banking technology

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THE FUTURE CALLS
Three predictions for the year ahead

GLOBE-TROTTING
Why cross-border payments must be safe and secure

MIND YOUR LANGUAGE
Using the right words to communicate the climate crisis

Produced by FINTECH FUTURES

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EDITOR'S NOTE

Tanya Andreasyan
Managing Director & Editor-in-Chief,
FinTech Futures

As we are looking at another bumper year for fintech investment, analysts are gathering stock of 2021 – and what a funding rich year it has been!

The UK's fintech scene saw a record year for investment in 2021, exceeding $11.6 billion – a 217% increase from 2020 – according to a report compiled by Innovate Finance (the industry body representing the UK fintech industry).

The data shows that the UK is far and away the most attractive option for fintech investment in Europe, with the UK representing nearly half (45%) of all the $24.3 billion invested across the continent in 2021.

The UK was second only to the US. According to the UK Finance report, the world's biggest economy saw $46 billion in fintech capital last year. India ($6.3 billion), Germany ($4.4 billion) and Brazil ($3.8 billion) rounded out the top five.

Meanwhile, CB Insights allocates the higher figure of $63 billion to the US fintech funding in 2021 in its latest "State of Fintech" report.

The all time-high funding, it says, comprised 1,827 deals and accounted for nearly half of total global funding that year, despite making up just 37% of deals. This was due to larger mid- and late-stage rounds, which accounted for 31% of total US deals, the highest share on record, it explains.

The CB Insights report's findings paint an impressive picture of the global fintech market. The total funding reached $132 billion – more than double the 2020 mark – with $1 out of every $5 going to fintech.

There were 343 global mega-rounds (above $100 million) last year, triple the previous year.

Although these mega-rounds comprise only 7% of global deals, they make up 67% of total funding. The US racked up more mega-rounds than all other regions combined, according to the report.

235 of unicorns were counted in 2021 (more than double the previous year). And there are currently 12 fintech start-ups with decacorn ($10 billion plus) valuations, CB Insights estimates, mostly in payments and banking.

Can 2022 beat this? Let's wait and see!

NEWS ROUND-UP

Wealthfront to be acquired by UBS for $1.4bn


Ralph Hamers

UBS is set to acquire millennial and Gen Z-focused wealth management platform Wealthfront in an all-cash deal worth $1.4 billion.

It will serve as the foundation of the bank's digital-first wealth management offering. Wealthfront comes with $27 billion in assets under management and 470,000 US users.

The acquisition forms part of UBS CEO Ralph Hamers' three-year digital transformation strategy, which saw about 3,000 jobs on the chopping block last year as part of a $1 billion series of cost-saving measures.

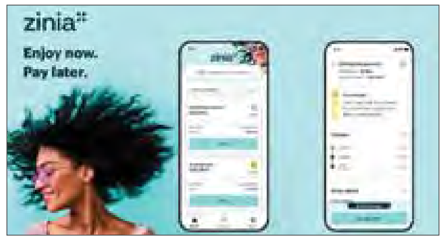
UBS had attempted to launch a digital-first wealth management platform in the past, with the introduction of robo-advisor SmartWealth, the first of its kind in the UK, in 2017. However, that endeavour came to an end a year later as UBS determined that "the near-term potential was limited". The intellectual property relating to SmartWealth was sold to US-based SigFig.

JP Morgan acquires 49% stake in European SME paytech Viva Wallet

JP Morgan has agreed to acquire a 49% stake in European paytech Viva Wallet. The bank says says the "strategic investment" supports its plan to expand its payments business targeted at European SMEs and middle market merchant services clients.

Founded in 2000 in Greece, Viva Wallet's cloud payments platform provides services to SME merchants across 23 countries, including tap to device technology, merchant cash advance, bill pay, expense management, virtual debit card issuance, cash disbursement, gift cards and loyalty programmes.

Santander enters BNPL market with Zinia launch



Spanish banking giant Santander has announced the launch of a new buy now, pay later (BNPL) platform called Zinia.

An initial version of the platform has been in use in Germany since last year, where the bank says it has already acquired more than two million customers.

It will now be rolled out across Europe starting with the Netherlands and Spain.

Speaking to *FinTech Futures*, Openbank and Santander Consumer Finance CEO Ezequiel Szafir says the launch highlights a shift in the financial services space as incumbent banks begin to challenge fintechs on their own turf.

"Here we have a large bank starting to behave and act like a fintech," says Szafir. "It's the first time an incumbent bank goes straight into the fintech world with a fintech-type product with a fintech-type team and technology."

ING spin-out fintech Katana Labs shuts down

Trade analytics tool provider Katana Labs is closing down. "I regret to announce that Katana Labs will cease to operate as of January 31, 2022," Santiago Braje, the fintech's founder and CEO, writes on LinkedIn.

Katana started its life in 2017 as part of ING and was spun out into a standalone London-based company in 2019, with the bank's backing.

Its flagship offering is a bond market trade discovery tool for dealers and asset managers that identifies specific trade ideas and broader trends. Using machine learning and big data cloud technologies, the tool analyses more than 40 million bond pairs to identify over/undervalued pairs and reveals actionable trade opportunities, the fintech says.

Banking brand for newlyweds, Hitched, launches in the US

Iroquois Federal, a long-standing community financial institution in Illinois, has joined forces with banking tech vendor Nymbus to launch a new standalone digital brand, Hitched.

For couples that join, it will provide a checking account with a debit card and an optional credit card. There will be a personalised, shared financial dashboard to visualise, set and track mutual savings goals, as well as the ability to manage everyday spending and contribute to shared goals.

Hitched will also provide access to online financial education and best practices for building a better financial future at every stage of the couple's life together.

"Niche banking is the most significant innovation opportunity for financial institutions today, and how they can redefine themselves outside of geography," says Liz High, EVP of strategy and marketing at Nymbus.

Hitched is one of the prebuilt niche digital bank concepts created by Nymbus Labs.

UK's regulator fines five paytechs for competition law violations

The Payment Systems Regulator (PSR) has fined the five companies – Mastercard, allpay, Advanced Payment Solutions (APS), Prepaid Financial Services (PFS) and Sulion – more than £33 million in total.

All five agreed to not poach or target each other's customers while acting as part of the National Prepaid Cards Network, effectively forming a market sharing cartel.

The National Prepaid Cards Network brought together public sector bodies such as local authorities and housing associations with prepaid card companies to distribute welfare payments.

The PSR says the parties also colluded to allocate between them potential new public sector customer contacts.

A second cartel involved a separate arrangement between APS and PFS not to target each other's public sector customers when a contract was up for renewal.

All parties settled and admitted breaking the law, according to PSR.

Pan-African Payment and Settlement System goes live


Afreximbank HQ, Cairo

African Export-Import Bank (Afreximbank) has launched the Pan-African Payment and Settlement System (PAPSS). PAPSS is expected to save Africa more than $5 billion in payment transaction costs every year.

"It will boost intra-African trade by transforming and facilitating payment, clearing and settlement for cross-border trade across Africa," the bank states.

It has already been piloted by the six countries in the West African Monetary Zone, delivering benefits such as reducing the time and costs of cross-border payments; decreasing the liquidity requirements of commercial banks; and strengthening oversight by central banks.

Ultimately, PAPSS will "effectively eliminate Africa's financial borders".

Walmart snaps up fintech platforms Even and One in super app push

Hazel, the fintech arm of US retail giant Walmart launched in partnership with investment firm Ribbit Capital, has agreed deals to acquire fintech platforms Even and One.

Hazel will operate under the One brand, Walmart says, and users will be able to manage their finances all in one place.

Even is a financial platform that allows employees to access their wages and One is a saving, spending and borrowing fintech. Over time, the One "super app" will be integrated inside Walmart's physical and digital channels.

FINTECH FEED

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Jordan McKee
@jordanhmckee
One of the greatest joys of being an analyst is reading the "other" write-in responses on surveys. Here are some of the write-ins on a drill-down Q to respondents that haven't participated in trading cryptocurrency. Pure gold.

Not interested, it's satanic

what do I do if the government bans it, like what FDR tried to do with people who had gold back in the 1930s or thereabouts

It's stupid.

President Trump says it's risky

Julianna Lamb
@juliannaelamb
Nobody warned me about how much time you'll spend as a founder naming things.

Theodora (Theo) Lau
@psb_dc
VC Funding To Early-Stage Latinx-Founded Startups In The US Has Stalled 😔
#Startups #VC #Funding #Diversity
cc @OBrien_Kat @annie_parker @bayareawriter @NoelleSilver_

Bronwyn Williams
@bronwynwilliams
Turns out, what the trustless economy needs - is trust.

THE NUMBER GAMES

$500m
The price tag of global financial crime fighter ACAMS – purchased by PE firm Wendel

900
employees will be working for Indian paytech Cashfree by the end of 2022, double its current workforce

3
acquisitions made by workplace savings app Cushon in two years, bringing the start-up's AUM to £1.7bn across 400,000 customers

217%
increase in investment in UK's fintech in 2021 compared to 2020 – exceeding $11.6bn

€100m
raised by spend management platform Spendesk in a Series C extension round, giving it unicorn status

2,500%
growth experienced by subscription management fintech Minna Technologies in 2021

$57m
raised at launch by BNPL start-up Vartana to become the "Affirm for B2B"

To read more about any of these stories, visit *www.fintechfutures.com/type/news*

THEY SAID IT...

"Niche banking is the most significant innovation opportunity for financial institutions today, and how they can redefine themselves outside of geography."

Liz High, executive vice president of strategy and marketing, Nymbus, speaking about the launch of Hitched, a banking service for newlyweds (see p5 for the story)

TRENDING

Flamingo Tech wading into financial wellness

Financial wellness app Flamingo Tech has launched in Australia, promising to turn "financial dreams into a reality".

The app divides a user's income into budget and goals and, through monitoring expenses, is able to recommend the user with basic financial planning. Flamingo will also mark any savings in the "unallocated category", allowing the user to assign a purpose to every dollar they spend. The app also provides a savings forecast and helps users stay within their expense budget.

Forecasting tools also allow users to see "how their small decisions today can have significant long-term impacts" on their financial situation. And to keep an eye on their financial health, users are given access to their FICO credit score.

A Zindigi experience awaits

Financial services app Zindigi, aimed at Millennials and Gen Z, has launched in Pakistan. Powered by Pakistani commercial bank JS Bank, Zindigi's "digital experience" promises spending notifications, easy cash flows, stress-free travelling and support from real people within the app.

The app allows users to spend online and in-store, access the stock market, receive fee-free international payments and customise the homepage with drag-and-drop widgets.

Users can also set spending limits on their cards, and block/unblock cards. Money can be sent and received via debit cards or bank transfer, Computerised National Identity Card (CNIC) remittance transfers and using a mobile phone number.

Zindigi chief digital officer Noman Azhar says the country has many banks, "but not many banking experiences". He adds: "Zindigi is all about customers. We will listen and work hard to give them the experiences they expect."

Unibo to support the unloved

Unibo, a neobank for property management, has launched in Spain. The start-up provides a personalised digital-first platform for online banking in the real estate sector, starting with a checking account for landlords and other property managers.

Speaking to Spanish magazine El Referente, CEO and co-founder Pedro García says property managers and real estate agents are an "unloved" customer segment within traditional banks.

"Despite representing a high-volume general business, they continue to be offered the same products and services as 15 years ago," García told El Referente.

Unibo operates under the electronic money entity licence. The clients' funds are held in Banco Inversis.

Keebo gets passionate

Keebo, a new credit card in the UK, has announced its beta launch with Mastercard. Keebo says it aims to tackle financial exclusion and is "the UK's first credit card company to use open banking data to improve access to credit by understanding a customer's broader financial behaviour, including spending habits, income frequency, and savings".

The start-up estimates there are nearly 5.2 million people in the country that are "virtually invisible" to the established financial system.

These "credit invisibles" are often part of the so-called "passion economy" – an economy built around "creators with a purpose" – people who want to start a brand, business or community (usually on digital platforms) around a shared passion, Keebo observes.

"Often young, with limited credit history and irregular income, these consumers are excluded from traditional forms of credit as their lifestyles and careers do not fit with the existing models of creditworthiness," it explains.

Positive thinking

By Dave Wallace

It's that time of year when crystal ball gazing is *de rigueur*. So, as we look into 2022, here are three of my top predictions.

THE METAVERSE AND WEB 3 START TO TREND!

My first prediction is that 2022 will see financial services brands trying to understand the Metaverse and Web 3, and end up getting very confused.

As 2021 ended, a couple of things happened that pointed to a new chapter for the internet. First, Facebook rebranded as Meta, highlighting Zuckerberg's view that the next wave of the internet is upon us; the Metaverse. Second, Jack Dorsey stepped down from Twitter to focus on Block and immediately went to war over who owns Web 3.

So, what are the Metaverse and Web 3? USA Today defines the Metaverse as "a combination of multiple technology elements, including virtual reality, augmented reality and video where users 'live' within a digital universe".

Zuckerberg wants to own the Metaverse, or at least Meta/Facebook's version and keep control, which is at odds with Dorsey, a Bitcoin and blockchain enthusiast who sees a decentralised future.

Web 3, also known as Web 3.0, is defined on Wikipedia as "an idea for a new iteration of the World Wide Web that incorporates decentralisation based on blockchains. It is often contrasted with Web 2.0, wherein data and content are centralised in a small group of companies sometimes referred to as 'Big Tech'. Web 3 is blockchain."

There are crossovers, but the two concepts are different.

Financial services companies will make targeted investments to make sense of both the Metaverse and Web 3, essentially trying to sort fact from hype.

The Metaverse is most likely to be treated as a channel opportunity, with institutions buying virtual real estate in platforms such as the Sandbox and building branches. Others will look at the advertising potential and try in-game marketing or e-sports sponsorship.

As for Web 3.0, Bitcoin and other digital currencies have demonstrated that finance can exist outside of "The System". This trend will likely continue, and blockchain technology will be an increasing disruptor for the financial services industry. Platforms have already developed economic ecosystems that take end-users away from the establishment. For example, the Sandbox has a digital currency built on the Ethereum blockchain called $SAND. Ownership for acquisitions made within the platforms is through non-fungible tokens (NFTs).

Blockchain offers up incredible opportunities for innovation. For example, encoding blockchains with information beyond monetary use offers intriguing possibilities. Indeed, if you buy Ethereum today, you invest in infrastructure, not just a digital currency.

> "Imagine a Green-leaf coin that can only be used to buy or sell goods, services or investments that have been recorded on a public ledger as being climate-positive."
>
> **Dave Wallace**

I read an article in the Wall Street Journal recently, and this quote says it all: "This dual function illustrates the inspired weirdness that is Web 3: If money can become code, then money can be way more than a means of exchange; it can also do anything that other software can do".

The penny dropped for me. Minting new currencies that perform specific jobs is such an interesting idea. I have talked previously about carbon becoming a currency. Imagine a Green-leaf coin that can only be used to buy or sell goods, services or investments that have been recorded on a public ledger as being climate-positive. And its cousin, the Anthracite coin, that can only be used to buy and sell goods and services firmly marked on a ledger as being in the polluting camp.

To misquote Marshall McLuhan: "The money is the message."

CARBON FOOTPRINT CALCULATIONS WILL BE IN MOST BANK APPS

By 2022, most big institutions will have functionality that translates transactional data into a carbon footprint. This is excellent news for the companies that offer these services and is fantastic news for raising awareness of carbon usage.

But I do have a concern. Knowing how banks work and their keenness to get this functionality embedded in their accounts, there is a danger that they will overlook the user experience.

I read a brilliant article by Trevor Hinkle on the user experience challenge of carbon tracking. He helped design an app to help people track their carbon footprints. It started well, but he quickly realised that after the initial interest, little changed month-by-month and user interest quickly waned. The danger is that simply delivering this functionality will not be enough.

The banks that provide this functionality need to think about how to market it to customers on an ongoing basis. They need to think about content strategies that inspire and help nudge customers and find ways of bringing them back to the information. Ultimately, they need to find ways of ensuring customers engage.

DIGITAL ENGAGEMENT BASED ON PERSONALISED INSIGHT WILL BECOME A MUCH HIGHER PRIORITY

Carbon calculation demonstrates how transactional data can enrich and enhance digital banking to provide an additional layer of information that can be of value to users.

If banks can get this right, it will demonstrate how helpful the digital platforms for financial institutions can be in building engagement with users. Then I think there might be a collective light bulb moment when banks realise that their digital platforms are a customer asset, not just a channel, and understand that they offer an opportunity to build better customer relationships.

So, in 2022 there will be more focus on delivering engagement to customers through digital platforms based on personalised insight.

Dave Wallace is a user experience and marketing professional who has spent the last 25 years helping financial services companies design, launch and evolve digital customer experiences.

He is a passionate customer advocate and champion and a successful entrepreneur.

Follow him on Twitter @davejvwallace.

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TLT

Regulation is the "great equaliser" in green finance

By Robin Penfold, partner at UK law firm TLT

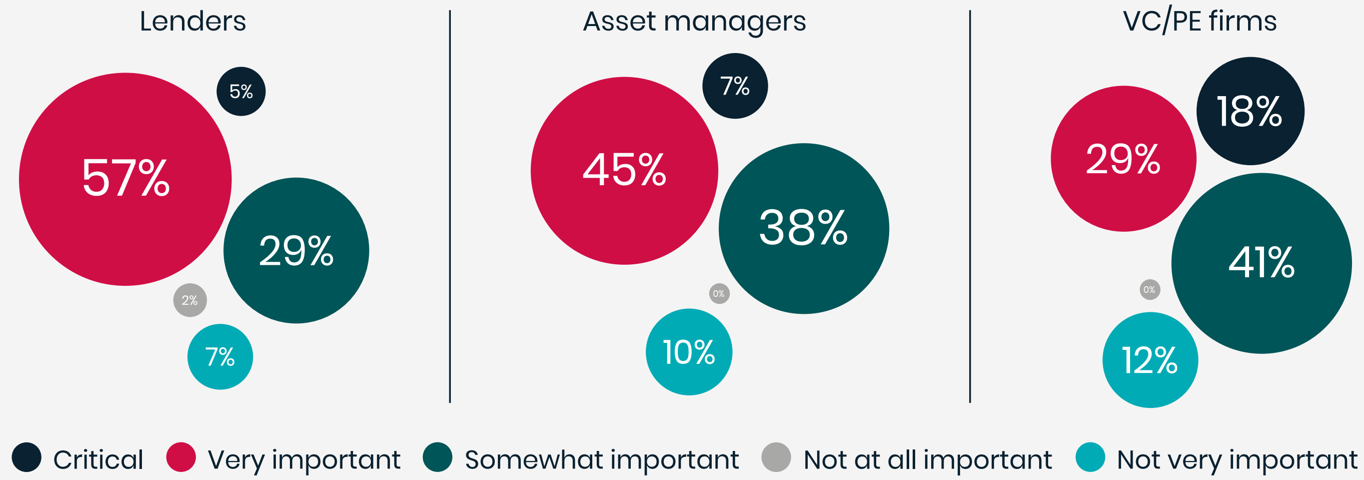
Over the past 18 months, financial services firms have turned up the volume on green finance, in the form of new commitments, new products/funds/investments, new job functions and data gathering.

According to our new report, *Safety in numbers: levelling the playing field for green finance*, more than half (55%) of firms say green finance is "critical" or "very important" to their business. This rises to 62% of lenders, falling to 52% of asset managers and 47% of VC and PE firms.

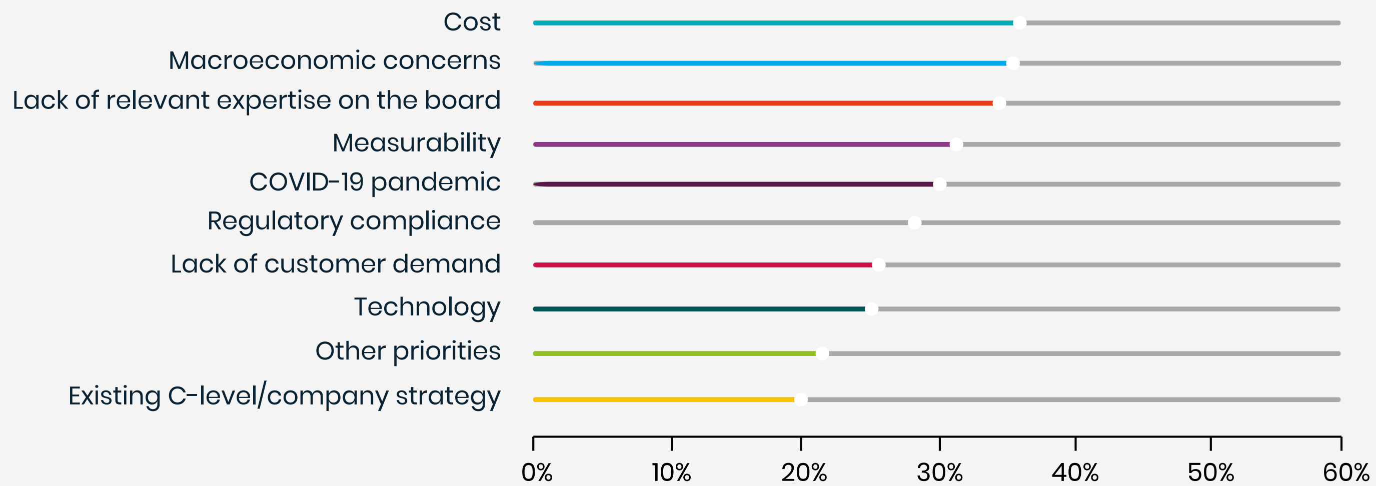
But the report also reveals that cost is a major challenge for firms, and that more incentives and support for the industry is needed to ensure a pace of change commensurate with the speed at which financial services needs to align itself with the environmental crisis.

It also appears that firms are looking around the room, so to speak, wanting

How important is green finance to your company's strategy?

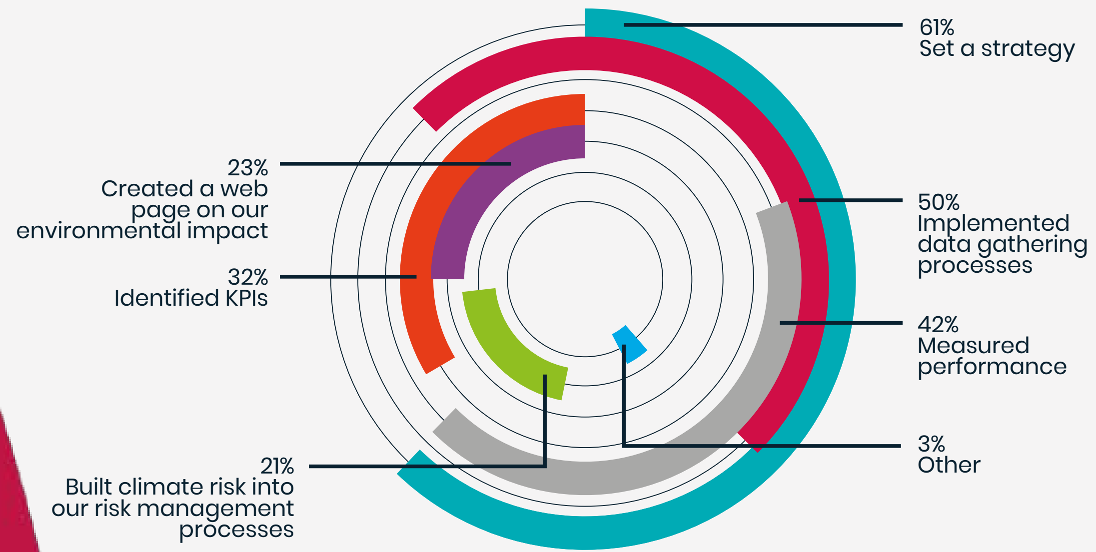


Barriers to adopting green finance



What should regulators/policymakers do to boost the green finance market?

Steps already taken to support green finance



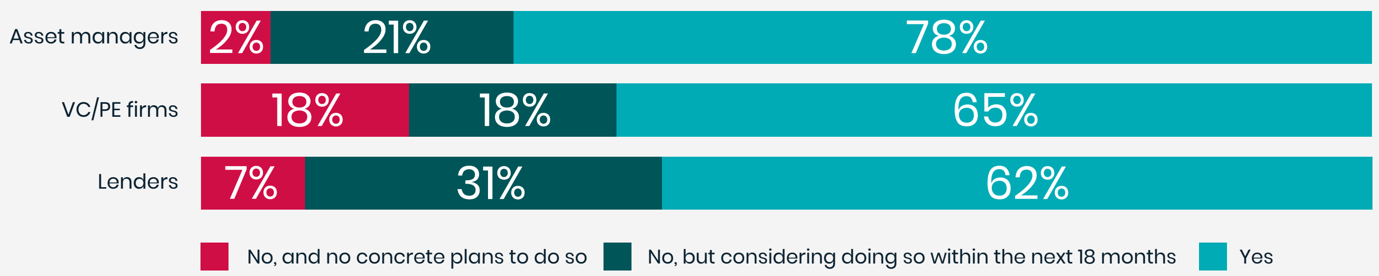
more clarity on what is needed and where the industry is heading, so that they can more confidently invest in what will eventually become a mainstream offering, with all finance having at least an element of green.

COST CONCERNS

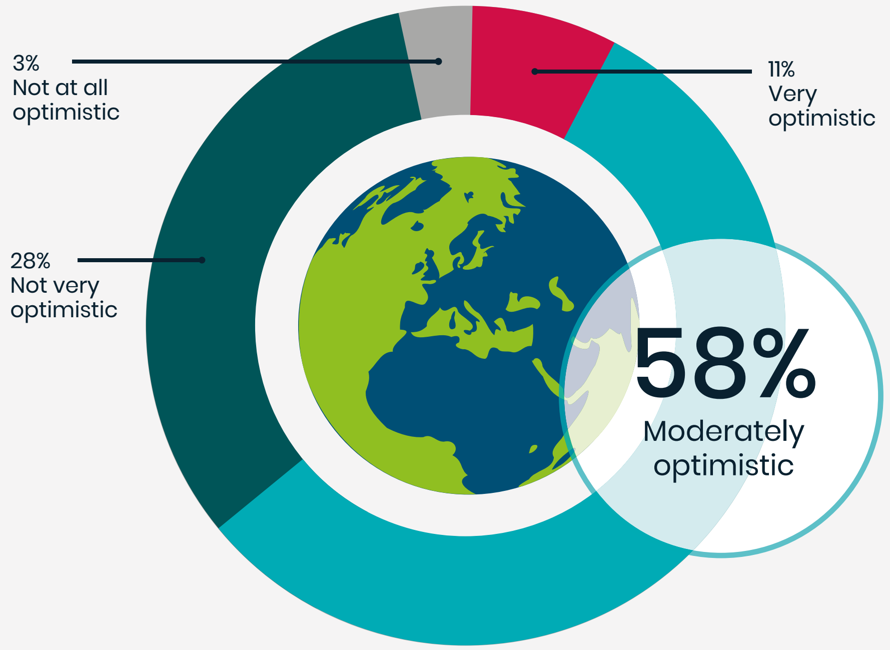
Our research reveals that cost is the biggest barrier to firms adopting green finance, with 36% calling it a "critical" or "significant" barrier. Following this is macroeconomic concerns (36%), a lack of relevant expertise on the board (34%) and challenges with measurability (32%).

Almost a third (30%) of firms say the Covid-19 pandemic has also held them back from adopting green finance, highlighting the difficulty with balancing competing priorities and the risk that green finance will be pushed aside by other regulatory and operational deadlines.

Is your organisation exploring new technologies to support its green finance strategy?



COP26 and recent UK policy announcements will stimulate the green finance market in 2022



The need to address cost concerns is reflected in the measures firms say are required to help the green finance market to flourish. Chief amongst these are tax incentives for companies and investors (61%), subsidies/grant schemes for projects (52%), green securitisation (46%) and expedited regulatory approval for green products (46%). Firms also cite preferential capital treatment (41%), competitive pricing for clean technologies (39%) and broadening the definition of "green" (32%).

Regulatory clarity is critical to securing a faster pace of change and creating an incubator for the kinds of policies, products and decisions that are necessary to grow the green finance market. The antithesis of this creates a debilitating degree of guess work – the very enemy of progress.

Regulation will also help turn what might be perceived as the cost of being green into the cost of doing business, as all firms will be required to comply with clear, minimum standards.

GETTING YOUR DATA IN A ROW

If regulation is the great equaliser in green finance, then data could be the great differentiator. According to our research, the key priorities for firms so far have been to set a strategy (61%), data gathering (50%) and performance measurement (42%). Putting the right data gathering processes in place is crucial to preparing for upcoming reporting requirements, as well as giving firms better visibility of their business and supporting a clear strategy and ongoing management.

Perhaps to assist with data analysis, 70% of firms are exploring new technologies to support their green finance strategy, while a further 24% are considering doing so in the next 18 months.

While only 11% of firms are "very optimistic" about recent policies stimulating the green finance market in 2022, 69% are "very" or "moderately" optimistic and only 3% are "not at all" optimistic. There are various proven models for bringing about significant change in the financial services industry. What is needed now is clear direction, strong incentives and collaboration.

Head over the *FinTech Futures* website to read and download the full report.

Breaking down barriers

By Stephen Grainger, executive vice president, new payment platforms, Mastercard

Faster, more transparent and more inclusive cross-border payments services don't just make good business sense. When they are safe and secure, cross-border payments facilitate socio-economic progress in the form of economic growth, greater international trade, global development and financial inclusion. And yet, despite their crucial role in a thriving global economy, at present speed and security is not always guaranteed.

It's been more than a year since finance ministers and central bank governors of the G20 countries endorsed a "Roadmap for Enhancing Cross-border Payments", a landmark priority project for the global cross-border payments system spearheaded by the world's most powerful, vibrant economies.

The Roadmap is intentionally ambitious, far-reaching and challenging. The impact it stands to have on enterprises, small business and individuals throughout the world is enormous, whether that's helping people improve their financial health or helping businesses do more business internationally, strengthening and increasing their competitive advantage.

Enabling reach is critical to achieving success. Reaching those that are in countries that have been historically financially excluded and reaching those markets that have previously been de-prioritised due to complex regulatory frameworks or unstable currencies.

True success on the Roadmap means reaching the "hard to reach" in every corner of the globe.

FITTING CROSS-BORDER PAYMENTS INTO COMPLEX MARKET SYSTEMS

Whether it's empowering individuals to achieve greater personal financial well-being or helping businesses to grow, cross-border payments that are built on safety, security and end-to-end processes can reduce complexity, cost and risk in economies however complex, regulated or restricted they may be.

Take China, for instance. Throughout China, individual recipients of foreign funds may only receive $50,000 of foreign currency per year. The duty of maintaining documentation to administer these controls falls on banks, many of whom find it a burdensome offline experience resulting in a slow process to releasing funds for the individuals involved.

Mastercard's partners and the senders and receivers they serve benefit from a streamlined, online regulatory process, one that allows them to run safe limit checks on beneficiaries' limits and release funds on the same day or even in real time.

The complexity of China's regulatory landscape is matched dollar-for-dollar by the administrative headache of the Colombian cross-border payments market. Inbound payments in Colombia are subject to a registration mandate regardless of threshold; and once a recipient or sender hits a certain new threshold, further different documentation is overlaid, depending on the purpose or payment type.

Such a complex documentation process means more cost to both banks and end-beneficiaries either in monetary or time terms; therefore, providers steer away from markets like this. Mastercard, along with its partners, blends bespoke advice services to beneficiaries with more efficient documentation creation processes, presenting a stronger value proposition for the market that cuts time, effort and resource.

CREATING CROSS-BORDER PAYMENTS THAT FUEL FINANCIAL INCLUSION

Speed, transparency, predictability and certainty. These are key tenets of a financial services system that many economies may take for granted when making domestic payments but remain frustratingly elusive to hundreds of millions of people and business owners making cross-border payments.

While we may see these qualities permeate other aspects of our personal and business lives, cross-border payment experiences throughout the world can be poorly aligned with how people expect and want to live and do business today, excluding vast swathes of the global population from financial services they should expect to have.

Pakistan, for instance, is home to the world's third largest unbanked adult population. According to the World Bank, there is a community of 100 million people living without the simplest financial service: a bank account. By partnering with more than 16 banks around the country, Mastercard now provides Pakistanis with access to funds sent from friends and family overseas in a way that no other organisation, not even domestic digital providers, can. People can receive money via bank deposits, with those without bank accounts able to access it via mobile wallets or cash payout.

> "The G20 has the capacity and authority to incite real change in cross-border payments like almost no other collective, intergovernmental or otherwise."
>
> **Stephen Grainger, Mastercard**

Likewise in Bangladesh, the last mile delivery of cross-border payments is complex as only one in two adults has a bank account and the local clearing system hasn't modernised as quickly as other markets. By integrating directly with nearly all commercial banks in the country, Mastercard is able to simplify the final delivery of payments. By allowing multiple pay-out options, such as cash, mobile wallet or bank deposits, this model allows beneficiaries to receive their funds even if they are unbanked.

REACHING THE END DESTINATION

The G20 has the capacity and authority to incite real change in cross-border payments like almost no other collective, intergovernmental or otherwise. But the Roadmap is a long one and creating efficient cross-border payments, however well backed by the world's most powerful governments, will be challenging.

The key is reach: reaching people and markets with a cross-border payments experience that meets the way they're living and working in the world today. This is the only way in which we can arrive at the end destination on the Roadmap and ensure we see the true potential and impact of a genuinely global payments system.

Why banks should be homing in on landlords

By Dharmesh Mistry, CEO, Askhomey

Recent data from HMRC suggests there are now around 2.65 million landlords in the UK, each jostling with a bunch of different financial challenges.

From service charges to rental holidays, a lot is going on. Ideally, banks should be in a strong position to support landlords on their journey, but… unfortunately, this is rarely the case.

With less and less time for one-to-one service alongside more and more regulatory and financial demands, let's take a look at where banks need to step up. And when landlords need to walk away.

Inspired by a recent conversation I had with experts John Saunders and Conor McDermott from Monument Bank on the Dave and Dharm DeMystify podcast, here are six reasons landlords should consider switching banks.

1 YOU'D LIKE MORE OPTIONS THAN JUST A VANILLA MORTGAGE

Unlike most mortgage seekers, landlords and investors have particular needs. And often, run-of-the-mill finance options just don't cut it. If you want more than a vanilla mortgage, look for banks specialising in buy-to-let and property investment services.

What we see from banks is that they'll quite willingly give you a mortgage if you can afford it, but that's about it. To access more niche and bespoke financial options such as bridging loans, look away from the mainstream and towards banks designed around property investors.

2 YOU'RE DONE WITH MOUNTAINS OF PAPERWORK

Increasing regulations and antiquated legacy systems are a real pain for landlords, especially when deciphering the mind-bogglingly complicated conditions.

Some investors practically need a pickaxe and strong pair of boots to climb the mountain of paperwork. Yet, according to the experts, a lot of this is unnecessary. Opting for a specialised service rather than a general high street bank means fewer compromises and more personalisation.

> "With the right service, you should be able to complete tasks quicker, no matter what time of day they come up."
>
> Dharmesh Mistry

3 YOU'RE INTERESTED IN BUYING COMMERCIAL PROPERTIES

Renting space to businesses helps diversify your property portfolio and can even offer a welcome boost to the local economy.

Investment in UK warehouses, for example, saw a record-breaking £6 billion boom in 2021, according to research by property consultancy Knight Frank.

But bafflingly, incumbent banks are not catching up with the trend despite the surge in popularity. If you're interested in investing in a commercial property but your bank is not making it easy for you, it might be time to look elsewhere.

Over the next year, the markets are expected to stabilise a little. And some banks are looking to offer commercial mortgages as a priority. Keep an eye out for these custom-built solutions, and don't try to force a square peg into a round hole with your stubborn high street bank.

4 YOU WANT TO BUY PROPERTIES THROUGH AN INCORPORATED BUSINESS

The 2018 English Private Landlord Survey (EPLS), commissioned by the Ministry of Housing, Communities and Local Government (MHCLG), revealed just a teeny tiny 6% of UK landlords rent out their property as part of a company or organisation. But these landlords mean business.

And their needs are not being met by run-of-the-mill banking solutions. If you're thinking of running your properties through an incorporated company – and scooping up the lucrative tax benefits that come with it – you may want to upgrade your bank as well.

5 YOU HAVE MORE THAN ONE PROPERTY

Nobody has time to juggle multiple different payments each month. But for landlords with more than one property, this is the reality.

If your bank expects you to manage several payments on the go every month, it may save you a lot of time and frustration to consolidate everything into one.

6 YOU WANT TO ACCESS AND APPLY FOR LOANS OUTSIDE OF OPENING HOURS

In recent years, financial and regulation technology has been developing at breakneck speed. These days, there is no reason why you should have to queue up at a cold and dusty bank waiting for a cashier to do some mundane admin task. Nor should you put up with nauseating automated calls and their security obstacle courses.

So, if your bank is causing you stress, look at the alternatives. With the right technological service, you should be able to complete tasks quicker, no matter what time of day they come up.

Being a landlord shouldn't mean that you're shackled to a lifetime of horrendous automated phone services or conditions more complicated than coding.

Dharmesh Mistry has been in banking for 30 years and has been at the forefront of banking technology and innovation. From the very first internet and mobile banking apps to artificial intelligence (AI) and virtual reality (VR). He has been on both sides of the fence and he's not afraid to share his opinions.

He is CEO of AskHomey, which focuses on the experience for households, and an investor and mentor in proptech and fintech.

Before the emergence of Payment Service Providers (PSPs) in recent years, the retail finance and payments sectors were dominated by banks.

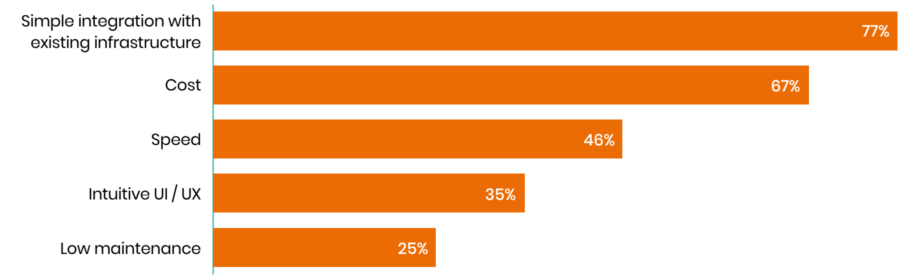
But control of this space has shifted today, where automation has allowed many payments firms to cultivate superior data management and deliver the seamless experience customers now expect.

The findings discussed in this report demonstrate how more firms are pushing for automation to enhance data management, increase efficiency and gain a significant advantage over competitors.

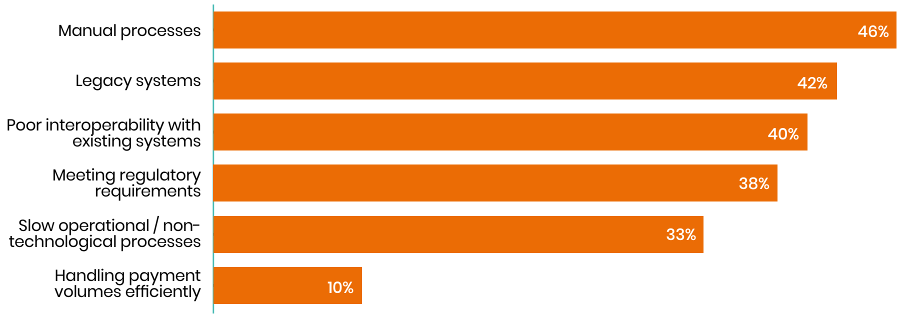
Slow-movers should ultimately be aware that those who fail to adopt emerging technologies will find themselves falling behind in an increasingly fast-moving and competitive landscape.

Download the report today from the FinTech Futures website!

What are your top three considerations when selecting a system for the handling of your payments data? (Select up to three.)



What are your biggest pain points when receiving or delivering data? (Select up to three.)



The great perhaps

By Leda Glyptis

I was reading a John Green novel a few weeks ago and one of the characters spoke of his future in terms of looking for that "great perhaps".

A young man, hoping to get to an inflection point where the future looms opaque and unpredictable. Where life starts happening. No more painting by numbers and going through the motions of hand-me-down expectations. But a future made up of things that cannot be known in advance of them happening because the person you will be when you face them is yet to be.

It's a beautiful phrase, isn't it?

And a heady feeling, when the unknown with all its terror is something you embrace and look forward to because the alternative is drab, repetitive and stale.

I like the hope packed into the great perhaps. The acknowledgement that it doesn't guarantee you anything other than a chance. And the realisation that there isn't much more you can ask for.

On a personal level. On a societal level. On a business level (you knew it was coming).

Financial services, man.

WHY DO WE MAKE THINGS SO COMPLICATED?

Partly because it makes us sound smart, I guess.

And partly as a defence against the great perhaps.

What do banks do, really?

They move things of agreed value (let's call it money or things that stand in for money) in time and space.

A payment is a movement in space.

A loan is a movement in time.

They manage the risk associated with those movements and levy fees for that function.

And they report on all of the above because they have to.

That's it.

How they do it is where the fun begins.

Financial instruments and complex vehicles fall in this *how* bucket. *What* they do is set. *How* they do it – what the triggers, steps, requirements and fee structures are – can be weird and wonderful, but the *what* is set.

Complex governance structures, systems and technology, humans and legal entities. Hardware, software, offices, resolutions and human toil all fall into the *how* also.

And they add complexity, sure.

Often for the sheer fun of it. Occasionally in the hope of obfuscation.

Sometimes because humans genuinely get so carried away with their part of the *how* as to lose sight of what is immutable and what isn't.

So fine. The *what* of banking is straightforward. The *how*, less so.

Tell us something we don't know, you may be thinking.

But that's the point. There isn't anything you don't know here.

We have spent a decade and a half trying to simplify the *how* of a rather straightforward *what*. We have deployed technology in a million ways, we have spent billions transforming parts of banks and the wider adjunct faculty of financial services firms whose entire raison d'être has been to vertically support little bits of this *how*, so doing their bit better is all they can possibly do, really.

This is less about turkeys voting for Christmas and not exactly about people focusing on building a faster horse because they can't imagine the car. The *how* we are speaking of is so unnecessarily complex that what we are left with is turkeys riding the horse in the conviction that, if they keep going, they will outrun Christmas.

And since by the time you read this, we will all have just emerged from Christmas and you will be replete, overfed and will probably not want to think of turkeys for a few months, the analogy should be as uncomfortable and counter intuitive as the idea of continuing to deploy the best of human endeavour against tweaking the entirely circumstantial and over-engineered *how* of a rather straightforward and unambiguous *what*.

So, another year begins, and it's never a clean page.

It's the same me and the same you and the same notebook from my last working day in December with a memo to myself with a list of things to chase, pick up or follow up on.

It's the same players and the same projects and the same ambitions and the same constraints. And until we do something different, nothing different will be done. The industry loves a pivot but never for itself.

AND HERE'S THE RUB

We have the tech. It's here. It's awesome. We occupy a singular moment in history where technology is having a renaissance moment the likes of which we have never seen before. There is so much of it. It's scaling and maturing and it's there to solve whatever problem we point it at.

> "We have the tech. It's here. It's awesome. We occupy a singular moment in history where technology is having a renaissance moment the likes of which we have never seen before."
>
> **Leda Glyptis**

That we point it at the *how* and not the *what* is a failure of imagination on our part. Or courage. Take your pick.

But if you ask me for my hope for this new year it is simply this: we have the tools to move away from what we've always known and what we've always done, to radically depart from the familiar shapes and say "OK, if this is *what* I need to do and these are the tools I now have to do it with, I should not try and tweak what I inherited but rather wonder what is possible".

The great perhaps of our industry.

It's literally just beyond our doorstep.

And the only thing that stands between us and finding out what could be is, well, us.

#LedaWrites

Leda Glyptis is *FinTech Futures*' resident thought provocateur – she leads, writes on, lives and breathes transformation and digital disruption. She is a recovering banker, lapsed academic and long-term resident of the banking ecosystem.

All opinions are her own. You can't have them – but you are welcome to debate and comment!

Follow Leda on Twitter (@LedaGlyptis) and LinkedIn (Leda Glyptis PhD). Visit our website for more of her articles.

The importance of seeing the wood for the trees

By Gihan Hyde, founder & CEO, CommUnique

In the same way that a great idea can be cannibalised by poor execution, the most important Environmental, Social and Corporate Governance (ESG) communications can come undone because of poor or insufficient language.

There are many complex factors that impact how we communicate the climate crisis, but one simple element that is often overlooked is the words themselves.

So why does this need our attention? The importance of ESG credentials grows with every passing year, through increased regulation, heightened focus from investors and a demonstrable impact on an organisation's bottom line.

In 2022, the environmental crisis has perhaps never been more pressing for businesses. Communicators are central to ensuring their organisations are able to commit to and execute succinct ESG communications plans to weather this period of rapid change and heightened consumer expectation.

As an organisation, putting clarity at the heart of your communications is no longer a nice-to-have. With the brand-new Green Claims Code already in effect in the UK, regulation is finally catching up with businesses that do not live up to their environmental promises.

THE IMPACT OF LANGUAGE IN FINANCIAL SERVICES

This issue naturally affects sectors where there is already entrenched jargon or enhanced regulation, such as financial services. For communicators operating in this environment, even more attention must be placed on the clarity of messaging and ensuring that no vital information gets lost in translation.

This is a sector that also grapples with misinformation and a lack of trust, with the 2021 Edelman Trust Barometer showing financial services at its lowest levels of trust since 2016, 7% behind business in general.

Furthermore, misinformation comes at a cost. Some 69% of respondents to a recent Yext survey reported that they would change their bank or insurance company if they had a bad experience with the company's information online. Simplifying messaging and ensuring it is fully understood, therefore, must be a priority in the sector.

Here are three ways to ensure greater clarity in your ESG communications strategy.

1. CUT THE JARGON

One of the most significant causes of inertia, or a lack of action, is an absence of clear information. Too much of climate inaction is

caused by not understanding the latest data or jargon surrounding the ever-changing issue of the environmental crisis.

Language must always be simple, clear and actionable. It is the responsibility of communicators to ensure this. ESG communications strategies must cut through the scientific language and stick to the information that your customers can use, presented in clear ways that they can truly understand. Visuals, such as infographics and live content, can be an effective way to achieve this.

Issues related to the environmental crisis are naturally complex and lacking a clear narrative, with many conflicting factors. Without ESG communicators at the vanguard of all climate commitments, businesses risk alienating their customers and missing crucial opportunities for engagement over this emotive issue.

2. THINK WIDER THAN YOUR MOST POPULAR DEMOGRAPHIC

Climate change has a global audience, even if your business doesn't yet, and communications need to reflect this.

An innovative ESG communications strategy can not only help the planet but can grow brand awareness and engagement with your organisation's story. Being a disruptor or game changer in this space could attract an international audience you never expected, but poorly translated communications can prevent this captive audience from becoming loyal customers. Continually monitoring the reach of your ESG communications plan and seeking translation where appropriate is a worthy investment.

This is particularly true of the wide-reaching impact of many financial services organisations, where a global outlook is commonplace. Sophia Kianni, founder of Climate Cardinals, a youth-led non-profit that is working to make the climate movement more internationally accessible, revealed some shocking statistics on the realities of climate literature in her inspirational TED Talk in October 2021.

One particularly noticeable point is that the majority of climate articles published are written in English, despite most of the world's population being unable to speak the language.

For communicators, this stark

> "As communicators, we must mobilise a global audience, and single-language messages risk getting lost in the noise."
>
> **Gihan Hyde**

misalignment bears an important message on translation and education. If we are to move towards a more conscious future, ensuring that your ESG communications can be translated between markets for maximum impact is crucial. As communicators, we must mobilise a global audience, and single-language messages risk getting lost in the noise. How global is your ESG communications plan? If this hasn't yet been a consideration for your business, it's time to make it a priority.

As Kianni concludes on this topic: "The more people are informed about the climate crisis, the greater chance we have to coordinate collective efforts in protection of the future of our planet."

3. TEST, TEST AND TEST AGAIN

If you're unsure of the clarity of your communications, a simple way to assess this is to test them. In the digital age, this has never been easier. Ask your customers and seek their input on what you can do to make your ESG communications clear to them. A simple social media poll could unlock significant insight with zero cost to your business.

Alternatively, consider your own employees. How can they help your organisation achieve greater clarity? Could you host internal focus groups to identify whether the key messages of your ESG communications strategy are understood? This has the dual benefit of empowering all colleagues to better understand and communicate your organisation's environmental commitments, ensuring greater levels of ESG integration.

In financial services, where the war for talent rages on, demonstrating your business's purpose and vision for the future could also be a powerful tool for employee retention.

Ultimately, the age of inaccessibility when it comes to climate communications is over. ESG communications must always seek to empower your customers and ensuring high levels of clarity in every piece of language you use must be a top priority in order to achieve this.

Organisations should be prepared to commit to clear, concise communications that ensure your customers understand your environmental ethos and can translate your commitments into their own actions.

Gihan Hyde is the award-winning communication specialist and founder of CommUnique, an ESG communication start-up.

She has been implementing ESG campaigns in eight sectors, across six countries over the past 20 years.

Her campaigns have positively impacted over 150,000 employees and 200,000 customers and have closed over £300m in investment deals. Some of the clients she has advised include The World Health Organisation (WHO), HSBC, Barclays, M&S, SUEZ, Grundfos, Philip Morris, USAID, and the Saudi Government.

Follow Gihan on Twitter @gehanam.

Dear Luc: What fintech trends should I prepare to see in 2022?

By Luc Gueriane

In this column, *Dear Luc*, we answer the questions the industry's fintech founders are too afraid to ask, and solve the problems they don't want their VCs to know about.

From regulation readiness to technology teething troubles, our start-up agony uncle, Luc Gueriane, is here to help.

Luc has over seven years' experience working with flagship fintechs like Revolut, Wise (formerly TransferWise), Monzo and Curve. His expertise and extensive work in the fintech ecosystem mean that Luc is able to offer unique insight into the building of a successful fintech company.

Dear Luc, with the new year now upon us, what fintech trends should I prepare to see?

The fintech sector, always a dynamic space, has undergone a rapid influx of developments in the last two years. First, with the pandemic, we saw a huge increase in e-commerce and a shift towards contactless payments.

This year, not only have we seen these trends become norms, but we have also witnessed a surge in buy now, pay later (BNPL) services and crypto offerings.

The fintech market is constantly changing and as new innovations come into play, here are four trends that I predict will occur in 2022.

CONTACTLESS PAYMENTS

In October, the limit for contactless card payments rose by more than half, from £45 to £100. And while we addressed the topic in the November 2021 issue of *Banking Technology*, we only briefly touched upon the opportunities it will create.

An increase in the contactless payment limit inevitably raised public concern around fraud rates. And while it's clear that fraud rates are low (currently less than 2p for every £100 spend in the UK), banks and large fintechs alike inevitably have to address these concerns with creative approaches to increasing consumer safety.

These safety measures could include automated card blocks, triggered by suspicious-looking activity, or offering primary and secondary linked accounts to allow customers the ability to budget better and ringfence savings, for instance.

With this, it's clear that the payments sphere has even greater scope to evolve in this coming new year. The challenge will be for fintechs to bring unique offerings to the market to truly make them stand out from a busy crowd.

OPEN BANKING

Open banking has become a more trusted mechanism for speeding up payments processes and the sharing of necessary information. As well as this, open banking has opened the doors for increased competition as more providers pop up. With more organisations and trusted brands adopting open banking capabilities in order to take regular and customised payments from customers' accounts, we can expect to see more widespread adoption of this technology.

Retailers who would have put all their volume through UK debit cards pre-open banking will gradually see more customers requesting alternative payment methods, thus encouraging greater use of open banking. This means we'll also see acquirers (who often manage the checkout page) prioritising open banking options over traditional payment options.

> "We'll see more financial institutions experimenting with various solutions and testing new capabilities to create a more open and collaborative environment."
>
> Luc Gueriane

REGULATIONS

More new financial services propositions are bound to equal more regulations, to keep users safe. The fintech space is constantly evolving and regulatory bodies are constantly trying to keep up, to understand and to manage the market. Thus, as it becomes harder to fit all propositions into clear legislative boxes, the stricter regulations will become.

Take contactless payments, for example. It's safe to say we can expect more stringent regulations around contactless payments in a bid to prioritise the protection of consumers.

And while this does have the potential to stop fintechs in their tracks in bringing new ideas to market, some sectors will feel this restriction more so than others. For example, while crypto is not widely regulated just yet in the UK, regulators are constantly assessing how and when rules can be implemented.

Nonetheless, despite regulatory bodies trying to stay abreast of developments, 2022 will be the year we'll see more financial institutions experimenting with various solutions and testing new capabilities to create a more open and collaborative environment.

SPECIALIST PARTNERS

Lastly, to operate as a fintech, resource requirements have got bigger and bigger due to stringent regulatory operating requirements. With this, the cost of creating new financial technologies will increase. And from a resource viewpoint, businesses that don't work with external specialist providers and instead spend extra time and resources getting their product offering just right will have a hard time competing for a space on the leaderboard.

This is why we expect to see a shift towards more fintechs working with specialist partners to support their business needs. In Moorwand's 2021 *Specialists vs. Generalists* report, it is found that younger firms will launch into adjacent markets, and mature firms will look at SME or corporate markets. But to meet these ambitious goals, fintechs will need to partner with specialist providers to ensure their solutions are perfected for a quick go-to-market launch.

Plus, with the knowledge that those who use specialists can generate almost £1m more in annual revenues, expect to see more companies embrace this shift.

Overall, the fintech space will see a continued upward trajectory of movement in 2022 and indeed for the foreseeable future. Companies are working hard to make up for the effects of the pandemic and in most cases, CEOs are reporting recovery and modest growth. This hard work will pay off, as the new year will see a continuation of sizeable new investments and mergers.

Although preparing for changing regulations must be a priority and will almost certainly require additional investment, financial institutions have great scope to grow in 2022 and lead the charge for consumers and businesses alike to better manage their finances and experience a more seamless banking experience overall.

Do you have an embarrassing question you want answered, or a seemingly unsolvable problem you'd want help with? Email *FinTech Futures'* Tanya Andreasyan at Tanya.Andreasyan@fintechfutures.com in confidence.

FINTECH FUNDING ROUND-UP

Saudi Arabian fintech **Lean Technologies** has secured **$33 million** in its Series A funding round, led by Sequoia Capital India.

New York-based Liberty City Ventures and former General Electric CEO Jeff Immelt also participated in the round.

Lean Technologies was founded in 2019 with offices in London, UK and the Middle East. It says its platform provides an API that enables fintechs and other third-party service providers to access their customers' bank data and initiate real-time payments.

"We're building the infrastructure for fintech in the Middle East," the start-up states on its website.

Pinwheel, a payroll data connectivity platform, has raised **$50 million** in a Series B round led by GGV Capital, with continued participation from Coatue, First Round Capital and Upfront Ventures. Strategic partners including AMEX Ventures, Indeed, Kraken Ventures and Franklin Templeton provided new investments.

New York-based Pinwheel says its mission is "to help create a fairer financial system" by providing an API that allows businesses to connect payroll accounts to their applications.

Pinwheel's customers include Block (formerly Square), Varo, Lendly and Daylight.

São Paulo-based **Creditas** has secured **$260 million** in a Series F funding round.

The round was led by Fidelity and saw participation from Spanish fintech fund Actyus and Greentrail Capital.

Current shareholders QED Investors, VEF, SoftBank Vision Fund 1, SoftBank Latin America Fund, Kaszek Ventures, Lightock, Headline, Wellington Management and Advent International also contributed.

The fintech is now valued at $4.8 billion, with its total funding raised to date standing at $829 million.

Founded in 2012, Creditas provides fintech solutions, digital insurance and credit lending solutions and marketplace offerings.

Lukka, a New York-based enterprise crypto asset software and data provider, has closed a Series E investment round of **$110 million**, valuing the company at more than $1.3 billion.

The new financing follows a $53 million Series D held last spring. The company's Series C round, held in 2020, brought in $15 million.

This latest round was led by Marshall Wace, a global alternative asset manager. Other investors include Miami International Holdings, Summer Capital and SiriusPoint. Previous investors that contributed to the Series D round – Soros Fund Management, Liberty City Ventures, S&P Global and CPA.com (a subsidiary of the American Institute of Certified Public Accountants) – also participated.

Lukka was founded in 2014. It services crypto asset exchanges and trading desks, CPA and accounting firms, fund and financial auditors, fund administrators, miners, protocols, individuals and other businesses interacting with crypto assets.

Among its clients are State Street, S&P Dow Jones Indices and RSM.

Berlin-based **Moss** has raised **€75 million** in Series B financing.

The round was led by US VC firm Tiger Global with participation from A-Star and comes just six months after a $29 million Series A extension round led by Peter Thiel's Valar Ventures.

The firm says it has doubled the size of its team and quadrupled its number of customers in the months since its last round.

Moss has now raised about €130 million in total funding, and this latest cash injection takes the company's valuation to over €500 million.

It offers corporate credit cards and spend management software for start-ups and small to medium-sized enterprises SMEs.

Moss claims to have dished out more than 20,000 physical and virtual credit cards since its launch in 2020, processing more than 250,000 transactions.

It's available in Germany and the Netherlands, and now has its eyes set on the UK market.

INVESTMENT & FUNDING

Indian financial **API infrastructure** firm M2P Solutions has raised **$56 million** in a Series C1 round (an extension of its $35 million Series C round last year).

It was led by venture capital firm Insight Partners and saw participation from Mistubishi's investment arm MUFG Innovation Partners and existing investors Tiger Global and Better Capital.

Other existing investors who participated in the round include BEENEXT, Flourish Ventures, Omidyar Network India, 8i Ventures and the DMI Group via its investment vehicle Sparkle Fund.

Companies can leverage M2P's API infrastructure to embed financial products including buy now, pay later (BNPL) services. M2P says it currently supports 500 fintechs and other financial institutions, and now plans to move into Indonesia, Bangladesh and Vietnam.

Software-as-a-Service (SaaS) financing platform **Arc** has raised **$161 million** in funding from equity and credit investors.

The platform has emerged from stealth with the financial backing of NFX, Bain Capital, Clocktower, Torch and Y Combinator.

A number of angel investors also contributed including founders from companies Vouch, Observe.AI, Eden Workplace, Teleport, RevenueCat, QuickNode, Dover, Middesk, Instabug and Rainforest QA.

Built in partnership with Stripe, the Arc Advance platform allows software companies to convert future revenue into upfront capital without dilution, save and spend on a single digital platform.

Based in San Francisco, Arc claims over 100 sign-ups since its launch last summer.

Personetics has raised **$85 million** in growth funding from software investment firm Thoma Bravo.

Backed by Viola Ventures, Lightspeed Ventures, Sequoia Capital, Nyca Partners and Warburg Pincus, Personetics previously raised over $160 million in 2021.

The Israeli firm offers a financial-data-driven personalisation, customer engagement and money management platform.

It allows clients to modify hundreds of pre-programmed insights and build customised user journeys, providing data, insights, financial advice and automated wellness programmes for retail banking, small business and wealth management customers.

Founded in 2011, Personetics has offices in New York, London, Paris, Singapore, Rio De Janeiro and Tel Aviv. It counts Santander, U.S. Bank, Royal Bank of Canada and Metro Bank among its clients.

E-commerce checkout fintech **Bolt** has raised **$355 million** in the first part of a Series E funding round.

Bolt is now worth 30 times more than it was 30 months ago and nearly double what it was worth only three months ago.

The round, led by BlackRock, saw participation from new investors Schonfeld, Invus Opportunities, H.I.G. Growth and CE Innovation Capital as well as existing investors Activant Capital and Moore Strategic Ventures.

Bolt's total funding to date now stands at nearly $1 billion.

Indian fintech **FPL Technologies** has raised **$75 million** in a Series C funding round, led by existing investor QED Investors. It also saw participation from GIC Singapore, Janchor, Sequoia Capital India, Matrix Partners India and Hummingbird Ventures.

FPL's offerings include OneScore, a digital credit score platform offering free credit score checks, and OneCard, a mobile-first credit card. OneScore has already racked up more than ten million users since its launch two years ago.

This latest funding round follows a $35 million Series B early last year, with total funding now at approximately $125 million.

365 Business Finance, a direct financial provider in the UK, has completed a **£55 million** debt and equity raise as it aims to quadruple its lending to SMEs over the next two years.

The equity round saw Kendal Capital invest in the business, while the debt facility was concluded with Pollen Street Capital.

365 Business Finance offers revenue-based funding up to £300,000 through its proprietary technology platform that boasts a "unique automatic collections process". Founded in 2012 and based in London, the company says repayments are "fully automated and perfectly align with sales, with no fixed repayments or set repayment period".

This is just a snapshot of the fintech funding activity worldwide. For more info on these and many other deals, head over to the *FinTech Futures* website!

MOVERS AND SHAKERS

António Horta-Osório

Credit Suisse chairman **António Horta-Osório** has resigned after an internal investigation found he broke COVID-19 isolation rules.

He was elected as a new member and chairman of the board in April last year to revamp the investment bank following the Archegos default and Greensill collapse.

Credit Suisse has appointed **Axel Lehmann** in his place.

Prior to Credit Suisse, Lehmann was on the board of UBS Group, initially as chief operating officer (COO) and then as president of personal and corporate banking and president of UBS Switzerland. Prior to that, he was at Zurich Insurance Group for almost 20 years, most of which as a member of the group executive committee.

Sultan Meghji, chief innovation officer at the US government agency **Federal Deposit Insurance Corporation (FDIC)**, has announced his resignation, just one year into his tenure.

Meghji joined FDIC last February as the firm's first chief innovation officer. Previously, he was chairman and CEO at fintech start-up Neocova for five years, which he founded in 2016.

Meghji describes himself as "an active entrepreneur", having launched and sold a number of businesses. He started his career at the National Center for Supercomputing Applications, where he developed artificial intelligence (AI) systems and first-generation internet technologies. He then held senior business and technology roles at ABN AMRO, American Express, Monsanto and United Airlines, among others.

California-based **Baton Systems** has appointed **David Ornstein** in a newly-created COO role.

Founded in 2016, Baton says it is transforming post-trade processing using distributed ledger technology (DLT).

Ornstein was previously COO of global markets at Barclays Investment Bank for 13 years. Prior to that, he held roles with Deutsche Bank, where he was COO of US credit markets.

His move follows the recent appointment of the former Basel Committee Secretary General, **William Coen**, as a senior advisor at Baton, and the appointment of **Jerome Kemp**, former global head of futures, OTC clearing and FX prime brokerage at Citi, as president.

Rupifi, a business-to-business (B2B) payments and transactions solutions provider in India, has appointed **Rajesh Kamra** as head of its innovation lab.

Kamra comes with 15 years of experience in technology and e-commerce. He founded fashion marketplace Koovs, co-founded B2B marketplace platform Tradila and scaled start-ups in the e-commerce, social commerce and B2B commerce space.

He is also an early investor in Rupifi. Founded in 2020, the start-up describes itself as "India's first embedded finance company" in the B2B payments space.

Minna Technologies, a Swedish fintech focused on subscriptions management, has appointed **Amanda Mesler** as chairwoman.

Melser is based in the UK and has more than 25 years of experience in banking, payments and financial technology. Most recently, she was CEO at merchant paytech Cashflows, and before that she was CEO of cross-border payment provider Earthport (sold to Visa in 2019). She also had a brief stint at banking tech heavyweight Finastra (Misys at the time) as COO, and held senior roles at Microsoft, Logica and KPMG.

Amanda Mesler

As a keen runner, she has completed marathons in every continent and completed a half marathon every month during COVID-19.

BitPay has hired **Jim Lester** as its first COO. Lester has over 25 years' experience including as senior vice president of product management, strategy and marketing within Fiserv's electronic billing and payments division. He has also served as CEO and board director of ThingTech and has held various executive level positions at healthtech McKesson.

Founded in 2011, BitPay enables businesses to accept cryptocurrency as a form of payment without having to buy, own or manage crypto.

For more information on these as well as other appointments and resignations in the industry, visit the Movers and Shakers section on the *FinTech Futures* website.

LANDFILL

Cartoon by Ian Foley

The excess of cash is diminishing the 'Valley of Death' for many start-ups. Historically, start-ups that could not get traction beyond the idea stage were stuck in a Valley of Death, where they could not get funding and quickly failed.

In today's venture capital market, where there are over 5,000 first-time fund managers, 300,000 angel investors and an active corporate venture market not solely focused on financial returns, start-ups are finding they can continue to get access to capital.

The consequence of this is start-ups are remaining private companies for extended periods of time, kept alive by insider venture rounds and an economy with few other places for yield.

This dynamic has also put founders in stronger positions than their investors and board members, and was arguably a contributing factor to some recent cases of alleged fraud.

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