions · Process automation (RPA) linked to AI, machine-learning (ML)	· Streamline business processes · Replaces manual work, human error · Adapt more quickly to changing business needs

[1]Based on "Seven Technologies Shaping the Future of Fintech," McKinsey & Company, November 2021

Insurtech - Another Georgia "Tech" Hub?

Kathleen Devlin is a Managing Director in Accenture's Insurance Practice

Already established as a fintech capital, Atlanta is poised to add another label, that of a global insurtech hub. Many of the same factors that fueled Atlanta's fintech leadership are enabling Atlanta's rise as an insurtech center: strong research universities, IT talent, business-friendly government policies, Hartsfield-Jackson airport's access to countless markets, collaborative partnerships, and the significant presence of most major insurance companies.

With financial institutions changing the customer experience through fintech innovations (e.g., self-service online and mobile digital banking), insurance customers expect more efficient products and services through digitalization. As a result, a new group of technology-based startups has entered the market over the last few years to spur this innovation, with solutions ranging from new distribution models, underwriting, and claims management platforms, to enhanced customer experiences, bespoke coverage, and new digital services. Much like broader fintech, these emerging insurtech companies are either:

- **Digital Disruptors** that introduce competitive insurance offerings or disrupt existing distribution channels, or
- **Digital Enablers or Intermediaries** providing digital technologies to insurers along the value chain to support traditional and new insurance products.

Insurance incumbents are increasingly engaging with insurtech startups to drive the industry's digital transformation. These collaborations range from the development of internal capabilities in underwriting, distribution, and claims, through the development and distribution of new or enhanced covers, to the provision of add-on services, e.g., risk prevention and the enhancement and digitization of the customer experience. Incumbent players are also making investments in these growing tech firms, recognizing their critical role as important partners in launching new products, reaching untapped market niches, and testing new business models. Several large Georgia insurers- including AFLAC and Assurant-have established robust corporate venture programs to fund innovative newcomers within the insurtech space.

Georgia's thriving startup ecosystem is home to over 15 insurtech startups. These include Layr, an Atlanta-based insurtech startup, which leverages AI and machine learning to help brokers and agencies efficiently sell and service small business insurance. Layr recently announced $10 million of Series A funding. Other Georgia insurtech startups with significant venture capital funding include Slope Software (actuarial, financial projection modeling software) and Mile Auto (computer vision and decision analytics supporting pay-per-mile auto insurance offerings). EVO, an analytics platform for member health engagement and risk underwriting, leverages data in innovative ways- another key trend in the market.

With tech-driven innovation and customer demand for simplified digital experiences reshaping the insurance industry, insurtech startups in Atlanta and Georgia will continue to play a significant role in driving this innovation. Much like Atlanta's rise as a fintech capital, Atlanta's insurtech startups are pushing the insurance industry forward and building the world's next "tech" hub.

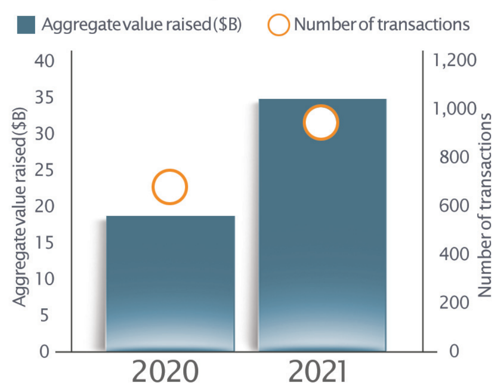
Fintech Company Investments – And the Beat Goes On

Fintech companies have a long history of attracting attention, especially when it comes to investors. Over the prior decade venture capital and third-party equity investments in fintech companies worldwide grew markedly, reaching a record $213.8 billion in 2019 according to research firm Statista. The funding year of 2020 receded from this high, however, as the COVID-19 pandemic unsettled world economies generating a still impressive $124.9 billion.

Although not entirely out of the woods with COVID-19, 2021 bounced back nicely with global fintech company investments reaching $210.1 billion, nearly half of those investments made in the Americas. Please note the data in Graph 1, sourced from S&P Global, confirms this trajectory but does not fully match Statista due to differing definitions of fintech's scope- a common challenge in assessing this rapidly evolving space.

Graph 1

Amount of Venture Capital Raised by US Fintechs Roughly Doubled In 2021



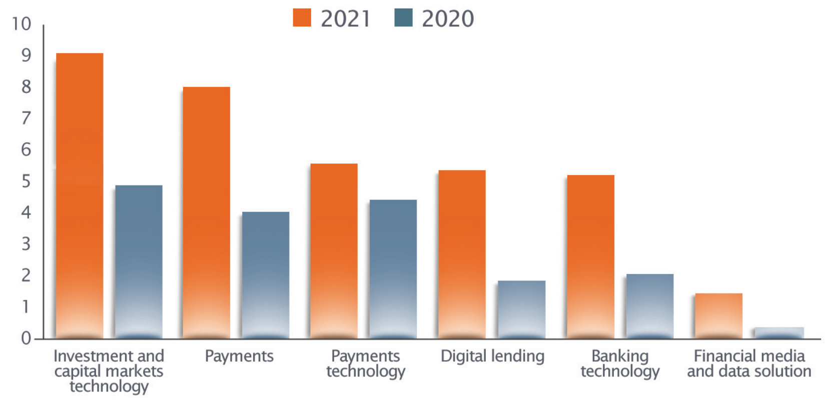
Data compiled Jan.26,2022.

Both the value and deal volume of venture capital funding also nearly doubled in 2021 showcasing the phenomenal power that fintech technologies can have on impacting businesses, governments, and consumers. S&P Global Market Intelligence took a snapshot of the comparison of 2020 total dollar investments versus 2021 (Graph 1). Note that these numbers exclude debt transactions.

Looking at the spread of the investments across the fintech sectors in the U.S. in 2021, the investment and capital markets sector led the way with about $9 billion in raised capital according to S&P Global Market Intelligence (Graph 2). That's 33% more than the next highest fintech investment sector. Payments, insurtech and digital lending followed with about $19 billion in combined investments. For example, insurance technology company Integrity Marketing Group raised $1.2 billion in funding in 2021 based on the ability to make insurance business processes easier for agencies, agents, and clients.

Graph 2

All Categories of Private US Fintechs Raised More Venture Capital in 2021Than in 2020 ($B)



Data compiled Jan.26,2022.

"While startups with consumer-facing apps tend to grab the media's attention, venture capital firms are generally as interested, if not more interested, in business-to-business startups in the investment and capital markets tech arena," noted S&P Global analysts.

Georgia Fintech Investments

The TAG Fintech Society research team does its best to keep track of M&A activity for Georgia. Investments in either Georgia-based fintech companies or those companies that have a strong presence in Georgia secured at least $635 million in 2021, and $280 million as of May, 2022. (Note: TAG only tracks investments of $3 million or more.) Table 1 shows some of the key funding transactions from 2020, 2021, and year-to-date 2022 which together equal about $2.0 billion.

Table 1

Sampling of Georgia Fintech Company Investments for 2020 and YTD 2022[1]

Company	Year	Investment Amount	Lead Investor (where announced)
Groundfloor	2022	$118 mil	Medipower
Keep Financial	2022	$9 mil	Seed round led by Andreessen Horowitz
Verdata	2022	$3 mil	Individuals
Wayflyer	2022	$150 mil	DST Global and QED nvestors
Wayflyer	2021	$76 mil	JP Morgan, QED, Left Lane Capital, Madrone Capital
Now Corp	2021	$29 mil	Brigade, Virgo
Carputty	2021	$7.2 mil	Kinetic, University Growth, Aries Capital, and more
Artis Technology	2021	$7.0 mil	Saluda Grade
Relay Payments	2021	$43 mil	Addition, Ribbit Capital, Spark Capital
RoadSync	2021	$30 mil	Tiger Global
Now Corp.	2021	$9.5 mil	Virgo Investment
Greenwood Bank	2021	$40 mil	Truist Ventures
Medxoom	2021	$8 mil	Castellan Group, TTV Capital, Las Olas
Lending Point	2021	$125 mil	Warburg Pincus
Greenlight	2021	$260 mil	Series D led by Andreessen Horowitz, includes TTV Capital
Greenlight	2020	$215 mil	Series C led by TTV Capital
Moov	2020	$27 mil	Series A Capital
Relay Payments	2020	$43 mil	
Urjanet	2020	$14.65 mil	Series D by Equifax and Oak HC/FT
PPRO	2020	$180 mil	Eurazeo Growth, Sprints Capital, Wellington
PPRO	2020	$90 mil	JP Morgan and Eldridge
Trust Stamp	2020	$7.7 mil	Series A, Crowdfunding
EVO Payments	2020	$150 mil	
Featurespace	2020	$37 mil	
Bakkt	2020	$300 mil	Series B, Microsoft, Boston Consulting
RoadSync	2020	$5.7 mil	
2020 THROUGH 2022 TOTAL: $2.0 BIL			

1. Sources: Company press announcements and Crunchbase

Please see more information on M&A activity detailed in the Report. You can also visit TAG's website at the following link for a multi-year look at M&A numbers: https://www.tagonline.org/societies/fintech/mergers-and-acquisitions/

Georgia is Expanding its People Power

More and more fintech companies are announcing plans to expand their presence in the Atlanta area. Why? "Atlanta brings together a wealth of expertise and talent with entrepreneurial spirit and a deep sense of community culture," said Michelle Gethers-Clark, Chief Diversity Officer, and Head of Corporate Responsibility at Visa.

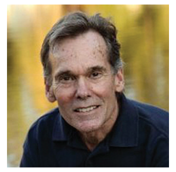
Fintech Companies:

- VISA is expected to add around 1,000 technology and client services jobs in Midtown Atlanta over the next several years
- BlackRock announced the creation of a 120,000 square foot Innovation Hub in Atlanta in 2018 and plans to add more than 1,000 employees by 2024.
- Capital One Financial Corp. is adding hundreds of engineering jobs in Atlanta focused on cloud computing, data analytics, machine learning and cybersecurity.
- Cash App is adding more than 100 new jobs to the Atlanta area.

Other High-Tech Companies that Support Fintech:

- Microsoft announced plans to open a new facility in Atlanta creating 1,500 new high-tech jobs in West Midtown.
- Cisco plans to open a new Talent and Collaboration Center adding 700 new jobs to the Atlanta metropolitan area.
- Intel Corp. plans to add 500 high-tech jobs by 2024.

Technology Brief: The "As-a-Service" Fintech Infrastructure



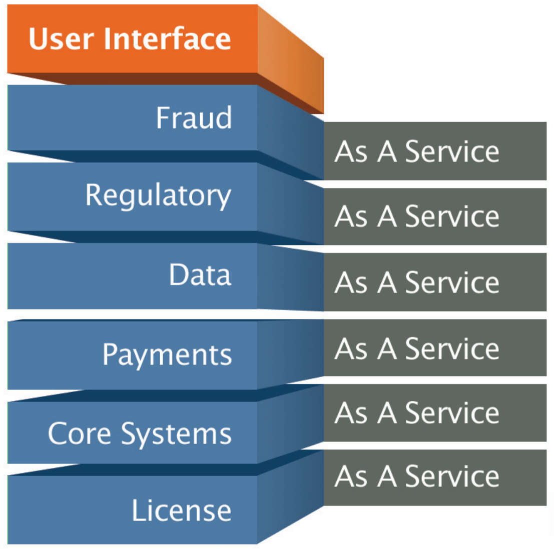
Don Campbell, Managing Principal
RightCourse LLC

Let's face it, IT infrastructure and application interfaces (APIs) are difficult to build and maintain. They need constant attention, not to mention being expensive. It used to be (±5 years ago) that a startup, or a financial services company developing a new product, had to figure out how to build an entire infrastructure to support a new application. Not anymore.

> *Startups will be able to launch companies faster and more cheaply.*
>
> *Angela Strange, Andreessen Horowitz (a16Z)*

Angela Strange, general partner, Andreessen Horowitz, noted at the 2019 a16z Summit presentation: "In the not-too-distant future, I believe nearly every company will derive a significant portion of its revenue from financial services. Every company, even those that have nothing to do with financial services, will have the opportunity to benefit from fintech for the first time."

To accomplish this, today's fintech startups can use infrastructure-as-a-service tools to avoid having to build out the entire infrastructure "stack." The stack is a layered group of functions and interfaces that enables an application to interface with the many moving parts of the financial world. For example, a financial services application might require fraud prevention, regulatory compliance, data analytics, payment services, and computer systems management.



As you might guess, these layers are not easy to create, manage, and support.

To reduce development time and ongoing maintenance costs in building your stack, take a close look at "as-a-service" technology companies and see how they can meet your 24/7/365 application performance requirements.

Kabbage Co-Founders Receive 2022 Georgia Fintech Hall of Fame Award

Kathryn Petralia,
Co-founder, Kabbage

Rob Frohwein,
Co-founder, Kabbage

The Technology Association of Georgia announced that Kathryn Petralia and Rob Frohwein, co-founders of the small business lending platform Kabbage, have been named recipients of 2022's Georgia Fintech Hall of Fame award.

Founded in Atlanta in 2009, in the shadow of the Great Recession, Kabbage built and launched the first fully automated small business lending system, enabling small business owners to access capital within seven minutes of visiting its website. Over its history Kabbage has served nearly half a million US small businesses, funding over $16 billion in loans.

During the pandemic alone, Kabbage served 270,000 small businesses, extended $7 billion in capital and is estimated to have saved nearly one million small business jobs. American Express acquired the firm in late 2020 and continues to offer its cash flow technology solutions to millions of US small businesses.

"As pioneers in the Georgia technology ecosystem, Kathryn and Rob's invaluable contributions to the small business community have made a tremendous impact for so many seeking to offer goods and services in Georgia's marketplace and beyond," said Larry K. Williams, President and CEO of TAG.

In mid-May Frohwein and Petralia announced that their new venture, Atlanta-based Keep Financial Technology, had secured $9 million in seed funding from industry leading investors led by Andreessen Horowitz.

Keep Financial's platform is designed to help employers recruit and retain employees through forgivable loans. The solution received the Best of Show award based on its inaugural public demo at the Finovate Spring conference in San Francisco.

"Atlanta has so many great innovator stories," said Frohwein. "As someone who spends a lot of time in the Bay Area I can tell you that Atlanta has gained tremendous respect. There's a lot of dollars pouring into our community and I think that will continue."

Sponsors

Gold Sponsors

ATPC was created to protect, promote, and preserve the interests of the critical payments processing industry (with founding roots in Georgia's "Transaction Alley") through proactive public relations and government affairs activities.
ATPC: https://atpcoalition.com

Enterprise Ireland is the Irish Government's trade and innovation agency responsible for the development and growth of Irish enterprises in world markets. Working across sectors, we invest in in the most cutting-edge Irish companies. Our industry experts around the world help the most dynamic global companies to source Irish innovation to solve their most pressing business problems.
https://www.enterprise-ireland.com/en/

EY is a global professional services organization "At EY, our Financial Services teams are committed to helping FinTechs navigate and overcome their most pressing challenges in an industry where change and innovation are keys to success. We have globally connected financial services teams of 35,000 professionals, with experienced FinTech teams in all major hubs, working with leaders and challengers across all industry segments. We provide continued support as you scale by leveraging our deep industry knowledge, worldwide integration, insights from across the global EY organization, and passion for innovation throughout your journey of building the future of financial services."
https://www.ey.com/en_us

Silver Sponsor

We drive digital growth in organizations through innovative solutions that allow them to be at the forefront of technology, evolution and progress. PersonalSoft has nearshore development centers based in Latin America and offers flexible engagement models ranging from staff augmentation to dedicated teams.
https://personalsoft.com/

About The Technology Association of Georgia (TAG)

TAG's mission is to Connect, Promote, Influence and Educate Georgia's technology ecosystem to advance the innovation economy. Through those four foundational strategies TAG serves the technology community, helping to support, grow and ignite tech leaders, companies and the overall Georgia economy. TAG serves more than 31,000 members statewide through regional chapters in Metro Atlanta, Augusta, Columbus, Macon/Middle Georgia, and Savannah. TAG hosts more than 150 events each year and serves as an umbrella organization for 20+ professional societies. TAG provides networking and educational programs, celebrates Georgia's technology leaders and companies, and advocates for legislative action that enhances the state's economic climate for technology.

Additionally, the TAG Education Collaborative (TAG-Ed) focuses on helping science, technology, engineering and math (STEM) education initiatives thrive. For more information visit the TAG website at www.tagonline.org.