# banking technology

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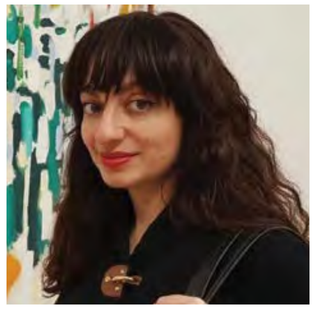
# IN THIS ISSUE

# EDITOR'S NOTE



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

Welcome to the summer edition of the *Banking Technology* magazine, packed with fintech and banking tech goodness!

The fintech consolidation continues, with a host of M&A activity reported over the last month. Equipped with funding money, lots of fintechs have gone on shopping sprees.

UK-based Paddle, which provides payments infrastructure for software companies, has acquired ProfitWell, a provider of subscription metrics and retention software, for $200 million in cash and equity. Just last month, Paddle secured a $200 million Series D round, valuing the company at up to $1.4 billion.

Another UK payments solutions provider, Checkout.com, is acquiring French ID verification start-up ubble for an undisclosed sum. In January this year, Checkout.com raised a mammoth $1 billion in a Series D funding round that took the company's valuation up to $40 billion.

Yapily, a UK-based open banking infrastructure provider, is set to take over finAPI, a fellow open banking solutions provider in Germany. Last year, Yapily raised $51 million in a Series B funding round.

Dutch challenger Bunq has become the second largest neobank in the European Union with the acquisition of Tricount, a Belgian group expense management app, which will see the bank take on an extra 5.4 million users. Last summer, Bunq raised $228 million in a Series A funding round, valuing it at $1.9 billion.

In Singapore, MatchMove, a provider of embedded finance services powered by APIs, has acquired e-commerce start-up Shopmatic for $200 million. Also based in Singapore, Shopmatic offers SMEs an online presence including webstore, chat, social media and marketplace functionalities. Last year, global tech firm Nityo Infotech invested $100 million in MatchMove in return for an equity stake.

Head over to the *FinTech Futures* website for plenty more M&A stories from across the globe!

There's lots more on the pages of this edition, including the top news, punchy opinions, food for thought and expert analysis. We hope you find it interesting, informative and useful.

# NEWS ROUND-UP

## Aussie payments regulator sets out QR code guidelines

The Australian Payments Network (AusPayNet) has issued new guidelines around the use of Quick Response (QR) codes as a payment method.

The guidelines are directed at financial institutions, payment service providers, merchants and other payment industry participants, and are designed to "encourage consistency", the regulator says.

They are set out in two separate documents: the Merchant-Presented Mode QR Code Standard and the Short QR Code Standard. The former is to offer the Australian market an interoperable QR solution for payers and payees, while the latter's aim is to enable a consistent interface for the creation and scanning of Short QR codes for payments and related transactions.

## Taiwan's Mega Bank selects Avaloq's core banking platform

Mega International Commercial Bank has chosen Avaloq's core banking platform to launch its latest offering of onshore private banking for high-net-worth individuals (HNWIs). Avaloq says its system will enable Mega Bank to "quickly scale the business and ensure data integrity" across its internal platforms and operations.

Following recent regulatory amendments in Taiwan's wealth management sector, local authorities are issuing new regulations to select financial institutions for onshore private banking services. Mega Bank claims to be among the first batch of banks to receive the latest regulatory approval and says it will "help shape this new market for HNWIs".

## Canadian Tire Bank taps Temenos for core banking upgrade


Core banking vendor Temenos has been selected by Canadian Tire Bank (CTB) as the firm looks to replace its legacy systems. The core banking upgrade forms part of parent company Canadian Tire Corporation's omni-channel digital-first growth plan. The firm aims to enhance customer acquisition, loyalty and engagement rates within its CTB financial arm.

CTB is one of the largest card issuers in Canada and the adoption of Temenos' tech will help the company provide enhanced digital banking features for its more than two million customers, including streamlined account opening and expanded buy now, pay later (BNPL) capabilities.

Elsewhere, ADCB Egypt, a subsidiary of Abu Dhabi Commercial Bank (ADCB), signed to implement Temenos' payments solution as it looks to tap into growing customer demand for cross-border payments. In Vietnam, Saigon-Hanoi Bank (SHB) has tapped Temenos to deliver an omnichannel, digital-first banking experience. The vendor says SHB will leverage its open architecture – with its combination of APIs, microservices and micro apps – to deliver personalised and AI-supported customer journeys across mobile and internet as well as in-branch and via ATMs.

## M1 opts for Thought Machine's Vault Core banking system

Financial services "super-app" M1 has selected core banking vendor Thought Machine and its Vault Core to build and launch new products from one unified, coherent "source of truth". All existing products and services will be migrated onto the new system.

The financial wellbeing app is designed to help people invest, borrow and spend "intelligently" all within one automated and personalised in-app experience.

"Vault Core is unlike any other banking platform: its microservices-based architecture and smart contracts capabilities each enable the configuration and launch of highly complex products all from a single, real-time platform," comments M1 CEO Brian Barnes. Last year, M1 completed a Series E funding round that valued the business at $1.45 billion. The company has $6 billion in assets under management.





## Mambu signs a trio of deals in the UK and Canada


ThinCats, an alternative SME lender in the UK, has selected Mambu's cloud-based core banking system. Recently, ThinCats appointed a new chief technical officer, Billy Ferguson, and secured up to £100 million in additional funding.

"As a cloud-native business, Mambu's platform aligns with ThinCats' technology strategy and provides a wider ecosystem of fintech products to facilitate its growth aims," Ferguson says. "This ability to rapidly configure new products and connect to partner systems was key to the decision to choose Mambu."

ThinCats uses "bespoke funding structures" and transparent processes to support approximately 450,000 businesses and has a current loan book worth more than £650 million. It intends to surpass the £2 billion mark "in the next few years".

Another UK-based firm, lending and credit infrastructure platform kennek, also recently signed with Mambu is to launch a new 'lender-in-a-box' offering. Kennek's Software-as-a-Service (SaaS) platform bundles credit scoring, open banking and data extraction vendors into one integrated system. Its new 'plug-and-play' credit infrastructure is targeted at alternative lenders and credit investors.

Elsewhere, Mambu has announced a strategic partnership with Brim Financial to deliver a new digital banking platform. Toronto-based Brim provides embedded banking and finance solutions, personal and small business credit cards, payment solutions and customer engagement and analytics tools. Its technology will be integrated with Mambu's banking platform.

## Oracle FS gains core banking tech clients in Europe and Africa

Oracle FS has landed new-name deals for its Flexcube core banking system in Portugal and Nigeria.

In Portugal, Caixa Economica da Misericordia de Angra do Heroismo (Caixa Economica Bancaria CEMAH), a banking institution with a 125-year history of serving retail, SME and corporate clients, has signed for a range of solutions from Oracle FS, addition to Flexcube.

In Nigeria, the deal is with a start-up bank, *FinTech Futures* understands, called Signature Bank.

## Westpac partners 10x Banking on platform for institutional clients


Aussie banking heavyweight Westpac has partnered with 10x Banking to develop a new transactional platform designed for institutional clients.

10x Banking, which has worked with Westpac for three years building out the bank's Banking-as-a-Service (BaaS) offering, will provide the core technology for the new venture. The vendor says its cloud-native core technology will provide the bank's institutional clients with a digital-first experience, access to advanced liquidity management, cash flow forecasting and real-time payments processing.

"The new platform will enable us to improve productivity and cost-efficiencies while simplifying processes and making it easier for our customers to do business with us," says Westpac's institutional bank chief executive, Anthony Miller.

## Santander uses in-house cloud tech to digitise core banking

Banco Santander has announced that it will be transforming its core banking platform with in-house software Gravity's cloud technology to improve service and efficiency. The initiative will allow "easier and faster" access to data, more simplicity and faster time-to-market, making it possible to deliver new capabilities "in hours, instead of days" as well as reduce the cost of running the core banking platform.

"Gravity will help transform Santander into a 'digital-native' company," says Dirk Marzluf, the bank's chief operating and technology officer. It is also an "important next step" in the bank's transition to a common tech stack that is utilised across the group, he adds.

Santander also claims that its cloud programme reduces its energy consumption for the IT infrastructure by 70% and contributes to Santander's responsible banking targets. The banking group expects to complete the transition in all its core markets and businesses within the next two to three years.

# FINTECH FEED

## THE NUMBER GAMES

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

**$2bn**
the latest valuation of Hong Kong-based Babel Finance, a wholesale crypto financial services provider, following the completion of a $80 million Series B round

**$200m**
paid for ProfitWell, a provider of subscription metrics and retention software, by payments infrastructure provider Paddle

**$10m**
fine ordered by the US Consumer Financial Protection Bureau (CFPB) to be paid by Bank of America for "processing illegal, out-of-state garnishment orders against its customers' bank accounts"

**$250m**
secured by credit card platform Deserve in credit facility from Goldman Sachs, Cross River and Waterfall Asset Management

**$2bn**
awarded in damages to low-code software firm Appian from customer relationship management (CRM) solutions provider Pegasystems following a lawsuit over alleged trade secret misappropriation

**250**
staff likely to be impacted by job cuts at e-commerce checkout fintech Bolt, which raised $355 million in a Series E funding round earlier this year

**10%**
of workforce – around 700 people – to be laid off by buy now, pay later (BNPL) giant Klarna amid "tumultuous year"

**$1.1bn**
is the valuation of US-based Caribou, an auto fintech that helps people take control of their car payments, following a $115 million Series C funding round led by Goldman Sachs Asset Management

**£1.82m**
is the fine imposed by UK's payments regulator on NatWest Group for overcharging interchange fees on credit cards

**$108m**
Raised by Modulr, an embedded payments platform for digital businesses, in Series C funding

**$300m**
Series A funding round landed by fintech start-up Bloom, making it the "highest-funded" revenue-based lending business in Europe, according to the firm

## THEY SAID IT...

*"Becoming everyone's banking platform is a bold vision. But being bold has been in our DNA since day one."*

Martin Häring, CMO of Temenos, speaking about the company's recent rebrand which features a new strapline: 'Everyone's Banking Platform'

• Head over to the *FinTech Futures* website to read the full article





# TRENDING

## MainStreet cuts almost a third of its workforce

California-based fintech, MainStreet, which helps start-ups and small businesses discover and claim tax credits and government incentives, has laid off around 30% of its staff, with CEO Doug Ludlow citing "today's incredibly rough market" as the reason behind the cuts.

"We took this action because we believe there is a very strong chance that today's incredibly rough market is only going to get worse, and potentially remain so for months, if not years," Ludlow wrote on Twitter.

"We need to ensure that as a company we are in control of our own destiny, not subject to the whims and waves of the market. This reorg is one of the steps that puts us on a near-term path to profitability and self-sustainability."

Founded in 2019, MainStreet claims to have saved over $100 million for more than 2,000 companies in the US.

The start-up raised $2 million in a debt financing round in January 2022, and $60 million in a Series A round in March 2021.

## Klarna trying to weather the storm

Buy now, pay later (BNPL) giant Klarna is to let go of about 10% of its global workforce (understood to be around 700 people).

Klarna CEO Sebastian Siemiatkowski outlined in a statement to employees how the fintech unicorn was staying "laser-focused" on weathering the various storms unfolding in 2022.

Siemiatkowski cites the war in Ukraine, inflation, a volatile stock market, shifts in consumer sentiment and a likely recession, "all of which have marked the beginning of a very tumultuous year".

The leadership team evaluated the company's organisational set-up and "made some really tough decisions", he said.

Last year, Klarna bought German card aggregator Stocard, Stockholm-based APPRL (a platform that links creators and retailers) and Nordic shopping comparison site PriceRunner.

It also saw its borrowing costs climb to their highest level on record, Bloomberg reports, as rising rates are expected to shave $16 billion off the company's valuation in an upcoming funding round.

## Bolt restructure sees jobs lost

E-commerce checkout fintech Bolt is laying off staff as part of "several structural changes", according to an announcement made by the firm's CEO Maju Kuruvilla. According to Bloomberg, which cites "a person familiar with the company", about 250 employees could be impacted, constituting about one-third of the firm's total workforce.

In a message to employees, Kuruvilla said: "It's no secret that the market conditions across our industry and the tech sector are changing.

"In an effort to ensure Bolt owns its own destiny, the leadership team and I have made the decision to secure our financial position, extend our runway, and reach profitability with the money we have already raised.

"To laser focus on our core business and products, we will be prioritising our roadmap and making several structural changes. Unfortunately, this includes reducing the size of our workforce."

California-based Bolt raised $355 million in a Series E funding round in January 2022.

## BizPay streamlines by 30%

Australian B2B BNPL firm BizPay has cut 30% of its workforce due to volatility in the tech sector and a "challenging market" for fintechs.

BizPay CEO and founder David Price said in a statement that uncertainty in the global markets, "particularly in the tech sector, and current market conditions", means the company has made the decision to streamline its operations and workforce.

Price adds the fintech is undergoing an "operational transformation" and process automation.

The company is reportedly in the middle of a Series C funding round, with a view to raising $20 million. To date, BizPay has raised $45 million since 2019.

# The metaverse: sorting fact from fiction

By Dave Wallace

I was recently asked to speak to a gathering of asset managers about the metaverse and its potential opportunities and threats. Having agreed to do this, I thought preparing for the talk would be straightforward. We are, after all, surrounded by huge media focus on the subject.

But I soon realised that nobody seems quite sure what the metaverse actually is. There are obviously definitions, such as "the next generation of the internet (wow!)".

Overall, there is agreement that it will be immersive, including virtual (VR) and augmented reality (AR), and be persistent. I would also add standards enabling interoperability.

The metaverse is currently being built as a series of islands that need to be connected before anyone can say it has truly arrived.

If the definition of the metaverse is hard to pin down, what are some of the things that we do know? We do know that there is a lot of hype. A quick look at Google Trends shows that the metaverse has been trending since October last year. What's fascinating is that the shape of the graph between then and now roughly follows the average hype cycle chart.

What else? It seems that companies see a very bright future for the metaverse. A report published recently by Citibank titled 'Metaverse and money: decrypting the future' forecasts the total addressable market (TAM) for the metaverse to be between $8 trillion and $13 trillion, with five billion users by 2030. Other banks are equally bullish, and a virtual land grab is underway.

Why? The answer to this optimism lies in the building blocks being put in place.

## WHAT ARE THE BUILDING BLOCKS?

The first building block is the game platforms. Anyone who has teenage children with access to devices will know the names of some of these platforms – Minecraft, Roblox, Fortnite, Call of Duty and so on. But many of us are unaware of the scale of some of these games.

Fortnite has 350 million subscribers globally, Call of Duty has 400 million, and over 150 million people play Roblox once a month and 33.4 million daily. In the context of a global population of eight billion, a statistically significant percentage are in these environments at any one time.

These worlds are immersive and have persistence and are played through games consoles and high-end gaming PCs. And the graphics are becoming more and more realistic. Gamers' behaviours are worth watching as they start to build communities and engage in commerce. Currencies are beginning to appear and can be used to buy items, such as skins or digital clothes for users to wear. Players are not thinking twice about buying digital fashion for their gaming avatars. Only this week, the first pure-play digital fashion brand DressX launched its collection on Roblox. The market for digital apparel is forecast to grow to more than $50 billion by 2026.

But these platforms are centralised and exist as walled gardens. Until someone can (virtually) walk out of one game into another, it will be challenging to say that the metaverse has truly arrived.

## PLAYING WITH SAND

Another building block is the virtual world platforms. These include The Sandbox, Decentraland and Meta's Horizon. It is possible to buy land in The Sandbox and Decentraland. Last year, transactions relating to virtual land reached $350 million in The Sandbox and more than $110 million in Decentraland. Who is buying up land and why? It is not just individuals; banks have also looked to snap up plots, including HSBC, JP Morgan Chase and Standard Chartered most recently.

I asked Suresh Balaji, HSBC's CMO for Asia Pacific, why the bank invested in The Sandbox. He told me: "The metaverse is how people will experience Web3, which we believe is the next generation of the internet – using immersive technologies like augmented reality, virtual reality and extended reality.

"At HSBC, we see great potential to create new experiences through emerging platforms, opening up a world of opportunity for our current and future customers and for the communities we serve. We make our first foray into the metaverse through our partnership with The Sandbox.

"We truly see that virtual reality, augmented reality technology and all of these new three-dimensional interfaces will gain mass adoption at some point. HSBC has always been invested in communities. Gaming creates huge communities."

Meta, formally Facebook, is pointing towards this virtual future, and they appear to be dragging the rest of us with them. If you look at the Google Trends report mentioned above, interest in the metaverse spiked when Mark Zuckerberg announced the rebranding.

Web3 is another building block. Web3 technologies are increasingly finding their way into games platforms and virtual worlds. The currencies mentioned previously are increasingly crypto and blockchain-based. So, while Web3 and the metaverse are different, there is a significant overlap. And while the platforms themselves lack interoperability, the currencies that have found their way in can be part of a person's overall wealth and managed accordingly.

So, where does it all end? Nobody is quite sure, but to dismiss it as pure hyperbole is to miss the point. Games platforms demonstrate the global appetite for virtual worlds. But it is anyone's guess when we will all walk into our screens and move between platforms.

**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.




RESEARCH

# Past, present and future

Our annual survey has collected readers' thoughts on all things financial

We have called on our readers to provide us their views to help assess the industry's take on the state of play, prospects and likely future shape of the financial services, banking and payments technology sectors worldwide.

The results are compiled in our second edition of the annual *FinTech Futures Industry Survey & Report*, available for you to download for free below.

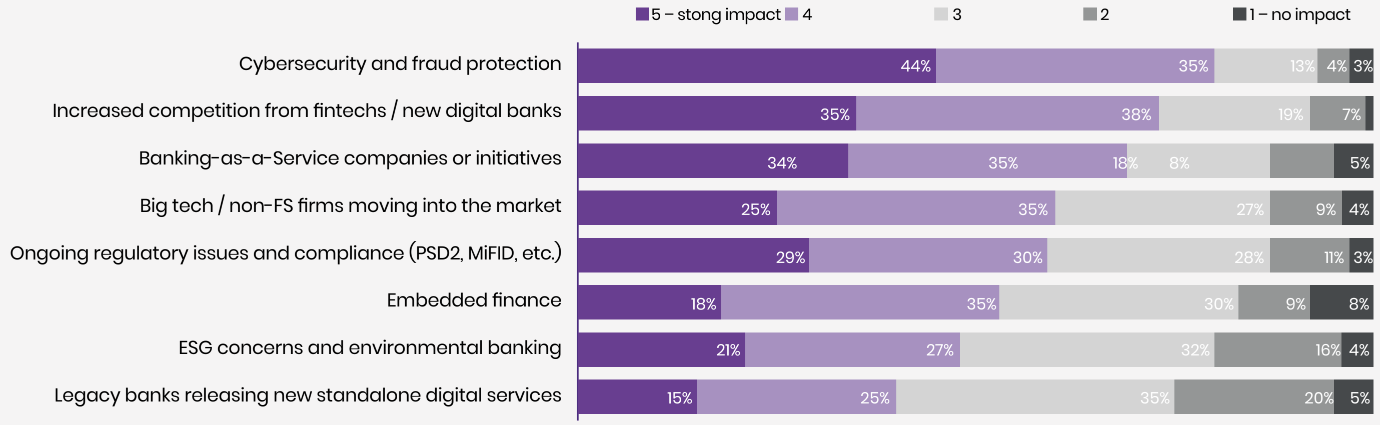
The survey covers:

- About the digital future
- User experience in banking
- Back-office technology
- Payments innovation
- Cybersecurity

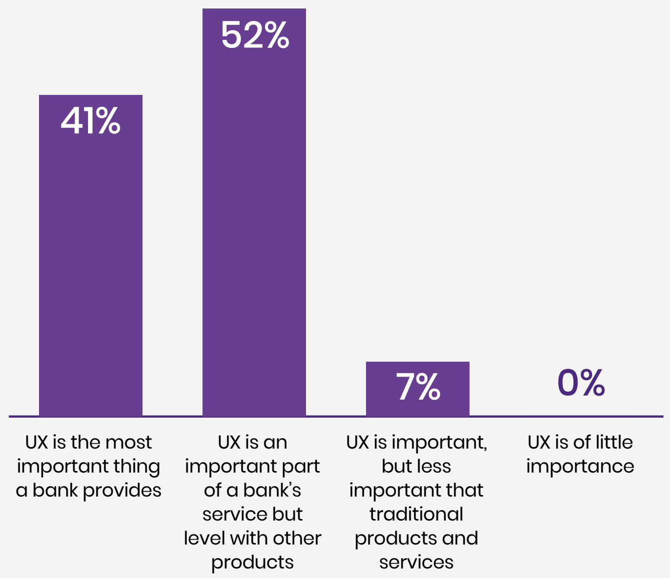
We hope you find the findings valuable and useful in building your company's roadmap and navigating the global financial services and technology market.

**Download the report today from the *FinTech Futures* website!**

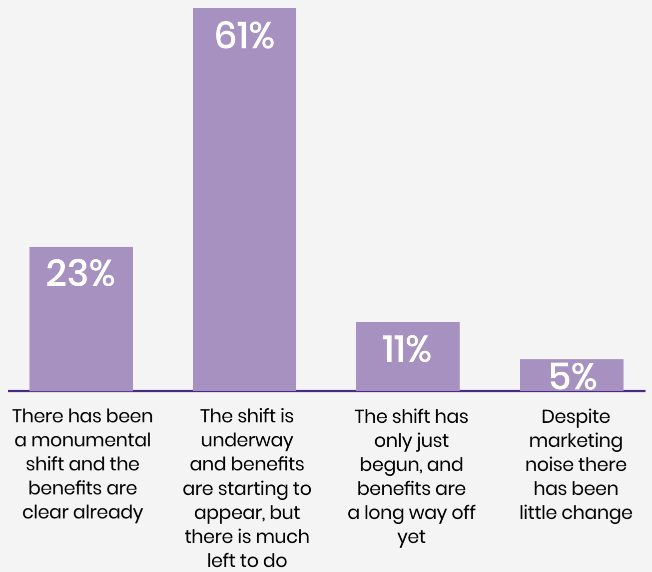
## Impact of select trends on the financial services industry




## Importance of UX in differentiating your services




## Progress in the payments sector over the past 24 months



# Programmable banking

By Dharmesh Mistry, CEO, Askhomey

In the heyday of neobank launches, there were a lot of start-ups saying: "We are a tech company with a banking licence."

My response to this was if you're selling banking products, you're a bank. If you're selling banking software, you're a tech company. Simple, right?

Maybe I got this wrong, and maybe there actually could be some truth in being a tech company with a banking licence. If we consider being a tech company involves writing code, then we can think about banking becoming programmable at least at the following levels:

- Programmable money
- Programmable products
- Programmable banks

Practically since its inception, Bitcoin has not only been described as "digital currency" but also as "programmable money". Aside from its digital characteristics, the ability to add rules that execute upon a certain event separates it from fiat money and current money systems.

These rules and the specific event form a smart contract. While banks can add logic to money movement events for fiat, a smart contract is independent of a bank, and it is possible for smart contracts to interact.

For example, you could pay for a book after only a certain number of pages have been read or ensure royalties are paid when a valuable asset changes hands. The scope for this alone is huge and we are still at the very early stages in terms of the possibilities this presents.

Programmable products takes this concept further by being able to add logic not only to money, but to a financial product like a loan. For example, paying loyalty rewards for making loan payments on time, or limiting investments in a new green ISA to companies with a certain carbon footprint.

The possibilities are literally limitless, especially when these rules can be combined with external data feeds or devices. Imagine a car insurance policy that charged you, in real time, an extra £1 every time you broke the speed limit, or one that calculated your insurance by the amount of time spent in your home. We've already seen health insurance products and savings linked to fitness watches.

> "There is much more to being a tech company than just opening up data, processes and products through APIs."
>
> Dharmesh Mistry

In the Web3 world, this is already easily possible with the underlying technology of smart contracts. Crypto companies like StepN, which rewards customers based on the number of steps they take, or Audius, which combines digital rights management with paying for music, are great examples of the "art of the possible".

It's not a lack of imagination that has held up this kind of flexibility. A lot has to do with legacy core banking solutions lacking the ability to support such innovation. Product managers today should be looking to modern core banking offerings that have granular solutions to enable products to be easily composed, while still having the ability to code any features that aren't out of the box.

Next is the programmable bank itself. This isn't just exposing a few APIs for open banking and setting up a sandbox for fintechs to integrate your APIs. Nor is it simply joining IFTTT (If This, Then That). It is so much more.

Imagine rebuilding the banks so that every possible action on any data was handled through APIs. This was pretty much Jeff Bezos' mandate to Amazon: that every aspect of Amazon should be API enabled. Whether they are all exposed to the outside world is a separate issue. Doing this increases internal flexibility, let alone the innovation that could happen from external organisations.

The "Bezos API Mandate" was issued in 2002, yet 20 years later, what (if anything) have banks learnt from this? The exception to the rule could be Investec, which after four years of working with OfferZen launched "programmable banking" this year. I hope to delve into exactly what is being offered here soon. The interesting part here is that this isn't just for fintechs but also for any customer of the bank! Customers (personal and business) can now code (script) the behaviour of their credit cards. Again, banks have been held back by their legacy monolithic core banking systems and again, modern core banking systems based on micro-services come to the rescue.

In reality, and as I have written before, there is much more to being a tech company than just opening up data, processes and products through APIs. There is a whole different sales and marketing organisation which then creates quite a different culture to traditional banking. Then there is product management of software. Essentially, it's a whole different business.

For at least a couple of decades it has been possible to create programmable money, products and banks. But banks may have been right not to jump on those bandwagons too soon, whether it was by choice or ignorance. Customers simply were not ready.

I'm just saying that with the shift to digital, the increasing awareness and use of crypto and a huge population of gamers and coders, we are fast approaching the time being right for creating programmable solutions. The task at hand is much more than exposing a few APIs for open banking, so it will take time to scale and get right.

However, the opportunity is colossal. Imagine banks subtly advertising that Brand X is "powered by Bank Y" or has "Bank Y inside". As Marc Andreessen said, "Software is truly eating the world." The question is, what is your bank doing about it?

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.

# Digital transformation and trends in financial technology

In its latest report, FinTech Futures in association with Pure Storage seeks to understand the current state of play among financial institutions and fintech firms in terms of their own digital transformation and in response to challenges and future plans

FINTECH FUTURES | REPORTS

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The financial services industry has traditionally lagged when it comes to digital transformation, but that is changing. The expansion of fintech and bigtech firms has put pressure on incumbents to respond to a shifting landscape of competitive threats.

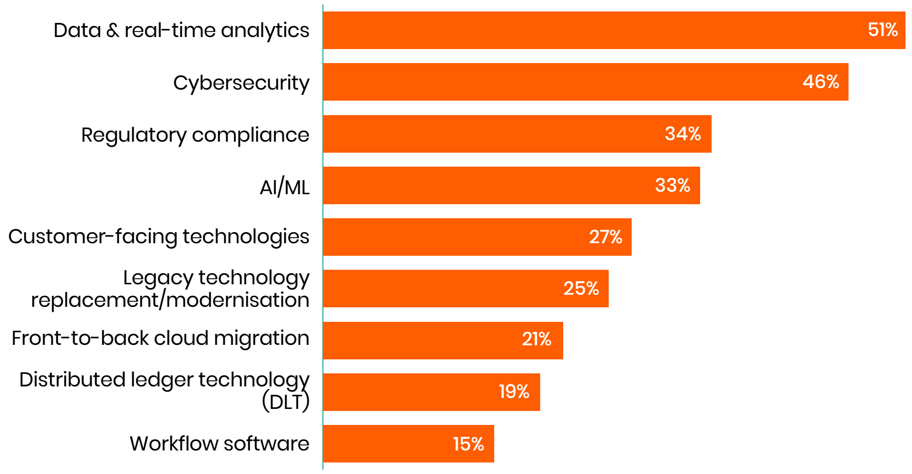
In an increasingly competitive environment, for financial institutions to stay relevant and competitive, they must leverage technology to provide compelling products and services and a more personalised experience.

In a recent survey, carried out by *FinTech Futures* and commissioned by Pure Storage, executives from financial institutions and fintechs gave their views on the current state of digital transformation and the technologies, trends and challenges that will shape the future of the financial industry.

This survey sought to understand the current state of play among financial institutions and fintech firms in terms of their own digital transformation and in response to challenges and future plans.

Read more in this free report, which details the findings and covers the future of the financial industry, including a shift back to office, fraud prevention, KYC and regulatory compliance.

**Which three areas do you see as most critical for future investment in 2022 and beyond?** (Select up to 3)

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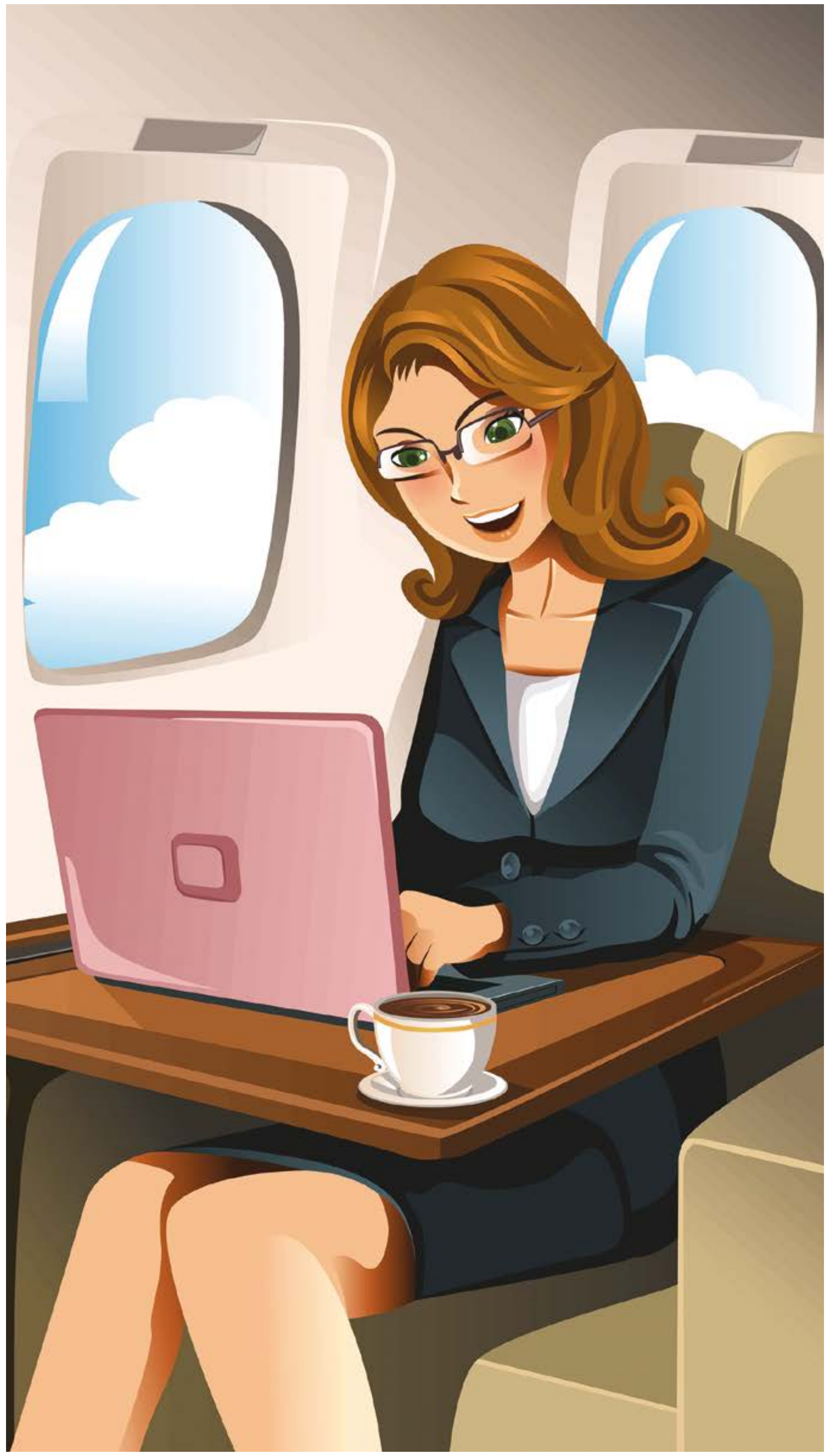
# Liminal spaces

By Leda Glyptis



The term 'liminal spaces' means 'spaces on the edges of things'.

It comes from the Latin word for threshold (no, I didn't know that – Wikipedia told me) and it expresses the state of being on the precipice of something, but not quite there yet. Not quite into the new thing, not quite out of the old.

Maybe you already knew that.

I learned it from my little sister. It's a term that they use often in the art world (where she lives and occasionally lets me visit) to express how art pushes perception and makes mental and emotional transcendence possible, how it makes transitions possible.

It's beautiful, no?

Trust me to take such an ethereal concept and make it all about banking.

But that is who I am as a person.

The idea is that you can be in a liminal space physically, emotionally or of course metaphorically and in most situations the term 'liminal space' is not positive. It is used to describe a place of uncertainty and discomfort. Not quite here, not quite there. Often riddled with anxiety.

That is not, for once, what I am going for. I am using the term to describe a metaphorical space (for instance, a nugget of time) that is 'unclaimed' by your normal activities. If you have a better name for it, please tell me. I used to call it "the in-between spaces" before I stumbled upon this term, and I like liminal better.

I was chatting to a client the other night.

Friend. Client. Both. The best kind.

And he joked about when I get the time to write given everything else I do. And as he and I actually do work together, he knows just how much that is. He also joked about whether he'd know it when he featured in one of my pieces. Yes, you will, was my answer. So here we are.

But back to the point we were discussing.

I write in my liminal spaces. For many years that used to be flights. When lockdown started that caused a problem, let me tell you. Because there was something about time that was already committed, time-boxed and off-grid that was not just good for the discipline of writing. It was good for the fluidity of the thinking. It wasn't just that flights gave me the time to write. It felt like they gave me the freedom to write exactly what I wanted or needed to write in a way that doing it at my desk or at home didn't work the same way.

I tried to create some liminal spaces for me, during lockdown. I tried to hack it.

On fine, sunny days I would take my laptop and a coffee into a park. No Wi-Fi. And nothing to do there other than soak up the sun and write. It was nice, but it wasn't the same. It felt a little contrived. It didn't quite capture the special energy buzzing in the space in between places. A low hum. Not a frantic, high-octane vibe at all, in the liminal places… and yet a sense of a taut drum, a thing poised.

I didn't say all that during dinner. But I thought it. And that in turn got me thinking through the night and next day, like good conversations do. And the introspection reignited something I have been thinking about a lot over the past two years.

Where do we get fresh ideas from? How do we stop ourselves from just shuffling along from task to task and day to day, doing what we always did and getting what we always got?

It doesn't work the same way for everyone. Some folks get inspired and energised by other humans. Others find people draining. Some folks get inspired by school. Seminars. Webinars. Courses. Podcasts. Lessons. Others get inspired by immersion. Some folks get their best thinking done in the shower. That's a liminal place if I ever saw one.

And maybe that's the magic of a truly liminal place and why my attempt to force it didn't work.

It's bonus time.

It's time that is already gone, already committed to another activity so you don't feel forced to make it productive.

While you are sitting on a plane, standing under the shower, pounding the pavement or sitting still through a play. You are already doing something. The time is committed. You are not doing the things you normally do. Physically. And you can choose to think on nothing. You have that reprieve. The time is already gone. Guilt-free.

Your mind drifts away from the things you would be thinking about if the time wasn't already given up to something. The things you normally think about get to breathe and rest, stretch and settle, and when you look again, they look different.

Hanging out the laundry or going for a walk to think about a problem doesn't count, by the way.

> "Going to a play and having a glass of wine with a friend is good for your employer."
>
> **Leda Glyptis**

Getting yourself out of the mental space you were in when you were actively working on something is key to achieving this replenishing magic I am talking about. Running out for milk between back-to-back Zoom calls does not achieve that. Cooking dinner for the kids while checking their homework does not achieve that. And trying to relax while actively stressing about something someone said or did, a problem, an oversight, a bad behaviour, won't work either. They are elusive, the liminal places. You can't summon them just because you need them. The same activity won't yield the same effect every time.

You don't have a genius idea every time you have a shower or go for a run. Just sometimes. But the value of the liminal places is always there even if it does not manifest itself in a specific idea every time.

But be warned, liminal spaces are not just elusive, they are also fragile. If you are stressed and all wired up, even if you get yourself physically in the right place, mentally it won't work. Which is too bad because a constant level of stress seems to be the default in our industry.

Engendered by the overall tone, sustained by the wall of meetings and Zoom calls and long hours. We've talked about all this time and again (remember bankers behaving badly?). This is not new. Neither is what I am about to say next, and yet it feels like it has to be said.

Burnout is not sexy.

And it has few outward signs at first. It's your brain that becomes frazzled initially. Your depth perception in problem solving, your ability to tell the urgent from the important. Your patience with complexity. Your instincts get blunter.

The physical side effects may or may not follow but the mental side effects have no outward signs other than maybe constant irritability.

They are affecting you though. And in ways that are hard to measure, perhaps imperceptible but undeniably there. They are affecting the quality of your work. You are giving your company your all and yet… you are not… because by working yourself to the ground you are giving them less than your all, a lot of you being rapidly fried by the constant need to focus.

So what I am saying is… going to a play and having a glass of wine with a friend is good for your employer. Taking your charity day and spending the day stacking books or cleaning pathways in a park, is good for your bottom line.

Going to the gym, going on holiday, taking the kids to the park, is actually going to improve the quality of your work.

I don't know what your liminal places are, but I know that you can't live without visiting them for long without losing your creativity, flexibility, sense of wonder and occasionally sense of humour.

So find those liminal places that work for you. That allow your brain to wonder and wander. And keep visiting.

For the sake of your productivity and creativity, take time away from your desk. Do it often. Do it regularly. Do it with intent.

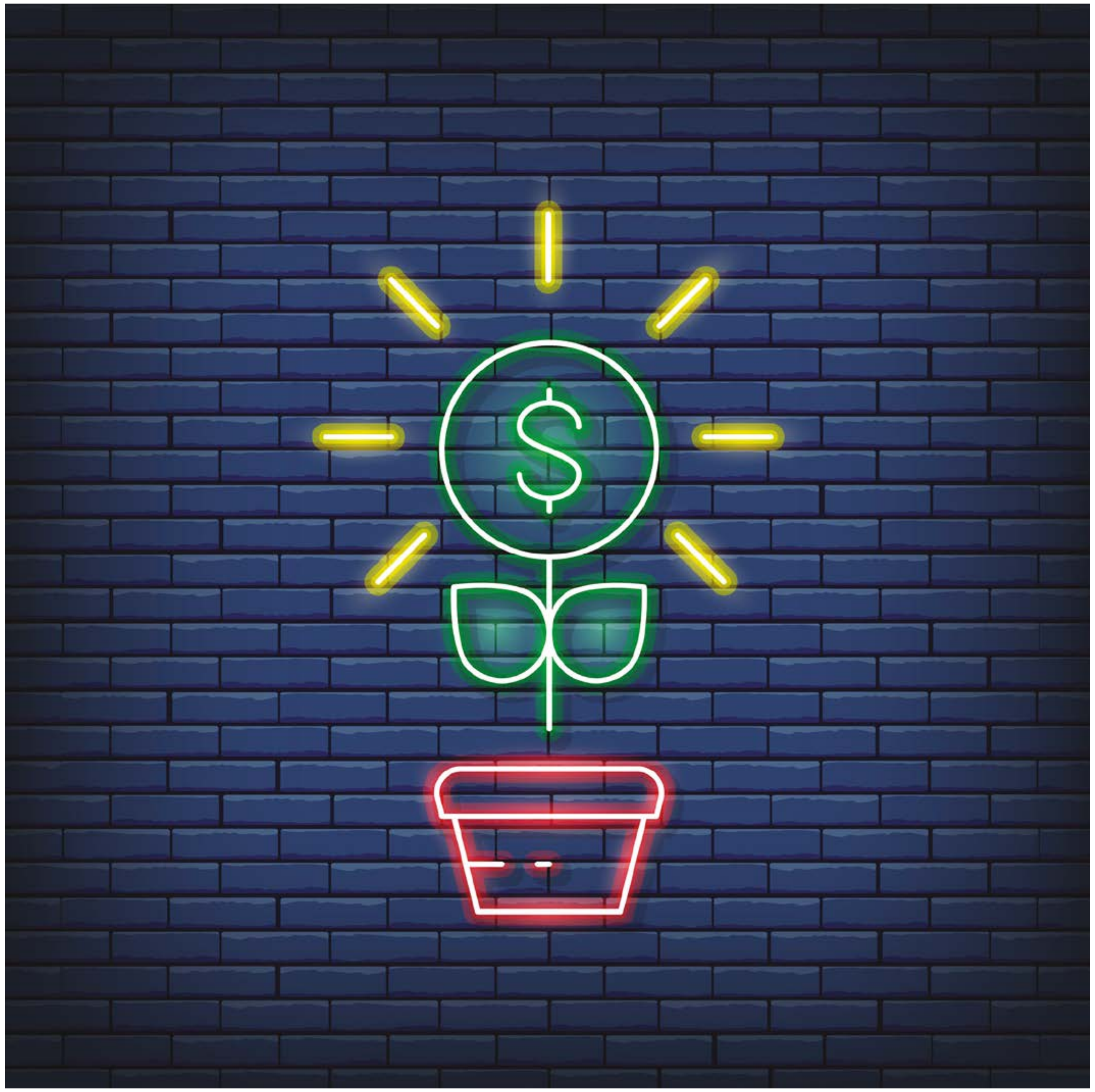
*#LedaWrites*

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.

# Another brick in the wall: how Bloom is helping teens build financial literacy skills

By Alex Pugh, reporter, FinTech Futures





Young people who leave school may know some biology, some geography. They may be able to reel off famous historical figures or explain Pythagoras' theorem. But many will enter the world of work with only the most basic of financial literacy skills. Why?

Educating teenagers and young adults about financial matters early can help them manage their finances and save for the future more effectively, as well as avoid any potential pitfalls.

Fortunately, a plethora of fintechs have spotted this glaring knowledge gap and have decided to do something about it. One of these, Bloom, has launched in the US and is giving teens the tools and skills to become financially literate.

The Bloom team is a multi-generational group of fintech operators and builders. Its three co-founders are Allan Maman, Sonny Mo and Samuel Yang. Its investors include Y Combinator and a former US 2020 presidential candidate.

"More than 50% of Americans today still do not own any piece of the American economy in the form of equities. It's very clear that this must change," Maman tells *FinTech Futures*.

## CHILDREN, CHILDREN, FUTURE, FUTURE

Bloom enables teenagers to start building wealth by investing in the stock market and learning about finances. Its vision is to have every teenager start building wealth in a safe and educational way.

"There is a massive underserved gap where teens aren't being financially educated in schools, and they often go on to make financially poor decisions in investing, student loans and credit," says Maman.

The app enables teens to start investing with as little as $1 through Uniform Gifts to Minors Act (UGMA) or Uniform Transfers to Minors Act (UTMA) custodial accounts – created under state law to hold gifts or transfers that a minor has received and are managed by a custodian.

"Teens aren't being financially educated in schools, and they often go on to make financially poor decisions in investing, student loans and credit."

Allan Maman (above left with Bloom co-founders Sonny Mo and Samuel Yang)

"To guide our audience towards financially healthy behaviours, we also offer more than 18 interactive education modules and quizzes, which teach concepts such as why diversification is important and what an ETF is," Maman says.

## DOWN WITH THE KIDS

Teens are becoming more and more astute when it comes to marketing guff and spin. Despite being marketers' most coveted demographic, they have a nose for when they are being sold to. Getting them on board, while a sound strategy, could be difficult.

While Bloom has partnered with edtech Juni Learning and youth organisation VFiles to sponsor some teen accounts for investing and education, for example, Maman thinks the best marketing comes from the product itself.

"We believe that we have built a product that both teens and parents love and can't stop talking about – word of mouth is our strongest avenue of marketing," he says.

Additionally, Bloom has partnered with several non-profit organisations that are also working towards educating the next generation.

Maman is no stranger to growing awareness of a product or brand. He has a storied background, working for US Democratic presidential candidates Andrew Yang and Michael Bloomberg, growing their online following and bringing in donations.

In charge of viral growth marketing for the Andrew Yang 2020 presidential campaign, Maman's team was responsible for netting the campaign $1.4 million.

## FINANCIAL WELLBEING 101

Bloom covers a large majority of the financial literacy basics, and more resources are added every week. For example, Bloom currently has modules such as: "Why invest in stocks?", "What is a stock?", "Diversification" and "Budgeting for your future".

The content orients Bloom's learners towards financially healthy habits. "For instance, we strongly discourage day trading or gambling and encourage diversification and long-term investing," Maman says.

The ramifications of a financially


"Too many times, we've talked to fathers and mothers who have not had the financial education exposure themselves."

Allan Maman, Bloom

undereducated population, particularly younger generations, manifest in all sorts of ways, leading to all manner of social and economic ills.

Predatory loans and mountains of debt lurk in a society in which spending is king – even when you don't necessarily have the money in your bank account.

But it's not just about avoiding pitfalls. Opportunities to save and build wealth may also be missed by those who are simply not aware of them. Interest, savings and responsible investing can lead to returns if people start early and are sensible with their hard-earned money.

Albert Einstein was reported to have said: "Compound interest is the eighth wonder of the world. He who understands it, earns it… he who doesn't… pays it."

"We think that teens having ownership gives them a great opportunity to learn especially because existing financial content is often confusing and dry for this audience. We also believe that starting early and taking advantage of compound interest in growing wealth is critical," Maman says.

In an era of inflation and economic uncertainty, one of society's most pressing needs is providing an easy and early way for the next generation to own assets and become financially literate.

## BANK OF MUM AND DAD

Certainly, Bloom has swooped in where the state has left a vacuum. But parents, too, surely have some skin in this game.

"As a parent, if you believe in educating your children, it's become ever crucial that you incorporate financial education into the dinner conversations," Maman says.

The question of just how much responsibility parents have in teaching the basics of financial literacy is up for debate, and there are of course challenges.

"We've met parents who are too busy with their day jobs trying to make ends meet. Too many times, we've talked to fathers and mothers who have not had the financial education exposure themselves," adds Maman.

In order to break this cycle, parents, as well as their concerns and knowledge gaps, are built into the Bloom experience. Parents can monitor their children's education journey and learn alongside them. "This relationship has led to a lot of fruitful conversations around financial concepts across the dinner table, and we want parents to support their teen in their financial journey," Maman says.

Regarding investing, Bloom offers granular parental controls to ensure safety. As an example, parents can allow teens to only purchase ETFs or buy stocks with low beta values. They can also review every transaction and order before execution and have comprehensive control over the experience.

## ONE BRICK AT A TIME

The financial habits that you form as a teenager often stick with you for the long run. Orienting the next generation of Americans towards healthier financial habits by encouraging them to start building wealth early and to learn about their finances is the first step towards changing the financial health of America.

"We believe that teens are at the age where they start to become financially aware. They learn that college is expensive and they might have to take out student loans or apply to scholarships. They get their first paycheque from a summer job and start imagining what their dream careers might look like," Maman says.

In a society that is financially healthier, teens would be more aware and in control of their financial future. That would ripple out to the rest of society, which may mean lower debt levels or more diversification of personal assets, for example, on both an individual and macro level.

A teen is more willing to take the initiative and educate themselves when they have skin in the game, whether that's having $20 in the S&P or $1 worth of individual stocks in their own wallets.

As Maman concludes: "It's crucial that they have ownership so that they can learn, and we are at the very early steps of this movement."

# Northern Ireland fintech: leaders in sustainability

Northern Ireland has the highest concentration of fintech employment in the UK. In this report, FinTech Futures, in association with Invest Northern Ireland, profiles four financial services institutions that are thriving in the region

Northern Ireland has emerged as a hub for innovation across the financial services sector. The UK region is home to a dynamic and diverse ecosystem of fintech and regtech companies comprised of home-grown start-ups as well as many of North America's leading financial multinational corporations.

It's no surprise that the capital city of Belfast was identified by fDi Markets as a top three Fintech Location of the Future (after London and Singapore). A host of global financial services institutions have established operations of scale here, including Allstate, Citi, CME Group, FinTrU, IQ-EQ and TP ICAP, to name just a few.

These companies thrive in a supportive entrepreneurial ecosystem in which collaboration and innovation is encouraged and supported by the government and two of the world's leading universities for high technology skills development.

This free report by *FinTech Futures* and Invest Northern Ireland deep dives into how Northern Ireland became a pioneer in the advances of fintech and regtech.

You'll look to Northern Ireland as the forefront of innovation as the drive for enhanced transparency and security in global financial services continues.

**Download the report today from the *FinTech Futures* website!**

# Top ten UK cities for salaries for women

By Kirstie McDermott, Jobbio

The UK is a great place for a tech career: London is the technology capital of Europe and there are hundreds of start-ups located there, with a reported 32 companies at unicorn status.

Employment is strong: staffing levels at Britain's tech firms increased at the fastest rate on record in the last quarter of 2021 and three million people, or 9% of the UK workforce, are employed in the industry.

Following a £13.5 billion investment into UK tech in the first half of 2021, companies are hiring.

With many established and growing tech clusters around the country, there is plenty of opportunity for movement if a career move is on the cards. Deloitte's 2021 Kalifa Review established ten high-growth fintech clusters in particular, across super hubs (such as London), established clusters like Manchester and Leeds, and emerging clusters – for example, Cambridge and Reading.

It's all really positive news, but what is the UK like for women working in tech? Only 26% of those in the tech workforce are women, according to data from Tech Nation. In addition, 60% of women in the industry agree that there is a gender pay gap in the technology sector – that's driven by several factors, some of which include culture, lack of availability of leadership roles and lack of flexible working to accommodate families.

As more female STEM graduates come into the tech workforce in junior roles and work their way up, that will hopefully help to balance out these issues and create a more level playing field for female tech workers. In addition, mentoring programmes, women in tech events, networking groups and meetups can all be really beneficial to help and support women in their careers.

In terms of the pay gap, recent research analysed 40 cities across the UK to assess where women are paid the most. No surprises to discover that in London, wages for women are the highest at an average of £45,500 – however, the standard cost of living there is up to 58% more expensive than other UK urban areas. It's also worth noting that in general, tech salaries tend to exceed many other industries: 2019 figures indicated that women in tech earned an average of £63,000, compared to men who were earning about £66,000 per annum.

Outside of London, Derby was the highest paying city, followed by Newcastle and Chelmsford. The lowest paying city for women? Sunderland at £26,600.

**Ready to make a move? Visit FinTech Futures Jobs at www.fintechfuturesjobs.com**

**The 10 top UK average yearly salaries for women**

1. London: **£45,500**
2. Derby: **£37,800**
3. Newcastle: **£35,900**
4. Chelmsford: **£35,900**
5. Bristol: **£35,500**
6. Winchester: **£35,400**
7. Oxford: **£35,300**
8. Cambridge: **£34,500**
9. Southampton: **£34,200**
10. Manchester: **£34,100**

# What is social impact and how can you measure it?

By Gihan Hyde, founder & CEO, CommUnique

Social impact is the 'S' in ESG (environmental, social and governance). It is defined as any significant and positive change to our society that addresses or solves social injustice.

It is worth noting here that if your priority is on solving environmental problems, this still has a social impact – protecting rainforests also protects the people and animals that live in them, and any action that keeps the warming of our planet below the 1.5º target set by the IPCC is helping humans in the long run.

However, as much as these different aspects of ESG are linked, you might choose to focus more on your social impact. This can have advantages in building strong community links to the people you are directly helping, which can help brand loyalty.

First, it is important to define whether you are aiming to become a social impact tech firm – that is, a tech organisation whose main focus is your social impact and making the world a better place – or whether you are looking to build corporate social responsibility (CSR) into your existing work. Both of these things are valuable in driving change and can have an impact on the individuals and society you choose to help.

Tech organisations have a huge opportunity to make a social impact in a sector that offers the opportunity to challenge traditional financial institutions and promote banking equity, particularly throughout underdeveloped nations where the use of fintech is expanding rapidly. Building social impact into your organisation could also be good for the bottom line – today's consumers and investors want to buy from and invest in organisations that align with their values.

## EMPOWERING WHILE EDUCATING

Take Scrapp, for example – an app that aims to make recycling simple, fun and rewarding. Users can scan the barcode of any household item, then Scrapp will show which parts are recyclable or not, according to local recycling rules. Scrapp focuses on education in its mission to protect people and the planet. But the firm also goes one step further by working alongside local authorities to offer recycling challenges for residents in the UK and US. Residents are able to vote on which charity or cause money raised is donated to – ensuring that small actions turn into big impacts.

I personally use the app and when speaking to one of its founders, Dan Marek, it was clear that the app is still in its data crowdsourcing phase, meaning that it relies on me as the user to help it gather all the information needed to form a comprehensive offering. So in a way, Scrapp is also empowering me while educating me on all things recycling.

Making a social impact in your local community can also help you to build strong relationships and bonds with the community as a whole, as well as grow loyalty among customers. It is up to you whether you choose to do this or whether you take advantage of our globalised society to make an impact around the world – or a mixture of both!

As long as your social impact policies and actions are promoting equality and addressing social injustice among anyone under-privileged while not doing damage elsewhere, you can make an impact anywhere.

## ACTION PLAN

We have discussed what social impact is, its importance and who you can affect with it, so now we'll move on to the fun part: how do you incorporate social impact policy into your business?

First, it's important to plan your mission.

This is where you look at what your organisation does and think about where you can affect the most change. It makes sense to choose areas of change that are related to your business and fit in with your overall business mission. If you are an investment fintech, could you offer financial education to underprivileged young people? If you are a SaaS fintech, could you work to provide business education and loans or grants to underprivileged communities?

Think not only about what is relevant to your business, but also what you are passionate about and communicate your passion to your staff. It is important to get staff on board and excited about what you are doing so they are actively working toward the same goals.

> "It is important to get staff on board and excited about what you are doing so they are actively working toward the same goals."
>
> **Gihan Hyde, CommUnique**

Second, put your mission into action.

To measure the impact you are having with your projects, record everything you do – run before and after surveys among the people you are targeting, account for and audit every change that is made and gather both qualitative and quantitative data from every project. It is possible to do this yourself, but if it seems overwhelming, then get an expert in social impact to help with this.

Third, once you have made an impact and have evidence of this, put this evidence to use.

Analyse it and see where you can make improvements and communicate your results – the successes and the challenges. This is where you need to think again about who your audience is and how your results will be communicated, and you might want to communicate in several different ways: in an impact report; in internal communications to your staff; in articles for industry magazines; and so on.

The important thing here is to just make sure you let everyone know what you've been up to. Make it readable and understandable and put your data to good use – you want to make sure you're communicating not only how many people your mission has helped, but also how they have been helped, including stats, numbers and graphs but also interviews and surveys.

Whether you've decided to make social impact a central part of your business or you're dipping your toe in and making small changes, congratulations! You are making a genuine difference to your communities and our society.

**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.

# FINTECH FUNDING ROUND-UP

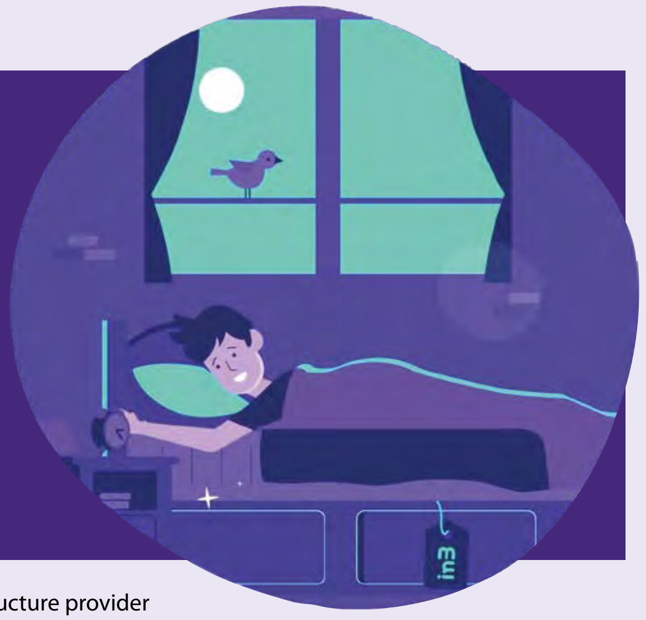
Dutch buy now, pay later (BNPL) platform **in3** has landed an **$85.3 million** Series B debt and equity funding round.

The funding was sourced from UK venture capital firm Force over Mass, US institutional asset manager Waterfall Asset Management and Dutch investor Finch Capital.

The fintech intends to use the funds to further expand domestically through its partnership with Dutch online paytech Mollie, with plans to launch in Germany in the pipeline.

Founded in 2018, in3 gives consumers the option to pay in three instalments without interest or other hidden costs, as opposed to other BNPL providers that charge between 10% and 14%.

The Series B follows in3's $11.1 million Series A round in March and takes the total funding raised to $96.4 million.




New York-based fintech **Clear Street** has secured **$165 million** in a Series B funding round led by Prysm Capital. Other contributors to the fundraise include NextGen Venture Partners, Walleye Capital, Belvedere, NEAR Foundation, McLaren Strategic Ventures and Validus Growth Investors, as well as a number of angel investors.

The Series B is the company's first venture capital raise since it was founded in 2018 and takes its valuation up to $1.7 billion.

Clear Street offers a cloud-based prime brokerage platform that enables institutional investors to trade US equities and stock options.

It currently processes more than $3 billion in daily trading volume. Since the start of 2021 it has experienced a 220% increase in financing balances and 510% growth in equity transactional volume.

Irish B2B payments infrastructure provider **TransferMate** has secured a **$70 million** funding round, valuing the company at $1 billion. The funding round was managed by Barclays Bank and saw participation from Railpen, one of the largest UK pension funds.

The newly-minted unicorn will use the funding, which consists entirely of primary capital, to expand its teams globally and develop its technology and product offering.

TransferMate utilises its global licensing infrastructure and banking network to allow individuals and businesses to make cross-border payments in more than 201 countries and 141 currencies, "dramatically faster and cheaper than the traditional Swift system", TransferMate founder Terry Clune says.

Indonesia-based payments infrastructure company **Xendit** has raised **$300 million** in a Series D funding round.

The round, co-led by Coatue and Insight Partners, saw participation from Accel, Tiger Global, Kleiner Perkins, EV Growth, Amasia, Intudo and Goat Capital.

This latest round, which follows on from Xendit's $150 million Series C last September, brings its total funding raised to date to $538 million.

Over the last year, Xendit claims it has seen its annualised transactions triple from 65 million to 200 million and increased total payments value from $6.5 billion to $15 billion, making it one of the fastest-growing fintechs in Southeast Asia.

The firm provides "hyper-local" payment solutions for businesses across Indonesia, the Philippines and Southeast Asia. It enables users to disburse payroll, run marketplaces, accept payments from direct debit, virtual accounts, credit and debit cards, e-wallets, retail outlets and online instalments.

US-based software and payments company **SpotOn** has secured **$300 million** in a Series F financing round at a valuation of $3.6 billion.

Led by Dragoneer Investment Group, the round saw participation from existing investors including Andreessen Horowitz (a16z), DST Global, Franklin Templeton and Mubadala Investment Company, as well as new investor, G Squared.

The company says "tens of thousands" of businesses have chosen to incorporate SpotOn's technology in the last year, claiming its restaurant segment has tripled in that period.

The latest funding round follows SpotOn's $300 million Series E round in September 2021, which it used to acquire commerce platform Appetize. This Series F round brings SpotOn's total funding to date to $928 million.





US-based wealthtech platform **TIFIN** has closed a **$109 million** Series D financing round, bringing its valuation to $842 million. The Series D round saw participation from global investment manager Franklin Resources and fintech-focused investment firm Motive Partners.

TIFIN, which stands for Technology In Finance, says its technology bridges the gap between retail investors, financial advisors and asset managers.

It has almost doubled its valuation since its Series C in October, which it says reflects its growth in product offerings, users and revenues.

This latest cash injection will support the continued growth of TIFIN's expansion outside the US, as well as its consumer platform and asset and wealth enterprise offerings.

UK-based open banking payments platform **Token** has raised **$40 million** in a Series C funding round co-led by Cota Capital and TempoCap. Other funds in participation were Element Ventures, MissionOG, PostFinance and existing investors Octopus Ventures, Opera Tech Ventures and SBI Investment.

Token's customers include BNP Paribas, HSBC, Mastercard, Paysafe, Nuvei, Rewire and Coingate. In January 2021, it raised $15 million in a Series B funding round.

Core banking software vendor **Thought Machine** has closed a Series D funding round worth **$160 million**, valuing the company at $2.7 billion.

The round, led by Singaporean investment firm Temasek, saw participation from Intesa Sanpaolo, Morgan Stanley and existing investors Eurazeo, ING, JPMorgan Chase, Lloyds Banking Group and SEB.

Alongside its investment, Lloyds Banking Group also extended its licence agreement with Thought Machine until 2029, which it initiated in 2018 as part of a technology modernisation programme. Thought Machine's new valuation has doubled since its $200 million Series C last November.

Latin American fintech **Nomad**, which enables Brazilians to establish bank accounts in the US, has raised **$32 million** in Series B financing.

The round was led by Stripes, with participation from monashees, Spark Capital, Propel, Globo Ventures and Abstract, Forbes reports.

Nomad offers its customers foreign exchange at a "transparent" rate, investment products, direct deposit facilities to get paid by any US employer and the ability to save "in a currency more stable than their own". Founded in 2019, it has 300,000 customers and aims to acquire one million new ones by the end of this year. It raised a $20 million Series A round in July 2021.

Israeli Banking-as-a-Service (BaaS) start-up **Unit** has raised a **$100 million** Series C round, valuing the company at $1.2 billion.

The round, led by by Jeff Horing of Insight Partners, saw participation from existing investors Accel, Better Tomorrow Ventures and Flourish as well as new investors Stepstone, Moving Capital and a host of fintech angels.

Unit enables companies to embed financial services into their products. Last June, it raised $51 million in a Series B round.

Canadian fintech **Neo Financial** has secured **$145 million** in a Series C funding round at a valuation of more than $1 billion.

The round was led by Valar Ventures with new and existing investors also participating, including Tribe Capital, Altos Ventures, Maple VC, Blank Ventures, Gaingels and Knollwood Investment Advisory. A secondary share sale was also offered with the fundraising round, allowing early investors and employees to sell a portion of their shares to investors.

The new investment brings the company's total funding to date to around $233 million. It previously raised $50 million in a Series B round in September last year.

Founded in 2019, Neo provides its customers with a platform to spend, save and invest. The Neo Money account is provided by Concentra Bank and its credit card issued by ATB Financial, backed by the Mastercard network.

Neo's mission is to become a "one-stop-shop" for all financial services for Canadian people and retailers.

Egyptian B2B merchant financial services platform **Paymob** has raised **$50 million** in a Series B funding round, bringing the firm's total funding raised to date to $68.5 million.

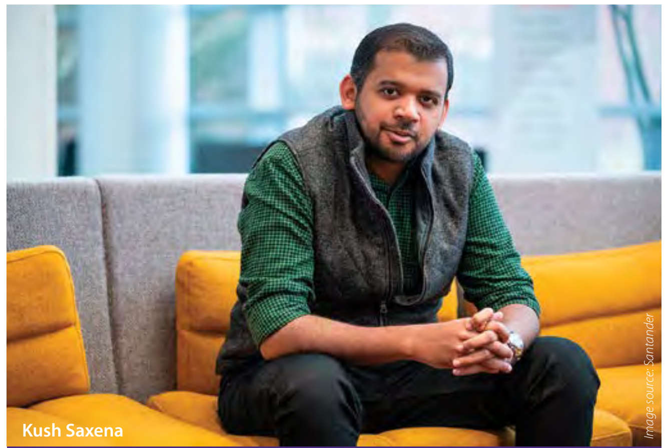
The round, the largest fintech Series B in Egypt, was led by Kora Capital, PayPal Ventures and Clay Point and saw participation from new investors including Helios Digital Ventures, British International Investment and Nclude.

Existing investors including A15, FMO and Global Ventures also participated.

The firm saw strong growth in 2021, with the number of merchants and monthly volumes growing by 4x year-on-year as of December 2021. Its omni-channel payment infrastructure supports digital payments in-store and online, with the largest number of payment methods on the Egyptian market including mobile wallets, QR codes and buy now, pay later. In April last year, it raised one of the largest ever fintech Series A funding rounds in Egyptian history at $18.5 million.

**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



Kush Saxena

Madrid-based **PagoNxt**, the payments fintech run by Banco Santander, has appointed **Kush Saxena** as CEO of PagoNxt Merchant Solutions, a newly created role in the company.

PagoNxt Merchant Solutions operates the firm's merchant acquiring business under the Getnet brand.

Saxena moves from Mastercard, where he served as executive vice president of US merchants and acceptance.

Banking-as-a-Service (BaaS) platform **Solarisbank** has made two C-level executive appointments, chief information officer (CIO) and chief technology officer (CTO), who will be assuming responsibilities from former CTO Hima Mandali.

**Ingmar Krusch** will be the company's new CIO, while **Dennis Winter** will assume the CTO role.

Both have been working for Solarisbank for several years. Winter was most recently vice president of technical operations, and Krusch was vice president of engineering.

**KPMG UK** is building out its crypto and payments team as it looks to strengthen its offering to clients in the "disruptive technology" space.

It has appointed **Ian Taylor** as director, leading the crypto and digital assets team, while **Peter Harmston**, as a partner, will head up the firm's payments practice.

Taylor has more than 20 years of experience in capital markets and disruptive technologies, having been executive director of UK trade association Crypto UK since January 2020, which represents more than 120 companies in the UK digital asset sector. Prior to Crypto UK, Taylor led teams within global banks, specialising in FX, fixed income markets and liquidity management.

Harmston joins KPMG UK from KPMG Australia, where he was head of the financial services transformation team. In Australia, he spent 11 years leading the implementation of faster payments architecture across the Australian banking sector.

UK challenger bank **Atom** has appointed **Andy Sturrock** as its new CTO.

Sturrock joins from BP, where he led the company's digital consumer channels and offers teams. Prior to this, he had a stint at Bank of America, heading up the global markets and research technology, and global payments and international branch technology divisions.

At Atom, he will be tasked with upgrading the bank's core banking platform and improving automation capabilities both for customers and the internal teams.

London-based fintech **GoCardless** has appointed **Paul Stoddart** as president.

Stoddart joins from Mastercard, where he was president of its new payment platforms, executive chairman of Mastercard-acquired Vocalink and a member of the Mastercard management committee.

Before Vocalink, he was co-head of corporate finance at Barclaycard, and has also spent ten years at NatWest in senior roles.

Rafiza Ghazali

Malaysia's **KAF Investment Bank Berhad** has appointed **Rafiza Ghazali** as the CEO designate for its upcoming digital Islamic bank.

Ghazali worked at Bank Negara Malaysia, Thomson Reuters and Cagamas prior to her current role as group CEO of Cradle Fund, where she managed the development of the Malaysian start-up ecosystem roadmap.

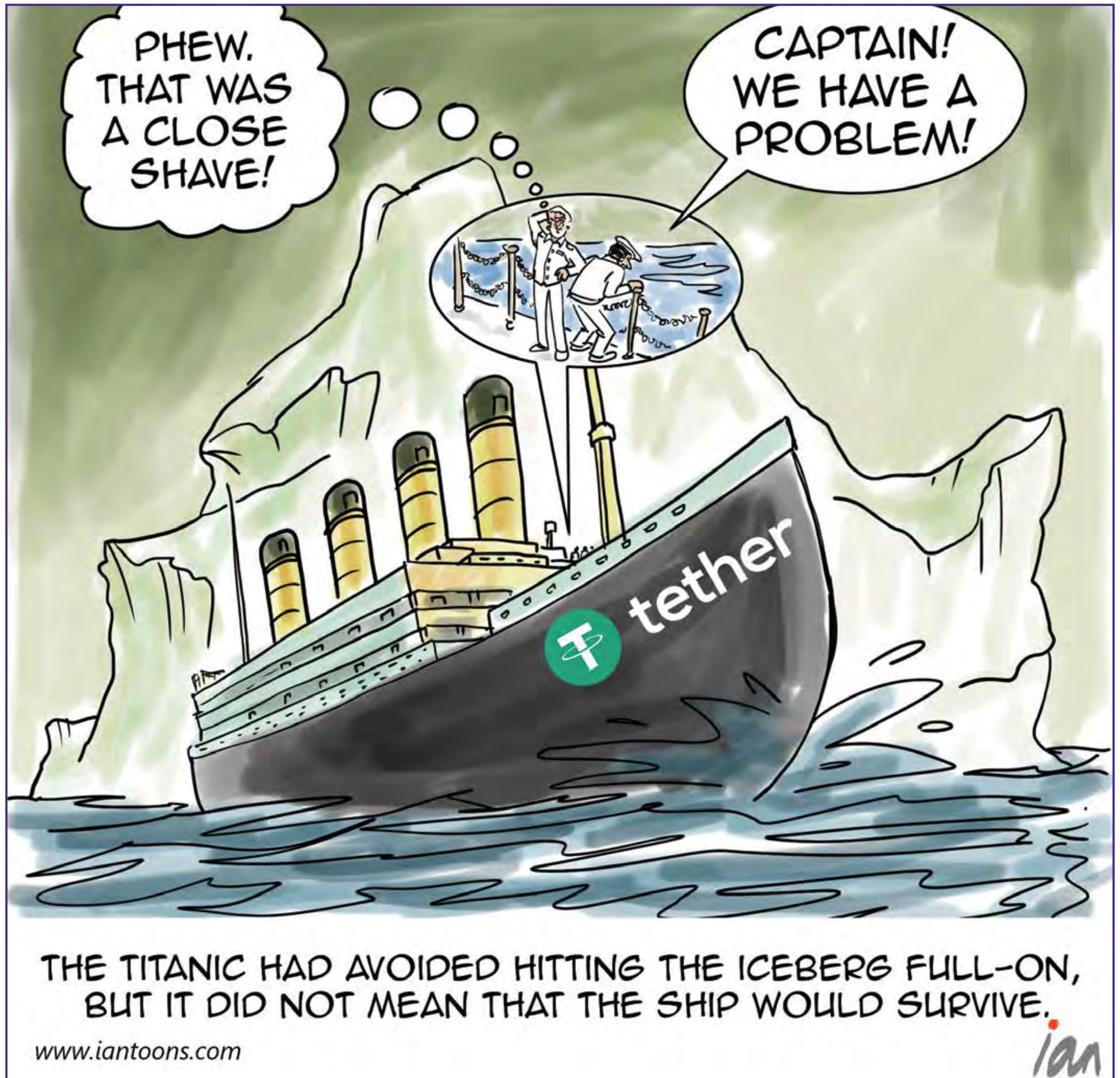
She has also held roles at Danaharta and RHB Investment Bank, where she oversaw IT, investment operations, corporate planning, finance and treasury settlement.

Fintech veteran **Bob Savino** has been hired by **Deloitte** as chief product and technology officer (CPTO) within a new Banking-as-a-Service (BaaS) offering.

Savino will be building out a new fintech start-up team and will be responsible for enterprise product strategy, B2B and B2B2C customer experience and business technology execution.

The hire comes as Deloitte launches ConvergeProsperity, an expansion of its ConvergeHealth business into the financial services sector as part of a $750 million investment to link up people, platforms and ecosystems to boost innovation.

Savino has substantial experience leading start-up divisions within larger corporations. He launched T-Mobile Money, a new digital banking service offered by telco giant T-Mobile in the US.




## UNTETHERED

*Cartoon by Ian Foley*

This month saw Terra, once the third largest stablecoin, lose its dollar peg, falling to $0.0001 at the time of writing. Industry insiders suggest that the main reason for this is that rather than keeping reserves, the Terra coin relied on algorithms, which made it susceptible to massive withdrawals from a sister asset called Anchor.

However, the deeper problem is that other stablecoins with reserves tied to real assets (for example, treasury notes, bonds and commercial paper) are a potential danger to the overall economy. According to ratings agency Fitch, if Tether needed to quickly sell its holdings to support its dollar peg, it could cause a 'financial run' that might impact the short-term credit market.

Robert Armstrong, the author of the Unhedged newsletter, writes: "Stablecoins have a total market capitalisation of more than $150 billion. If the pegs all break – and they could – there will be ripples well beyond crypto."

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