



**BankTech**  
VENTURES

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# FUND II OVERVIEW



THIS PRESENTATION IS FOR ILLUSTRATION AND DISCUSSION PURPOSES ONLY AND IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED OR USED AS, FINANCIAL, LEGAL TAX OR INVESTMENT ADVICE OR AN OFFER TO SELL, OR A SOLICITATION OF ANY OFFER TO BUY, AN INTEREST IN BANKTECH VENTURES II, LP (THE "FUND"). ANY OFFER OR SOLICITATION OF AN INVESTMENT IN THE FUND MAY BE MADE ONLY BY DELIVERY OF THE FUND'S PRIVATE PLACEMENT MEMORANDUM TO QUALIFIED PROSPECTIVE INVESTORS. THIS PRESENTATION IS AS OF THE DATE INDICATED AND DOES NOT CONTAIN CERTAIN MATERIAL INFORMATION ABOUT THE FUND, INCLUDING IMPORTANT DISCLOSURES AND RISK FACTORS ASSOCIATED WITH AN INVESTMENT IN THE FUND. UNLESS IT IS OTHERWISE SPECIFICALLY INDICATED, ALL RETURNS, WHETHER HYPOTHETICAL OR ACTUAL, ARE CALCULATED SINCE INCEPTION. ADDITIONALLY, UNLESS IT IS OTHERWISE SPECIFICALLY INDICATED, ALL RETURNS REFLECT THE REINVESTMENT OF DIVIDENDS AND OTHER EARNINGS, ARE BASED ON UNAUDITED FINANCIAL INFORMATION AND ARE PROVIDED NET OF FEES BUT INCLUDE CERTAIN EXPENSES.

HYPOTHETICAL PRO FORMA PERFORMANCE RESULTS PROVIDED HEREIN HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. ONE LIMITATION IS THAT SUCH RESULTS DO NOT REFLECT ACTUAL INVESTMENT BY THE FUND, WERE ACHIEVED BY MEANS OF RETROACTIVE APPLICATION OF A MODEL DESIGNED WITH THE BENEFIT OF HINDSIGHT AND, THEREFORE DO NOT REFLECT THE IMPACT THAT ECONOMIC AND MARKET FACTORS MAY HAVE HAD ON AN INVESTMENT MANAGER'S INVESTMENT DECISIONS FOR THE FUND. IN FACT, THERE ARE FREQUENTLY DIFFERENCES BETWEEN HYPOTHETICAL RESULTS AND THE ACTUAL RECORD SUBSEQUENTLY ACHIEVED. NO REPRESENTATION IS MADE THAT THE FUND'S PERFORMANCE WOULD HAVE BEEN THE SAME AS SUCH PRO FORMA RESULTS HAD THE FUND BEEN IN EXISTENCE DURING SUCH TIME. HYPOTHETICAL PRO FORMA PERFORMANCE RESULTS PROVIDED HEREIN ALSO ARE NOT REFLECTIVE OF THE FACT THAT IN INVESTING WITH THE FUND, THERE IS A POTENTIAL FOR LOSS AS WELL AS FOR PROFIT. NO REPRESENTATION IS MADE THAT THE FUND WILL OR IS LIKELY TO ACHIEVE ITS OBJECTIVES OR THAT ANY INVESTOR WILL OR IS LIKELY TO ACHIEVE RESULTS COMPARABLE TO THOSE SHOWN OR WILL MAKE ANY PROFIT AT ALL OR WILL BE ABLE TO AVOID INCURRING SUBSTANTIAL LOSSES. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

THIS PRESENTATION CONTAINS STATEMENTS WHICH CONSTITUTE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS INCLUDE STATEMENTS REGARDING THE INTENT, BELIEF OR CURRENT EXPECTATIONS OF THE FUND'S INVESTMENT MANAGER WITH RESPECT TO, AMONG OTHER THINGS: (I) THE ABILITY TO IDENTIFY INVESTMENT OPPORTUNITIES AND (II) THE COMPOSITION OF THE PORTFOLIO. PROSPECTIVE INVESTORS ARE CAUTIONED THAT ANY SUCH FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND INVOLVE RISKS AND UNCERTAINTIES, AND THAT ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE IN THE FORWARD-LOOKING STATEMENTS AS A RESULT OF VARIOUS FACTORS. FURTHER, FUND PORTFOLIO HOLDINGS ARE LIMITED ONLY BY THE FUND OFFERING DOCUMENTS; THEREFORE, INFORMATION CONTAINED HEREIN SHOULD NOT BE CONSTRUED AS A REPRESENTATION OF THE FUND'S DEFINITIVE HOLDINGS OR OTHER PORTFOLIO CHARACTERISTICS AND SHOULD NOT FORM THE BASIS OF AN INVESTMENT DECISION. THE PORTFOLIO HOLDING AND OTHER PORTFOLIO CHARACTERISTICS, ARE BASED UPON ASSUMPTIONS REGARDING FUTURE EVENTS AND CONDITIONS, WHICH MAY NOT PROVE TO BE ACCURATE. A COMPLETE LIST OF ACTUAL HOLDINGS WILL BE AVAILABLE UPON REQUEST.

THIS PRESENTATION IS SUBJECT TO REVISION, MODIFICATION AND UPDATING. CERTAIN INFORMATION HAS BEEN PROVIDED BY THIRD-PARTY SOURCES AND, ALTHOUGH BELIEVED TO BE RELIABLE, IT HAS NOT BEEN INDEPENDENTLY VERIFIED AND ITS ACCURACY OR COMPLETENESS CANNOT BE GUARANTEED. THIS PRESENTATION IS CONFIDENTIAL, IS INTENDED ONLY FOR THE PERSON TO WHOM IT HAS BEEN DELIVERED AND UNDER NO CIRCUMSTANCE MAY A COPY BE SHOWN, COPIED, TRANSMITTED, OR OTHERWISE GIVEN TO ANY PERSON OTHER THAN THE AUTHORIZED RECIPIENT. EACH INVESTOR SHOULD CONSULT THEIR OWN ADVISERS REGARDING THE LEGAL, TAX, AND FINANCIAL SUITABILITY OF THIS TYPE OF INVESTMENT. NO PERSON SHOULD INVEST WHO IS NOT, EITHER ALONE OR WITH THEIR ADVISERS, CAPABLE OF EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE FUND. THIS PRESENTATION CONTAINS IMPORTANT DISCLOSURES AND NOTES WHICH MUST BE READ CAREFULLY IN CONJUNCTION WITH THE INFORMATION CONTAINED HEREIN, INCLUDING IMPORTANT DEFINITIONS ON THE FOLLOWING PAGE.



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Sarah Hovde, Head of Investor Relations | [sarah@banktechventures.com](mailto:sarah@banktechventures.com)



# WHO WE ARE

# What is BankTech Ventures?

**BankTech Ventures (“BankTech”) is a strategic investment fund that was founded to support the community banking industry. Our mission is to generate both strategic value and financial returns for our investors. We accomplish this by sourcing, vetting, investing in, and introducing best-in-class bank-enabling technology solutions that enhance the competitive positions of our community bank partners (Limited Partners).**

**Backed by a seasoned investment team and General Partners from the community banking industry (including two of the nation’s most innovative community banks), we believe that BankTech Ventures is uniquely positioned to accomplish this mission.**

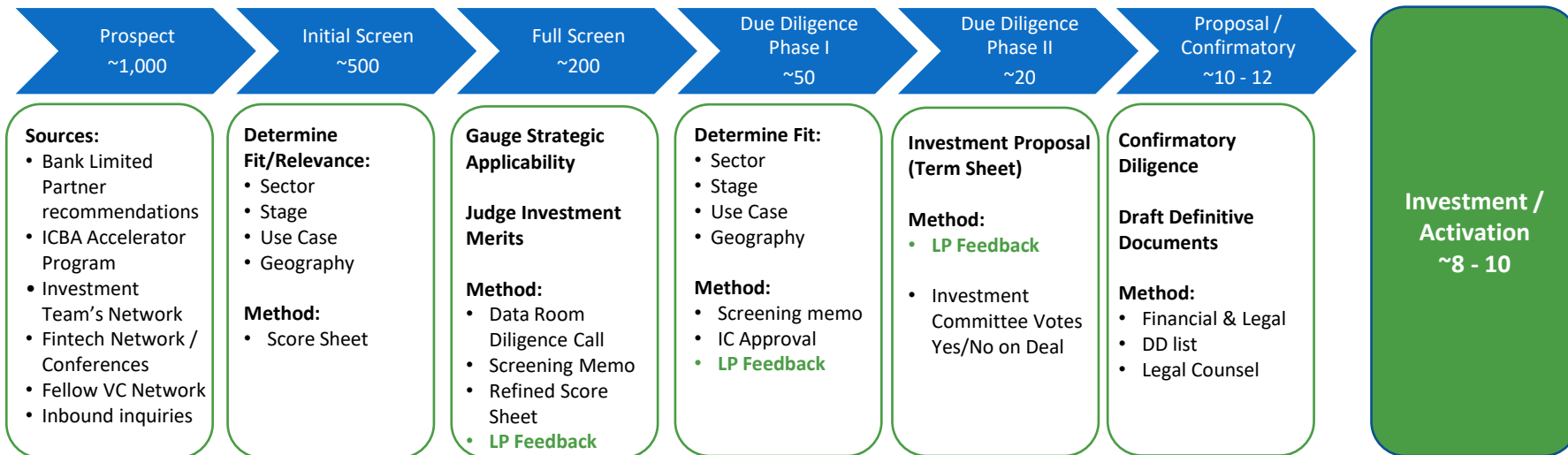
# WHAT WE MEAN BY STRATEGIC INVESTMENT FUND



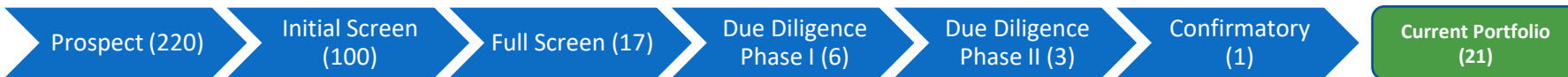
- 1** • Our investment focus is on technology that directly benefits Community Banks.
  - Annual pipeline of ~1,000 companies, ultimately generating 8 - 10 highly-curated investments per year (< 1%). Companies are sourced from strategic partners, including the ICBA Accelerator, our own Limited Partner (“LP”) network of banks, and the investment team’s extensive fintech experience and network.
- 2** • Because banks are the tech companies’ target customers, we work directly with our LP banks to review and test the tech solutions, then gauge overall interest across our entire bank network.
  - The investment team thoroughly evaluates companies’ readiness to work with banks from an implementation, regulatory & security standpoint.
- 3** • The BankTech Team has deep experience in early-stage investing and deal structure.
  - Because the tech companies see BankTech as a strategic partner, the deals often include advantageous investment terms, compared to typical VC investments.
- 4** • BankTech LPs are priority customers for all Portfolio Companies (tech companies that BankTech has invested in).
  - The BankTech Team holds 1:1 calls with each LP bank to identify which Portfolio Companies best fit their operational and strategic needs. Plus, there are 2 dedicated BankTech employees focused on supporting the Portfolio Companies and implementation diligence, which eases the burden on LP banks when partnering with the companies.
- 5** • Bank adoption (LPs and others) helps drive Portfolio success.
  - Bank LPs benefit in investment exits with healthy financial returns.
  - BankTech Team aims for successful exits across ALL PortCos, not just a single “unicorn”.

# INVESTMENT PIPELINE & PROCESS

~1,000 deals reviewed annually > 8 - 10 investments annually – this is how we have built Market Intelligence for community banks!

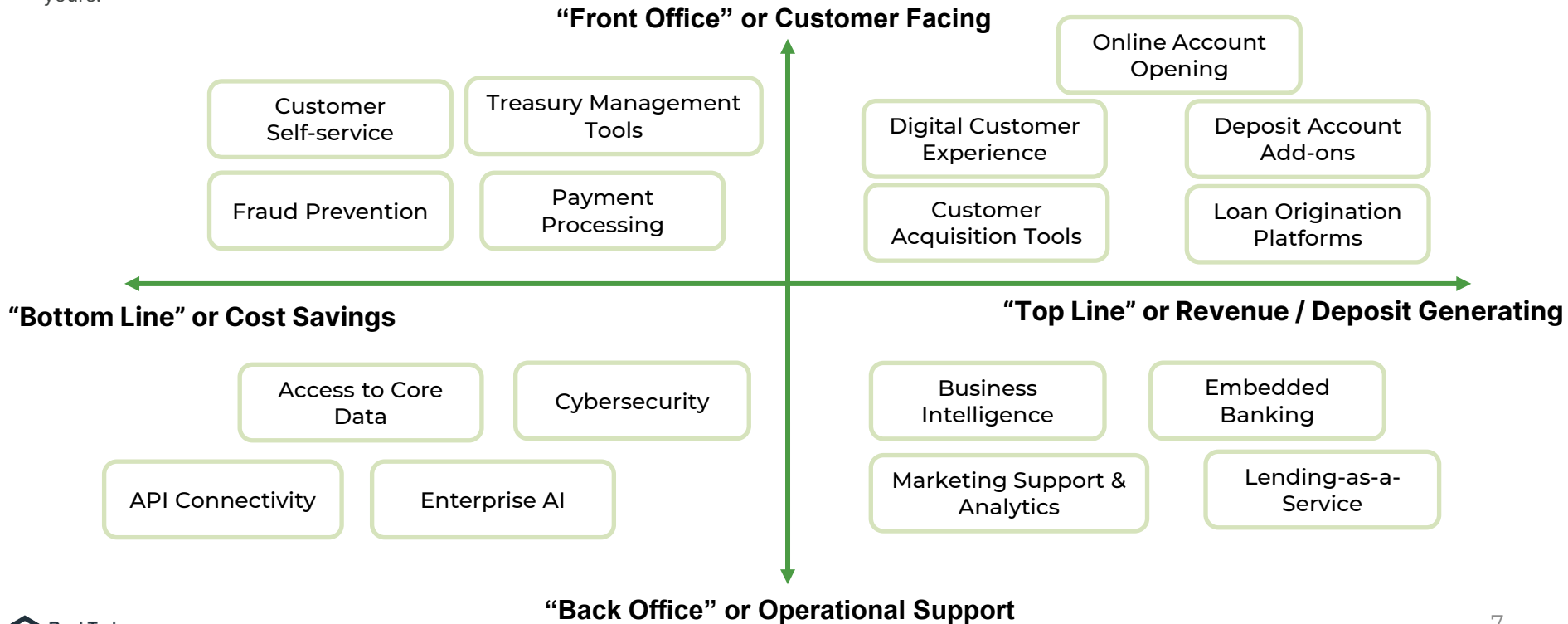


Current Investment Pipeline as of September 2024:



# BANKTECH'S INVESTMENT FOCUS

BankTech Ventures invests in early-stage, privately-held technology companies whose solutions help support banks' continued competitiveness, relevancy, and success. These solutions span the banking business technology stack, ranging from back-office operational efficiencies to front-office, revenue-generating tools. We predominantly focus on "shovel ready solutions", meaning these companies are already working with banks, and are ready to work with yours.



# BANKTECH FUND I – PORTFOLIO SAMPLE

Below is a sample of the companies in our Fund I Portfolio, which shows how the companies fit into our investment focus from the previous slide. The complete fund portfolio with additional details is available in our data room.

“Front Office” or Customer Facing



ARGENTUM



TORPAGO



“Bottom Line” or Cost Savings



“Top Line” or Revenue / Deposit Generating



“Back Office” or Operational Support



# The Portfolio at a Glance – “Bank-Ready” Solutions



Command center for security ops; discovers & remediates IT threats in real time



Integration platform that allows open access to core data and simplified integrations via recyclable APIs



Provides marketing support & analytics for a broader digital reach, plus compliance monitoring for BaaS banks



Cybersecurity education and training for your team & your commercial customers to mitigate fraud



Commercial deposit generator and customer acquisition tool via digital escrow and sub-accounting for third-party accounts



Allocates deposits from mega-cap companies to Community Banks



White labeled commercial card and expense management platform



Embed comprehensive bill-pay for customers. Just went live with Citi and USAA



Cybersecurity governance to support audit & regulatory compliance



Automated and personalized customer offer platform that leverages big data



Full-service debt collection and recovery lifecycle platform



Floorplan financing LOS & servicing platform



Understand and act upon your core customer transaction data in ways that can grow the bank



Automated cash and treasury management for community banks to position themselves as strategic advisors to their clients



Fully digital commercial real estate lending solution that streamlines deal origination and portfolio monitoring



Entity management software that organizes & files entity reports: every year, every jurisdiction - with total visibility



Allows FIs to provide a suite of embedded 'digital CFO' tools to their SMB clients, while surfacing qualified leads & insights



Data infrastructure to help banks ingest, validate and better utilize first party provided data from small businesses

# HOW WE ENGAGE OUR BANKS



## Regular 1-on-1 Discovery Calls

We are holding 1-on-1 “discovery” calls with each of our banks (LPs) to better understand their bank’s unique needs and their strategic / tech roadmaps. This helps us direct our investment focus and provide a more tailored experience for our them, including vendor recommendations. For many banks, we now hold these calls on a quarterly basis.



## Bank Partner Portal & Fund Admin Portal

We’ve built a [Limited Partner Portal](#) where we showcase each of the Portfolio Companies with supporting investment diligence, plus have a library of our prior webinar recordings, Fund Docs, blog posts, etc. The Fund also provides all necessary reporting statements (Quarterly Financials, Annual Audited Statements, Capital Call Notices, Distributions).



## Annual Investor Summit

This May, we held our 3<sup>rd</sup> Annual Investor Summit, where we brought together our bank network, Portfolio Companies, and other industry experts. Attendees walked away with fresh ideas to take back to their banks, a stronger inter-bank network, and numerous new potential vendor relationships.



## Always On-Call to Support Your Needs

We have many banks who give us one-off calls when looking for vendor recommendations or unbiased diligence materials and/or bank references. We encourage our banks to call with any tech related questions, as this ultimately helps us, too.



## Activation & Implementation Support

We have two dedicated team members to help ease hurdles surrounding engagement and implementation with our Portfolio Companies, ultimately expediting their time to realizing value with new tech solutions. Our Activation Team also puts together diligence packages for each Portfolio Company that Banks can use for their own vendor diligence needs.



## Webinars with Portfolio Companies

We hold regular webinars with both Pipeline and Portfolio Companies, allowing our LP Banks to discover new innovations, hear from the tech companies’ existing customers, and listen to questions other banks are asking.



## Portfolio Overview Videos

We’ve created overview videos with each of our Portfolio Companies. In these <5 minute videos, banks can learn about the company’s Value Prop and average implementation timeline, ultimately cutting through a lot of the “fluff” most Sales people take an hour to explain. Check them out [HERE](#) for an entertaining and easy way to learn about the PortCos.



## Monthly Newsletter

We’re now 21 months into our Monthly Newsletter, where we share investment announcements, original thought pieces relevant to the banking and fintech industry, team spotlights, upcoming conferences & events, job opportunities across our PortCos & Banks, and much more!  
To get on the mailing list, subscribe [HERE!](#)



# Upcoming Webinars & Engagement Opportunities

**Upcoming Webinars** - aka very low-lift ways to meet great companies!

- **“Introducing Monit”** – Thursday, September 12th @ 10am PT
- **“Revio Case Study”** – Thursday, September 19th @ 10am PT
- **“ZSuite Case Study”** – Thursday, October 3rd @ 10am PT
- **“Update on Blooma”** – Thursday, October 17<sup>th</sup> @ 10am PT

**Upcoming Events** – let us know if you'll also be there!

- **Jack Henry Connect** (Oct 7-10th, PHX) – Meet us at our [Happy Hour!](#)
- **State Associations:** Wisconsin Bankers Association, Community Bankers of Washington Convention, Kentucky Bankers, Indiana Bankers
- **Finovate Fall** (September 9-11th, NYC)
- **Money 20/20** (October 27-30th, Las Vegas)
- **ABA Convention** (October 27-29th, NYC)
- **Acquire or Be Acquired** (January 28-30th, 2025, Scottsdale)
- **Fintech Meetup** (March 10-23th, 2025, Las Vegas)

# BankTech Ventures - 2025 Investor Summit

May 5-7th in Chicago, IL

Had really positive feedback on our 3rd Annual Summit this past May:

- *"Best meeting I attend all year."*
- *"One of the best conferences I've been to in the past 3 years."*
- *"So many incredibly impressive people gathered around a similar goal of improving and accelerating community banking."*

**Register via [this link](#) to attend & receive the calendar invite to hold these days.**

Putting together a great agenda based on your favorite components of the past 3 years' events, including:

- Shorter & more effective use of your time
- Speed Dating 1x1 meetings with tech companies & peer bankers
- Peer Group breakout sessions to discuss shared challenges in your role
- Original content & current events, but less "speaking at you"
- Cubs Baseball!



# DUAL VALUE FOR YOUR BANK

We aim to provide our banks with a **dual value**, both from an operational standpoint and a financial standpoint.

## OPERATIONAL VALUE:

Meet the **best-of-breed tech vendors** who are solving immediate, real needs for banks. Plus, get support with **vendor diligence & implementation**. Many banks do not have enough staff to support all of this alone.

## FINANCIAL VALUE:

Provide **financial upside** as these tech companies do well and **shareholder value increases**. As exemplified by a **Net IRR of 27.7%**, **4 investment mark-ups**, and **3 distributions to-date**, as of 6/30/24.

Disclosure: Past performance is not necessarily indicative of future results.

**And for that dual value, many of our Fund I banks tell us that they look at the investment more as an **annual “Tech R&D Spend”** than simply an investment strategy.**

# HOW WE CREATE VALUE, CONT'D.

By facilitating introductions & partnerships between Bank Partners & Portfolio Companies. Stats as of 8/8/24:

- 750+ Introductions Made
- 400+ Demos Delivered
- 120+ Contracts Signed
- 30+ Contracts in Active Due Diligence
- 4 Investment Mark-Ups
- 3 Distributions to-date

*Please see our Appendix for **3 Case Studies** showing examples of Bank Partner and Portfolio Company vendor partnerships*



# LIMITED PARTNER SNAPSHOT & TESTIMONIALS

With 110 banks in our Limited Partner Fund I network, BankTech Ventures boasts the largest network of banks for an investment fund of our type. Here is a sample of the banks in our network.



"We have truly enjoyed our association with the BankTech Ventures Fund. We have been introduced to a variety of companies that focus on community banks. **BankTech not only vets the companies for their investment potential but also for their applicability to the community banking space.** Couple that with their willingness to help my bank wade through the fintech space is a huge benefit. Oh, and we also get the opportunity to own a small piece of the companies in the portfolio which can provide a return on my holding company's investment."

- Greg Ohlendorf, President & CEO of First Community Bank & Trust (IL)



"Community banks must be creative and solve big problems with limited resources. BankTech helps me and The Farmers Bank by **listening to our challenges, and actively hunting solutions that complement our products and services.** This regular engagement with the team makes BankTech Ventures a strategic partner in the discussions and delivery of leadership in the communities we serve."

- Kim Compton, SVP/Chief Strategy Officer at The Farmers Bank (IN)



Disclosure: The above testimonials were provided by investors in BankTech Ventures. Investors were not compensated; however, testimonials are not representative of the experience of all investors and do not guarantee similar results in the future.

# FUND II TERMS



- **Target Size:** \$150MM
- **Target Initial Close:** Q1 2025
- **Investment Minimum:** \$750,000\*
- **Term:** 10 Years from Initial Closing
- **Investment Period:** 5 Years from Initial Closing
- **Management Fee:** 2.5% of commitment annually, years 1-5;  
1.5% of commitment annually, years 6-10
- **Optional Strategic Advisory:** 1% extra annual management fee for dedicated bank strategic planning and consulting resources
- **Distribution Split:** 80%/20% LP/GP split on profits after 100% of capital returned to investors
- **Equity Investment Size:** \$500K-\$5MM, reserving 25-35% of capital for follow-on investments

\*From the Private Placement Memorandum, BankTech can adjust minimum for an investor at its sole discretion

Disclosure: All terms are provided solely for discussion purposes and are subject to change.



# PARTICIPATION AS A LIMITED PARTNER BANK

- **Capital Commitment:** Limited Partner banks commit a capital balance (e.g., \$1MM) for a 10 year term, to be drawn upon in small increments over the 10 years via capital calls.
  - Typically, the fund will call about 10-15% of the total commitment at initial closing, then about 5% per quarter during the Investment Term (first 5 years), and then 1.5-2% annually for the remaining 5 years.
- **Allocating Capital to Investments:** The called capital is then used for investments in relevant bank-enabling tech companies. Fund II will likely have ~30 investments ("Portfolio Companies") once fully invested.
  - Investments typically range from \$500K - \$5MM, but average about \$2.5MM.
- **Portfolio Company Support and Growth:** The BankTech Team supports the Portfolio Companies, including by improving their partnerships with banks and state associations, strengthening their durability and business operations, and ultimately aiming to increase their overall value.
- **Bank Engagement:** Banks are encouraged to engage with BankTech's network, including the BankTech team, fellow banks, and the Portfolio Companies. The BankTech mission is that banks work with the Portfolio Companies for their various technology, strategy and digital transformation needs.
  - The most successful Limited Partner banks participate in regular BankTech in-person and virtual events, collaborate with the BankTech team on the bank's business/digital strategy, and work closely with Portfolio Companies.
- **Investment Gains:** Occur through profit distributions and other liquidity events with the Portfolio Companies.
  - As of 6/30/24, Fund I reported a Net IRR of 27.7%<sup>1</sup>, has already distributed over \$15MM to Limited Partners, had 4 investment markups, while also facilitating 120+ new vendor relationships between Banks and Portfolio Companies.

Source (1): Aduro Fund Administration

Disclosure: Past performance is not necessarily indicative of future results.

# CAPITAL FLOWS & PERSPECTIVE

- If you had invested \$1MM into Fund I (~3 years ago), so far you would have funded:
  - -\$570,000 (capital calls of 57% total)
  - \$145,000 (distributions back to you)
  - -\$375,000 (net investment less than actual capital calls)
  - And your capital account balance would still be over \$500,000 (estimated current investment value)
- With a portfolio of companies, we should continue to have opportunities for liquidity and distributions along the way, but we generally say, “expect the funds to be tied up for at least 7-8 years.”
- Other bank peers have thought about it in banker terms:
  - At \$1MM investment, each portfolio company is equivalent to a “consumer auto loan of exposure” (~\$30K)
  - The bank’s investment is in R&D and innovation – “we’re going to learn a lot and meet dozens of opportunities to make our bank better.”
  - If the bank get the money back and can re-invest it in the next fund, then “we’re almost getting our R&D for free.”

# VIRGINIA BANKERS ASSOCIATION OPPORTUNITY

- VBA has an opportunity to sponsor a Special Purpose Vehicle (“SPV”) investment, which would allow multiple of you to invest together in a single structure vs. investing directly into BankTech Ventures Fund II. We’re comfortable and experienced with both direct and SPV investments.
- We facilitated a similar structure for CBAI (Illinois) for Fund I, and it has worked great. Other state associations are planning to do this in Fund II
  - It allowed smaller banks to invest at a level that was more comfortable for them
  - It also allowed CBAI to invest in the fund and bring ideas & companies back to their members.
- We will do our best to make the experience as similar / equivalent as possible, whether you invest directly into BankTech Ventures, or through an SPV
- A few FAQs:
  - Will capital calls work the same way? -- They might, or you may prefer to collect all funds up front and hold in CDs
  - From where should we invest? -- Best if you do it from the holding company, or another accredited investor entity
  - Where do we hold the investment? -- Held for sale securities – we send you quarterly valuations

# ANTICIPATED TIMELINE & NEXT STEPS

## Timeline:

We are aiming for an Initial Close this year upon reaching \$40MM in commitments, with an anticipated Final Close (which means we are no longer accepting investors) in 2025 upon raising \$150MM.

## Next Steps:

- 1. Get set up in our Data Room:** Please email [sarah@banktechventures.com](mailto:sarah@banktechventures.com) stating your interest in participating in Fund II, and she will set you up with access to our BankTech Ventures Data Room, which is hosted on our Fund Administration platform (Aduro's FundPanel platform).
  - a. We are happy to add as many colleagues from your team as you'd like.
  - b. For access to Data Room – you will receive an email from FundPanel Support ([support@fundpanel.io](mailto:support@fundpanel.io)) inviting you to log into the data room. You can return to the data room whenever you'd like.
- 2. Data Room includes:**
  - a. Further detail on each of the Fund I Portfolio Companies
  - b. More detailed Case Studies highlighting LP/PortCo vendor partnerships
  - c. Annual Financial Statements for the prior 2 years of Fund I
  - d. Sample Investment Memos
  - e. Legal Agreements – Limited Partnership Agreement (“LPA”) and Subscription Agreement
  - f. References available upon request (Founders, LPs, Co-Investors, Character References)
- 3. Review Legal Documents:** Please review the Private Placement Memorandum, Subscription Agreement and Limited Partnership Agreement.
- 4. Sign Legal Documents:** The only signed document we require to commit to the fund is the Subscription Agreement. In here, you will write the amount you'd like to Commit (i.e. \$1MM, to be drawn upon over the fund's term), plus fill out Entity and Accreditation information.
  - a. We will then countersign and provide you with all final documents.
- 5. Initial Capital Call:** Once we have hit \$40MM raised, we will initially call around 5% of your total committed capital.

# APPENDIX

Analytics & Insights continued... 

WHY SHOULD MY BANK BE AWARE

Enhanced customer personalized banks can effectively.

Risk Mana transaction creditworth lending dec

Process Op process imp focus on m by identify managem

Strategic behavior, a planning, B effectiveness

Customer campaigns preference can help d retention.

Product an banks to in can identify changing m


Financial opportunity structures profitability

Data-Drive allowing ba intuition, B various dec

CONTACT For info

Analytics & Insights continued... 

WHY I WANT/NEED THIS AS A CUSTOMER

Analytics & Insights continued... 

WHY IT MATTERS

Data & Analytics Analytics & Insights 

WHAT IS IT

Data analytics refers to the process of systematically examining data to uncover patterns, draw conclusions, and support decision-making. It involves using various techniques and tools to process and analyze data, often with the goal of extracting valuable information and insights.

- **Data Collection:** Gathering raw data from various sources, such as databases, sensors, social media, and transactions.
- **Data Processing:** Cleaning and organizing data to ensure accuracy and consistency. This often involves removing duplicates, correcting errors, and formatting data.
- **Data Analysis:** Applying statistical and computational methods to explore and interpret the data.
- **Data Visualization:** Presenting data in visual formats such as charts, graphs, and dashboards to make complex data more understandable and actionable.
- **Data Interpretation:** Drawing conclusions from the analysis and understanding the implications for decision-making.

Insights are the actionable conclusions or understandings derived from data analysis. They represent valuable information that can guide decisions, strategies, or actions. Insights are the "aha" moments that help organizations understand what the data is telling them beyond surface-level observations.

- **Actionable:** Insights should lead to specific actions or decisions. They help in making informed choices rather than just presenting data.
- **Contextual:** Insights are often more meaningful when considered in context. They provide a deeper understanding of why certain trends or patterns are occurring.
- **Impactful:** Good insights have the potential to drive significant improvements or changes. They can influence business strategies, enhance operational efficiency, or improve experiences.
- **Predictive:** Some insights can help anticipate future trends or behaviors, allowing organizations to proactively address potential challenges or opportunities.
- **Strategic:** Insights can guide long-term planning and strategic decision-making, aligning actions with organizational goals and objectives.



# Pipeline Breakdown

We don't have one thesis. We have over 130 theses... and continue to develop more.

Each thesis is broken down further into internal white papers

- What it is
- Why it matters (Commercial)
- Why I want this (Retail)
- Why my bank should care/offer/or be aware

Why are we diving down the rabbit hole here?

- Level Setting (Internal)
- Educational Foundation (External)
- Boundary Push (What could be)
- Be Your Source of Truth/Inspiration
- Matchmaking (No matter how trivial)
- Market Intelligence



# BANKTECH VENTURES IN THE NEWS

## BankTech's Activity:

- BankTech Ventures invests in [Equabli, Monit, and Filejet](#), helping to drive advancement in community banking.
- Pam Kaur, BankTech's Head of Bank Technology, is named one of the [2023 Most Inspiring Fintech Females](#)

## BankTech's Thought Leadership featured in:

- BankBeat: Katie Quilligan, BankTech Investor, [discusses how banks can be using AI](#)
- Digital Journal: Pam Kaur speaks to [how tech is impacting community banking](#)
- PayPod's Payments & FinTech Podcast: [The Purpose and Opportunity of Community Banks with Brandon Oliver of BankTech Ventures](#)
- Financial Brand: [What Banks Still Need to Learn From Their Fintech Competitors](#)
- American Banker: ["Fintech for Aging Adults is not just about Preventing Fraud"](#)
- Pam Kaur talks on [how to bring new fintech into a community banks core system.](#)
- Pam Kaur shared insights into how [Bank and Fintechs can work better together.](#)

## Stay in the loop:

- Check out [our website](#) for news updates, blog posts, and podcasts.
- [Subscribe](#) to our monthly newsletter for investment updates, original articles by the BankTech team, job openings at our PortCos & LP Banks, and more!



## Case Study

**Objective:** Prior to this partnership, Colony Bank relied on their core provider for system integrations and data upload, resulting in significant costs and lengthy one-off integrations. They received nightly data files that required manual upload into their systems, often taking an entire day to complete. As Colony Bank grew, and leadership recognized the increasing importance of rapid data access, they sought greater control and an efficient middleware solution, bringing them to PortX.

**Solution:** PortX's middleware enables Colony Bank to reduce core dependency and seamlessly connect all systems. By building reusable APIs, PortX creates substantial savings in time and cost for future projects, allowing Colony to build out the bank's data warehouse, set up an improved CRM, build a better data visualization tool, and explore many more use cases on the horizon.

**Implementation:** The first month consisted of planning and prioritization of projects, followed by three months of implementation to launch the first use case. Leveraging past integrations with every major core system, PortX has successfully established connections that allow future projects to progress faster. PortX's operating models provided guidance for learning how to use the platform through training and resources tailored to Colony's current team structure.

## Company Overview

**Company One-Liner:** Enable banks to broaden their capabilities without vendor or technology limitations.

**Product/Service Benefits:** PortX provides a layer of middleware that existing banking systems, including the core, plug in to. With the hub having modular architecture, banks can unlock access to their core data and utilize reusable API connectivity that abstracts the banking core from other systems to provide full control of the customer data banks own. PortX enables rapid delivery of innovative products while ensuring secure and scalable connections.

**Recommended Bank Staff to Work with Company:** Chief Technology Officer, Chief Information Officer, Chief Operations Officer

**Go-to Company Contact (or reach out to our team & we'll make a warm introduction):** Shelba Murphy, SVP of Sales, [shelba.murphy@portx.io](mailto:shelba.murphy@portx.io)





## Case Study

**Objective:** Encore Bank recognized the need to grow their deposit base and grow their assets across various markets in multiple states.

**Solution:** Encore Bank implemented ZSuite's platform which offers a niche deposit gathering strategy targeting title companies, law firms and the 1031 exchange market, leading to exponential growth in deposits. Understanding the unique demands and varying state regulations Encore Bank operated under, ZSuite is able to provide guidance and state-specific solutions tailored for each bank branch. This enables Encore Bank to deliver a white-labeled, targeted approach that meets the needs of existing customers to increase stickiness, attracts new customers, and drives deposit growth.

**Implementation:** ZSuite managed the complexity of implementation, ensuring minimal lift on the bank's end. The solutions were white-labeled and data is uploaded through API connectivity. ZSuite offers Single Sign-on for bank partners and can integrate SSO into an existing commercial banking platform.

*"Conventional escrow and subaccounting processes are complex, manual, time-consuming and a compliance risk. We are thrilled to partner with ZSuite to offer our customers robust, innovative products that are a perfect fit for our business model."*

- **Nikki Pfleger**, EVP Director of Business Banking Solutions, Encore Bank

## ZSuite Tech - Company Overview

**Company One-Liner:** Spun-out of a bank, ZSuite provides a convenient, compliant, full-featured digital escrow and sub-accounting solution for community banks.

**Product/Service Benefits:** ZSuite offers digital escrow and subaccounting services, leading to low-cost commercial deposit growth at no additional lift for branch network or staff. Their products allow banks to deepen their relationships with existing customers by providing a digital treasury management tool and to attract new, high-volume customers. ZSuite has experience with all major cores and online banking systems. ZSuite is SOC 2 Type II compliant.

**Recommended Bank Staff to Work with Company:** Head of Treasury, Chief Operations Officer, Chief Innovation Officer

**Go-to Company Contact (or reach out to our team & we'll make a warm introduction):** Aaron Coleman, Chief Sales Officer, [aaron@zsuitetech.com](mailto:aaron@zsuitetech.com)



## Case Study

**Objective:** UniBank was trying to meet the growing demand for banking services and access to capital among Asian American business owners, many of whom are immigrants.

**Solution:** CNote's Impact Cash® addressed UniBank's challenge of connecting with new sources of deposits. By facilitating partnerships with corporations and impact investors, CNote's program expanded UniBank's access to investor capital, which increased UniBank's lending capacity, enabling it to provide a steady flow of deposits to support its mission of empowering local communities and businesses.

**Implementation:** CNote is free for banks and does not require any system integration. An account opening agreement is executed between CNote, the bank, and the custodian, Northern Trust, where the deposits will be deployed.

*"The deposits we've received from CNote's program have increased our capacity to serve our customers, enabling us to provide more loans and support to small businesses and individuals. We hope that this program will have a greater role in driving sustainable growth and fostering economic development, empowering our customers to succeed in their ventures and build generational wealth."*

- **Simon Bai**, SVP, Chief Financial Officer, UniBank



Proprietary & Confidential

## Company Overview

**Company One-Liner:** CNote is a women-led impact platform driving financial innovation to create a more inclusive economy.

**Product/Service Benefits:** Unlocks new opportunities for low cost and reliable deposits. Banks gain access to impact-focused, long-term capital, without spending months building investor relationships. CNote empowers banks to align their deposits and investments with the causes that matter most to them, while having a positive impact on underserved communities. CNote connects impactful banks with outside deposits through aligned corporate investors.

**Recommended Bank Staff to Work with Company:** Head of Deposits, Chief Financial Officer, or Chief Banking Officer.

**Go-to Company Contact (or reach out to our team & we'll make a warm introduction):** Jessica Jacobson, Director of Deposits, Strategy, Operations, [jessica@mycnote.com](mailto:jessica@mycnote.com)