banking technology

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EDITOR'S NOTE

Tanya Andreasyan
Editor

Welcome to the September edition of *Banking Technology*, just in time for the busy autumn conference season. FinovateFall, Sibos, Money20/20 Middle East and Money20/20 USA – our team of reporters will be on the ground covering the most interesting topics and developments. Keep an eye on our website fintechfutures.com for breaking news and timely stories from these events. And get in touch if you have a story to share and/or would like to meet up!

In the meantime, this edition brings you a handy summary of various activities across the banking, payments and fintech world, including who's been investing in whom, who's been raising funds and who has been acquired.

Banks have been busy over the summer with their M&A strategies. US-based Fifth Third Bank has completed the acquisition of cash management software provider DTS Connex.

South Africa's Nedbank has bought local fintech iKhokha, a payment and business management tools provider for SMEs, for around $93.9 million.

UK challenger Starling Bank has acquired accounting and tax platform Ember to enhance its business banking services, in preparation for new national tax initiatives emerging next year.

Also in the UK, Lloyds Banking Group is reportedly in talks over the potential acquisition of Curve. The fintech's digital wallet technology enables users to consolidate multiple payment cards into a single smart card. Founded ten years ago, it now claims six million users globally.

In Germany, transaction bank Deutsche WertpapierService Bank AG (dwpbank) has purchased 100% of the shares of Brokerage-as-a-Service platform Lemon.markets.

Canada's Royal Bank of Canada (RBC) and Bank of Montreal (BMO) are reportedly exploring the potential sale of their payments joint venture Moneris, valued at up to $2 billion. Founded in 2000, Moneris serves around 325,000 merchants and processes nearly five billion transactions annually through its online and in-store systems.

Head over to the M&A section of our website for more details and more deals.

NEWS ROUND-UP

Image: Klarna

Klarna to sell $26bn worth of BNPL loans to Nelnet to help fund US expansion

Klarna has arranged a new multi-year forward flow financing agreement through which it will sell newly originated, short-term receivables from its 'Pay in 4' buy now, pay later (BNPL) service to US student loan servicing company Nelnet Financial Services.

Up to $26 billion in total payment volumes are expected to be sold over the course of the agreement. Funds will be used to expand Klarna's presence in the US.

The fintech, headquartered in Stockholm, Sweden, has been live in the US for almost a decade now, first launching its BNPL service in September 2015. It publicly filed a Form F-1 registration statement with the Securities and Exchange Commission (SEC) earlier this year as it gears up for its much-anticipated initial public offering (IPO) in the US.

Klarna has since been expanding its product suite, including inking a partnership with Californian issuer processor Marqeta to support the general rollout of a new debit card service.

Niclas Neglén, CFO of Klarna, describes the deal with Nelnet as "a landmark transaction for Klarna in the US". The origination and servicing of receivables involved in the programme is to remain under Klarna's remit.

The company has also recently struck a significant financial arrangement with Spanish banking giant Santander, securing a structured financing facility with a total funding capacity of up to €1.4 billion.

Lloyds Banking Group wins £99.6m UK government contract

Lloyds Banking Group has been awarded a substantial contract to deliver banking services for several government departments and public sector organisations in the UK, valued at £99.6 million.

The bank, which serves about 27 million customers and operates prominent UK financial brands including Halifax, Bank of Scotland and Scottish Widows, will now process payments for Government Banking, the division responsible for distributing shared banking services across central government and the public sector.

Lloyds will manage banking services for more than 30 government entities, including HM Revenue and Customs, Communities and Local Government, the Department for Transport and the Ministry of Housing.

The contract is set to run for eight years initially, with the option to extend by four additional years.

Lloyds takes over from a 10-year agreement the UK government previously had with fellow British bank Barclays and is to operate alongside existing contracts with NatWest and Citigroup.

The bank states it has been "investing significantly in its cash management and payment systems as part of its digital transformation". Recent technology initiatives include the deployment of Athena, its first large-scale generative AI product, and the migration of its AI infrastructure to Google Cloud.

Canadian banks explore potential sale of payments venture Moneris

Royal Bank of Canada (RBC) and Bank of Montreal (BMO) are reportedly in the early stages of exploring the potential sale of their payments joint venture Moneris. According to Reuters' sources, a potential deal could value the business at up to $2 billion.

Founded in 2000, Moneris serves about 325,000 merchants and processes nearly five billion transactions annually through its online and in-store systems. It also offers gift cards and loyalty programmes, consumer insights and fraud prevention tools.

New York-based investment bank PJT Partners is advising on the potential sale, it is understood.

Brex enters Europe with new EU Payment Institution licence

Brex, a US-based expense management platform, has obtained a Payment Institution (PI) licence in the European Union, marking its first expansion into Europe. The licence was issued by Dutch regulatory authorities. Brex joins several other fintechs that have entered the EU market through the Netherlands, including CAB Payments and Clearbank.

Since its inception in 2017, Brex has exclusively served customers based or headquartered in the US, offering corporate cards, expense management and treasury tools. The new EU licence authorises the firm to operate throughout all 30 EU states, providing direct issuance of commercial credit cards and payment origination capabilities, including direct debits and credit transfers.

The company has already laid operational groundwork in the Netherlands with established offices, a complete board structure and specialised teams covering sales, operations and customer success. Currently, Brex boasts a 12-strong workforce there, with plans to increase staffing as European operations grow.

Earlier this year, the fintech secured a $235 million revolving credit facility. It says it is now "exploring the opportunity to secure a separate licence to support UK-based customers in the coming months".

Worldline enters talks to sell MeTS unit to Magellan Partners

French payments company Worldline is in exclusive negotiations with European consulting and technology firm Magellan Partners over the potential sale of its Mobility and e-Transactional Services (MeTS) division, valued at approximately €410 million.

According to Worldline, the carve-out includes all MeTS operations, including its Customer Contact-as-a-Service and Mobility-as-a-Service solutions, along with "selected activities of FS Digital Banking – which primarily operate outside of payments, involving distinct customers, business models, sales and delivery processes".

These businesses collectively generated about €450 million in turnover in 2024 and employ about 3,800 people across France, Spain, Germany, Austria, Belgium, India and the UK. Worldline says the contemplated sale will enable it to streamline operations and focus resources on "core payment activities for merchants and financial institutions".

It has also recently shaken up its leadership team, including the new CEO, CTO and CFO, among others.

Anthony Thomson unveils bank for family offices and ultra-wealthy

Entrepreneur Anthony Thomson, who previously co-founded and chaired UK-based challengers Atom Bank and Metro Bank, is set to launch a new global banking institution specifically designed for and owned by family offices and ultra-high net worth individuals (UHNWIs).

Family Offices Bank is penned for launch in 2026. Thomson reportedly plans to raise £500 million over five years, with the bank's headquarters located in either Jersey, Singapore or the UAE (the final location decision is expected later this year).

The bank's executive leadership team includes several industry veterans: Stuart Grimshaw, former executive at Commonwealth Bank of Australia; Sudip Dasgupta, former CTO of Monument; current Tandem Bank chair Paul Pester; and former Barclays exec Samantha Bamert.

Thomson also highlights the institution's differentiated ownership structure: "Our clients will also be our shareholders, meaning they share in the value they create. That means no exit pressure. No misaligned incentives. Just a structure that puts families and their legacy first."

Previously, Thomson also founded and chaired a challenger bank in Australia, 86 400. In 2021, it was acquired by National Australia Bank (NAB). He is also one of the co-founders of Archie, an acceleration partner for early-stage fintechs in the UK, UAE and Australia.

For a healthy dose of daily news on all things banking, fintech and payments head over to the FinTech Futures online news section.

FINTECH FEED

THE NUMBER GAMES

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

$8.6 billion

is an all-stock transaction deal to merge two Southeastern US banking organisations, Pinnacle Financial Partners and Synovus Financial Corp, creating the largest bank in Tennessee and the largest bank holding company in Georgia and operating under the Pinnacle name

$142 million

to be paid by Ohio-based bank First Financial for Chicago-based BankFinancial in an all-stock transaction; the deal follows First Financial's $325 million acquisition of another Ohio-based bank, Westfield Bank

$1.9 billion

to be paid by Ohio-based Huntington Bancshares, of The Huntington National Bank, to acquire Veritex Holdings, the parent organisation of Veritex Community Bank in Texas; Veritex has $13 billion in assets, $9 billion in loans and $11 billion in deposits

$2.2 billion

to be spent by US corporate payments company Corpay for Alpha Group International, a London-headquartered provider of B2B cross-border payment and FX; this marks Corpay's fourth acquisition in the past 18 months (see p20)

$2 billion

is the price of US financial services software provider MeridianLink, to be paid by funds advised by affiliates of Centerbridge Partners; under the terms of the all-cash transaction, shareholders will receive $20 for each share of common stock (see p20)

€126 million

is the sale price of an 11.7% stake in Irish retail and small business bank Permanent TSB (PTSB), sold by UK banking group NatWest; the deal marks the latest step in NatWest's continued withdrawal from the Irish banking market – earlier this summer, it handed back to the regulator the Irish banking licence for its subsidiary, Ulster Bank

£2.65 billion

to be paid by Santander to acquire UK-based retail bank TSB from Banco Sabadell in an all-cash deal

$36.8 million

is the price tag of Swedish lendtech firm Stabelo, to be paid by Swedbank; founded in 2016, Stabelo operates as a mortgage credit institution, processing and distributing mortgages through its own digital infrastructure and through partnership agreements with firms like Avanza; the final purchase price is dependent on its development up to and including 2028

THEY SAID IT...

"As a financial institution, you need to start taking an enterprise approach to rewarding your customers. Many traditional institutions run loyalty programs that are very product-centric and transaction- or reciprocity-based – they award points for using a credit or debit card, or for making a certain number of transactions.

"Through an enterprise approach, you'd instead reward the whole relationship that customers have with your institution, whether they switch from paper to digital statements, keep their deposits at a certain level or pay bills regularly from your digital app."

Mladan Vladic, head of loyalty, FIS

• Read the full article on the *FinTech Futures* website here

EDITOR'S CHOICE

TRENDING

Co-op Bank NZ innovates with 10x Banking project

The Co-operative Bank in New Zealand has selected UK-based vendor 10x Banking's core banking platform to replace its legacy infrastructure, under a new initiative to "improve efficiency and accelerate digital innovation".

The bank, 10x's first client in New Zealand, says the full-platform migration will aim to provide "a foundation for faster innovation, simpler products and more intuitive digital services for its 180,000+ customers up and down the country".

The project is expected to be delivered "in phases to minimise disruption", according to the bank, with member benefits expected to emerge from late 2026.

On the way out is the legacy NTBS Banking core system of New Technology Business Solutions, implemented there over 15 years ago, *FinTech Futures* understands.

"Our current system has served us well, but banking is changing fast," comments Mark Wilkshire, CEO of The Co-operative Bank. "This is a long-planned investment in the future of our bank. As a small New Zealand bank, we have the advantage of being nimble and we're aiming to implement the latest core banking technology over the next three years."

OBD hopes for Tuumthing special with Uptex Bank

Oliver Business Development (OBD) Holding in Oman has enlisted Estonian core banking software vendor Tuum to power its new e-banking venture – Uptex Bank.

OBD Holding also runs forex and Contract for Difference trading platform Uptex Broker and crypto exchange Rizzbees, which operates in the EU.

Uptex Bank recently secured a licence with the Sultanate of Oman as it gears up to launch its debut suite of digital wallet and payment services, with the company expecting to pick up around 50,000 users in its first year of launch. It is implementing Tuum's core banking platform, via Amazon Web Services (AWS).

Tuum says Uptex Bank sought a partner that could help deliver a minimum viable product (MVP) "in a very short timeframe without compromising on scale or regulatory readiness", with the platform's launch planned "within months".

"With Tuum, we're not only launching fast, we're building for scale," comments Archie Sol, who serves as chief marketing officer at Uptex Bank, which he says, "is built for people tired of the old way banks treat them".

Tuum, headquartered in Tallinn, announced its expansion to the Middle East in April last year and opened an office in Abu Dhabi, hot on the heels of a Series B funding round. The round was led by CommerzVentures and raised €25 million, supported by an undisclosed follow-on investment from Citi Ventures.

Pismo eyes the Dosh as it partners up on payments

New Zealand-based fintech Dosh has partnered with Pismo for the vendor's cloud-native core banking and payments platform as it gears up to become the country's first fully digital, locally owned bank.

Founded in 2021, Dosh submitted its banking licence application to the Reserve Bank of New Zealand more than a year ago. Currently, customer funds are held at an established New Zealand bank while the company awaits approval.

Led by former ANZ exec Shane Marsh, Dosh offers a digital wallet app that features an array of financial products, including a Visa debit card, personal loans, payment services, and savings accounts. The company also recently launched home loans through a partnership with Westpac.

Dosh is implementing Pismo's core banking tech, which will provide the necessary "flexibility, enhanced security and speed needed to support its expanding suite of services" and customer acquisition goals over the next five years.

Dosh aims to finalise the migration of its entire portfolio of more than 40,000 accounts to Pismo's platform by May 2026.

Headquartered in São Paulo, Brazil, Pismo was acquired by Visa in a $1 billion deal last year. The company appointed Vishal Dalal as global CEO in April, succeeding founder Ricardo Josua.

Zopa taking the Biscuit with new current account

UK-based digital challenger Zopa Bank has partnered with banking tech vendor Thought Machine to power its first current account offering, dubbed Biscuit.

The product was launched to market in June this year, powered by Thought Machine's cloud-native core banking platform, Vault Core. It complements Zopa's existing range of financial services, which includes personal loans, flexible cash ISAs, credit cards, car finance and savings accounts.

Vault Core features a range of preconfigured financial products, spanning both traditional banking offerings, including transaction accounts and loans, as well as contemporary services such as buy now, pay later (BNPL) and digital wallets.

Thought Machine has been expanding its international footprint – among the Vault Core takers are Skandinaviska Enskilda Banken in Sweden, BCA Syariah in Indonesia, HD Bank's Vikki Digital Bank in Vietnam and Judo Bank in Australia.

MUFG Bank has designs on a younger audience

MUFG Bank has selected Zerobank Design Factory (ZDF), a subsidiary of Fukuoka Financial Group, to provide core banking technology for its upcoming digital bank, tipped to arrive in Japan in late 2026. ZDF first designed the technology for sister company Minna Bank, which launched in May 2021 as the first digital bank in Japan. The deal with MUFG Bank marks the first time the system has been provided externally to an organisation outside of the Fukuoka Financial Group.

Designed in collaboration with Accenture and running on Google Cloud, the ZDF core supports mobile-first banking services and includes tools for digital onboarding, deposits and transfers, lending and analytics, among other features.

The new digital bank aims to attract a younger demographic of users by combining MUFG's existing standing as the country's largest bank with the growing familiarity and usage of digital banking features.

The group is reportedly going to invest tens of billions of yen into the venture. It is also working with WealthNavi, acquired in December, to add wealth management features to the offering.

For more stories on core banking deals and go-lives, head over to the FinTech Futures website.

The three-body problem

By Dave Wallace

I have recently been taken by Player Piano, a cautionary tale written by Kurt Vonnegut about automation. Despite being written in 1952, its relevance to today and the current AI and jobs discussion is too good to miss. If you don't own a copy, I would highly recommend it.

I bought the book following a lunch with an old friend. He recommended it after I had told him about the Fintech Futures' Banking Tech Insights: Agentic Banking event in London that I had spoken at, focusing on the human cost of AI. There is a lot of talk about jobs being replaced, but too little discussion about what that really means for people, families and society. I distilled my thoughts into two themes: the human cost and what I am calling the three-body problem.

The Three-Body Problem is another book – you see where I get my inspiration.

It is also the challenge in physics and astronomy of predicting the motion of three objects (such as planets or stars) moving under the influence of their mutual gravitational attraction. Unlike the two-body problem, which has a general solution, the three-body problem does not, except in a few exceptional cases, because the system's dynamics quickly become chaotic, meaning minor differences in starting conditions can lead to vastly different outcomes.

TRIPLE AGENTS

My agentic three-body problem imagines a future world where AI agents control finance. This world may not be that far away. Agentic is the hot topic of 2025, with billions being poured into creating software that can plan, make decisions and take actions toward a goal without needing constant human prompts.

In my future, banks will go beyond using AI agents for back-end processes and will employ them for product development and customer relationship management, including hyper-personalisation. Enter the Bank Agent.

The customer will have an agent (Customer Agent) responsible for them and optimising their finances. With the proper checks and balances in place, it will be tasked with interacting with the Bank Agent to achieve whatever objectives it has been set and, by default, will have become the point of contact for the customer.

The Bank Agent will have its objectives but will not be able to interact with the end customer directly, so it will have to target the Customer Agent with product, relationship and messaging.

These two agents will have forces acting on them.

The Customer Agent may be tasked with optimising surplus funds. The Bank Agent is responsible for ensuring that the Customer Agent does not recommend switching to another bank to achieve the customer's goal. The two agents become locked into a negotiation. But this is not a one-off; potentially it's a perpetual micro-negotiation environment, in which parameters are constantly tweaked to try to achieve both agents' objectives.

Products would become fluid, changing based on real-time competitive pressure. The idea of a fixed-rate savings account lasting a year might disappear. Everything could become a variable, agent-negotiated deal.

Who is ensuring that the rules are followed? The third body, the Regulator Agent. It sits in the mix, ensuring that the Bank Agent plays fair and checking the validity of the Customer Agent for KYC and AML, which will be very important.

So, these three bodies will plan, make decisions and act (within their programming parameters). Where will this constant negotiation and optimisation end? I do not think anybody knows.

It could be that out of chaos comes perfect order.

At the moment, differences between institutions create points of differentiation. Like wood in a lathe, the three bodies might negotiate and optimise to precisely the same 'shape' of answer across these institutions. Competition will become irrelevant.

If that's the case, what will be the point of having lots of banks or fintechs?

If there is no competition, what happens to the banking industry and financial services more broadly? What a thought for us all.

It could be that this machine-speed financial decision-making means only a few adaptive institutions survive. Adaptive in this scenario means technologically advanced, which probably means the ones with the deepest pockets. This would play out globally, which could mean that after some seismic M&A activity, we are left with only a handful of banks looking after eight billion people.

Maybe I have missed something. Or maybe now is the moment to model this out and see if my perspective could be an outcome.

SMARTER THAN SMART

As I was about to put pen to paper to write this, I noticed that Sam Altman had just recorded a podcast with Theo Von.

I was intrigued to hear what he had to say and wondered if he might have some pertinent points.

Sam did talk about AI agents and how they are being incorporated into the ChatGPT offering, so that's a check.

And he said they are going to be smart. He said: "My (four-month-old) kid will never be smarter than an AI. That will never happen… They'll never know a world where products and services aren't way smarter than them and super capable."

This line made me shudder (as did the idea that the world may end up being covered in data centres).

So, agents are coming… and they are going to be smart. So I think it is reasonable to assume that the agentic three-body problem is therefore in play.

I asked ChatGPT about the likelihood of the agentic three-body problem happening. Its response was "highly likely", agreeing that it makes competition somewhat redundant.

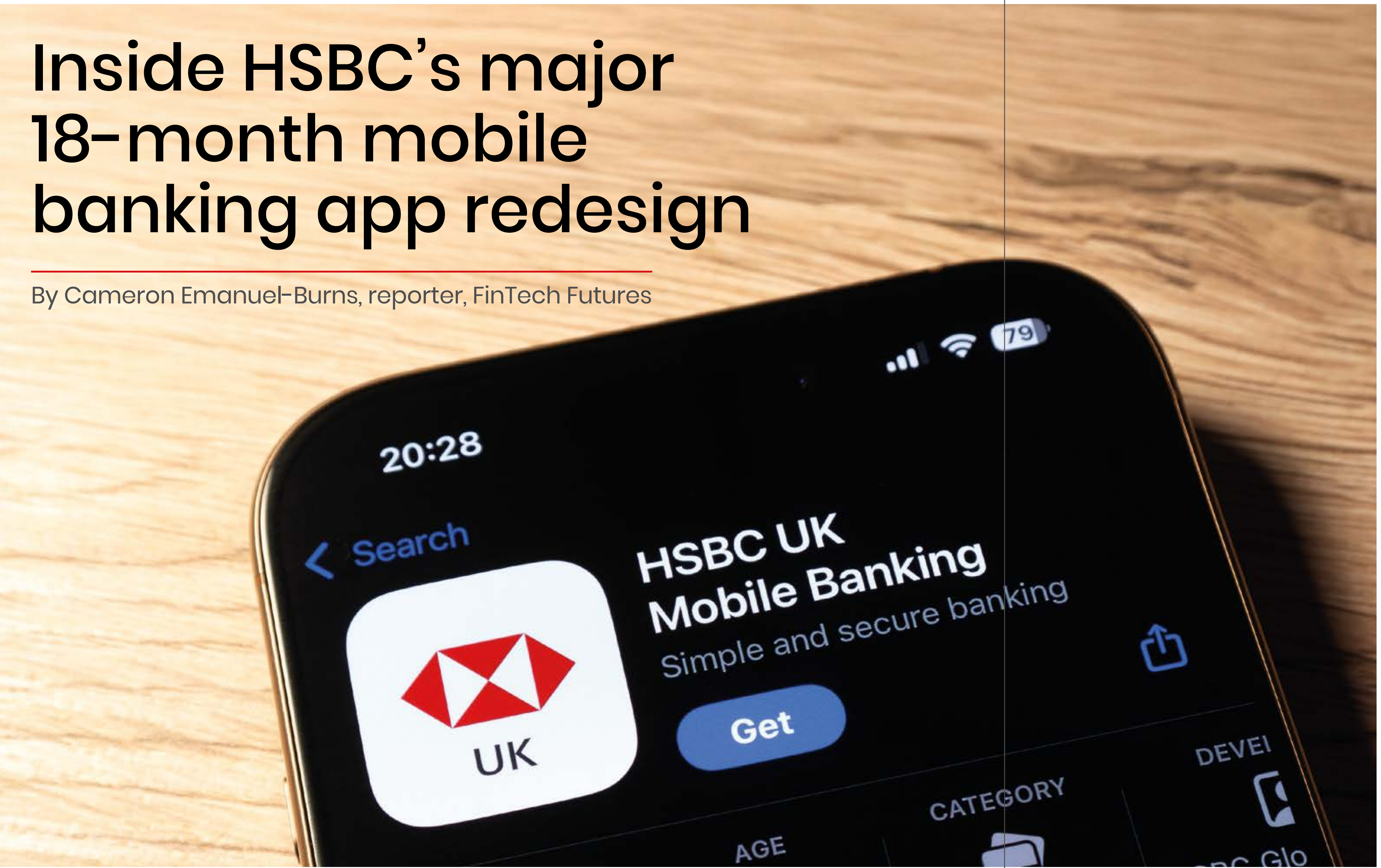
I am not sure what advice to give or what conclusion to reach. But all I will say is that this needs to be talked about.

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 X @davejvwallace and listen to the Demystify podcast he co-hosts.

INTERVIEW

Inside HSBC's major 18-month mobile banking app redesign

By Cameron Emanuel-Burns, reporter, FinTech Futures



mino21 - stock.adobe.com

For financial institutions, maintaining digital channels that meet the evolving expectations of customers has become not merely advantageous, but imperative for survival in today's competitive landscape.

HSBC UK recently undertook a major redesign of its mobile banking app for UK customers with the aim to enhance its digital experience and add new features as it looks to keep pace with the rapid rate of technological advancement and ever-changing customer needs.

FinTech Futures spoke with George Charalambous, head of digital channels at HSBC UK, to discuss the steps taken to successfully migrate the bank's seven million personal banking customers to the new platform.

WHAT PROMPTED THE REDESIGN?

"Our first app-type was launched in 2012 and over the years it has had add-ons and plug-ins with more and more content added year on year," explains Charalambous. "The amount of content had begun to make it unwieldy and the app design was beginning to become outdated, with increasingly complex navigation. Too many features were hidden with lots of competition for the same space and there were inconsistencies in the look and feel of the different customer journeys."

Through customer feedback, he notes that it became apparent the bank's legacy application "wasn't working optimally and was beginning to create a jarring experience for some". He adds: "We felt the app was at risk of becoming no longer fit-for-purpose and detracting from the positive customer sentiment regarding our competitive products."

Charalambous says that customer experience was compromised by increasing technical complexity, characterised by a "high degree of component coupling, which significantly constrained the speed of change and adaptability".

He says: "A fundamental redesign of the app would not only enable us to leverage the latest techniques, reducing the cost of delivery, but it would also provide us with an opportunity to enable personalisation and customisation, which was not possible under the old design."

PROCESS AND CHALLENGES OF THE DEVELOPMENT

Described by Charalambous as "the biggest overhaul" of HSBC's mobile banking app since its first iteration, the project took 18 months from design stage to launch.

Explaining the process, Charalambous says: "We went back to the drawing board to pretty much start from scratch, so it had significant strategic importance across the business. This would eventually be the blueprint for all personal banking users, regardless of their location, so it had to be much better than just fit-for-purpose.

"The project team needed to be mindful of the sheer scale and specific needs of all of the different markets," explains Charalambous. "There was a high level of complexity and logistics involved, so we brought together high-performing teams from across the organisation to collaborate towards a common goal."

Resilience of the rebuilt app was sacrosanct. "We invested heavily in capacity modelling and underlying system resilience to support technology changes and potential changes in customer demand," says Charalambous. "We ran extensive staff and customer beta in addition to a phased customer rollout while closely monitoring customer behaviour and system performance."

HSBC'S FUTURE DIGITAL ROADMAP

When discussing the new app's capabilities and technology, Charalambous reveals HSBC is working with Google to enhance its conversational banking capability, along with several unnamed other fintechs. By leveraging generative AI and Google Dialogflow, Charalambous says the bank has been able to enhance digital journeys, "from design and improving engineering productivity and accuracy", alongside its natural language understanding, respectively.

In addition, he notes: "We have also moved to a loosely coupled, event-driven architecture and reduced dependencies between capabilities, allowing greater flexibility and speed of change."

For HSBC's seven million customers in the UK – the location for the initial launch of the redesigned app – Charalambous claims they will now receive an "overall better banking experience", with the new system able to provide customers with "information that is most relevant to them and better positioned, too". Moreover, he states there is also "improved discoverability of products and features and a greatly improved chat experience".

> "A fundamental redesign of the app would provide us with an opportunity to enable personalisation and customisation, which was not possible under the old design."
>
> George Charalambous, HSBC

Additional features, including in-app credit card reward point redemption, a fraud management hub and expanded visibility of external accounts and cards via open banking integration, are scheduled to be rolled out "down the line".

"Doing it all in one go was not advisable in terms of customer acceptance, too much change too soon, and also to reduce the risk of any major technical hitches, which would have undermined the hard work the project team has put in over the last 18 months," says Charalambous.

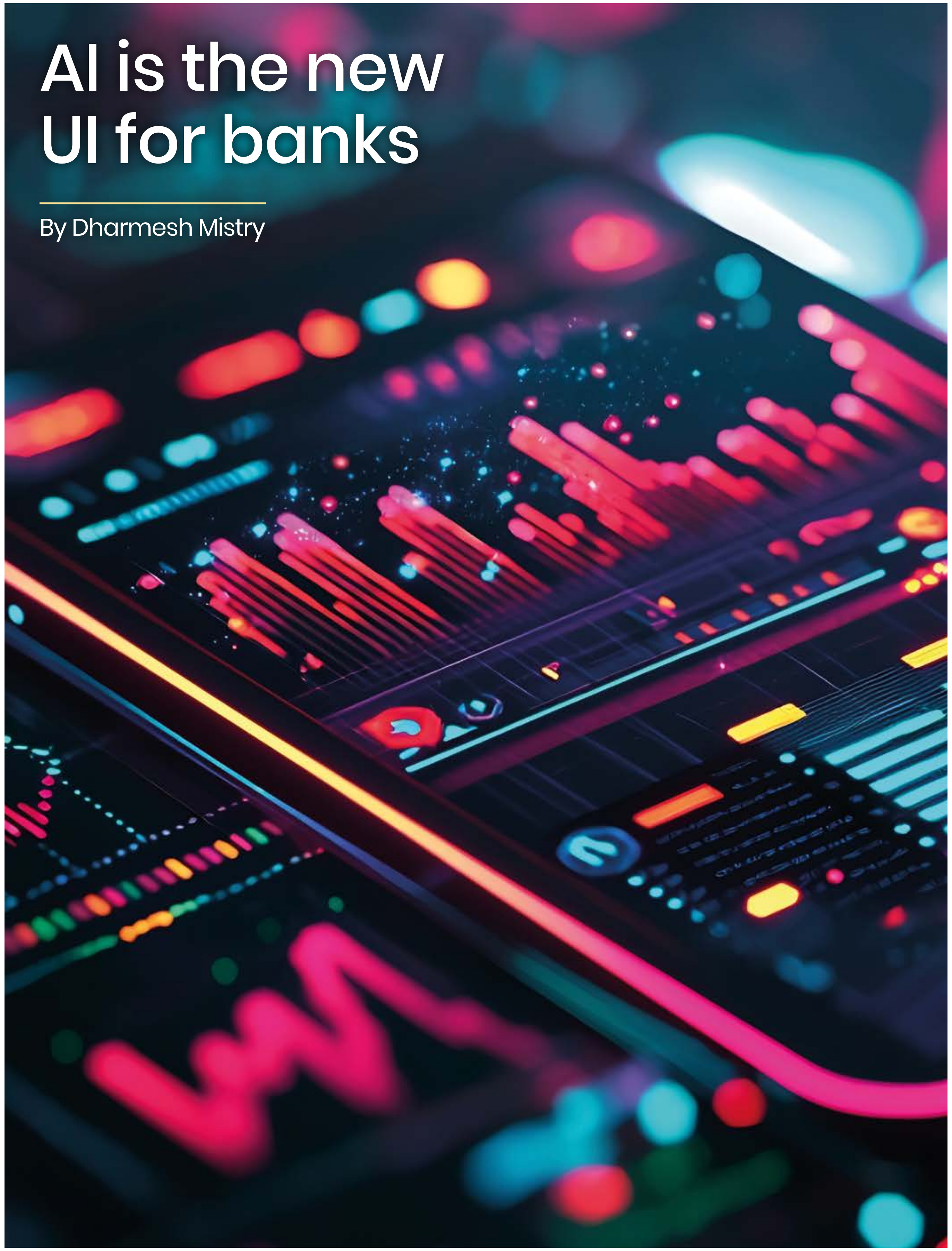
Now that the initial phase has been completed, HSBC plans to introduce the new design to all its mobile app users across the world, starting with its other home market, Hong Kong.

As the bank moves forward, Charalambous adds that there will be a "need to make continuous improvements, including adding important content. However, we don't want to get to the position we were in before the rebuild with too much info, too many journeys and too many clicks needed.

"We need to be deliberately very measured," says Charalambous, "but we wouldn't be doing our customers justice if we didn't keep an open mind while horizon-gazing for new opportunities as the year progresses."

AI is the new UI for banks

By Dharmesh Mistry



Recently, I wrote about the notion of the single brain, a concept I have worked on and developed over my career.

I previously focused on how it could solve issues created by organisational silos, but there were many other issues it sought to solve also.

One of those other issues was that, back in the early 90s, bank branch workers were having trouble finding specific customer data or applications. I was working at a bank at the time and was involved in writing one of the first applications that branch staff could use to mitigate having to complete paper forms and send them off to processing centres where they would key the data into various systems.

Soon after, the bank expanded branch functionality with another 30 Windows apps. At this time, everyone had the same desktop and could see all the available apps. We had already created our own UI standards, so the applications had consistent naming for menu items and buttons. The challenge for branch staff was finding the data or functionality they needed to get a task done. With another 30 or so applications, this problem would only get worse.

At this time, the bank was expanding and recruited staff from other banks, who also struggled because either the data, process or functionality had different names in their previous banks. For example, some people understood standing orders whereas others understood recurring payments.

As I wrote previously, my single customer view prototype was aimed at bank staff rather than customers. This was in the early 1990s, before the advent of the world wide web. This prototype solved a few of these problems.

1. **Personalised desktop** – based on a login, the user's desktop displayed only the applications relevant to that person's skill profile and role (I argued for the integration of HR data to enable this).
2. **Bank work-tray** – rather than going immediately to an app to complete a task, I presented a 'work-tray', which listed, in priority order, what work had already been allocated to the staff member.
3. **Hypertext navigation** – by clicking on an item in the work-tray, the appropriate application was brought up and was contextual for the user. So, if the work item was, for example, change of address, a customer service person would see the screen to update the customer address, while a sales agent would see the 'qualify lead screen' for CRM. Screens showing data only had hyperlinks on each data item and clicking them would contextually take you to the appropriate update screen.

> "Agentic banking can help both staff and customers, but it requires a fundamental re-think of bank automation."
>
> Dharmesh Mistry

This capability largely solved the complexity of finding the right application for the task at hand. To solve the problem of terminology, either for actions or for data, I created a search app called the 'Navigator'. The Navigator allowed you to find anything and had synonyms for data items, objects and actions, so that a search for "transfer funds" or "send money" would return the same screen/app. This was very similar to some of the chatbot interfaces seen prior to ChatGPT, except there was no AI behind it.

Many branch and call centre solutions today still have not solved these problems, even those with a 'single customer view'. This is where natural language interfaces like ChatGPT could solve challenges both for staff and customers. Having delivered hundreds of internet and banking solutions over the past 20 years, one of the key challenges I still see today is that customer self-service is still limited because we don't have enough menus, buttons or screen estate for everything in a single app. Today, breaking apps into autonomous screens and enabling an LLM to understand what the user (staff or customers) wants would solve not only user issues but enable even more self-service by customers.

I'm just saying that agentic banking can help both staff and customers, but it requires a fundamental re-think of bank automation. Banks need to consider what else can be self-served by customers if screen estate/menus and language were not an issue. For staff, the same is true, but only if a software agent can't or shouldn't complete the task at hand.

Dharmesh Mistry has been in banking for more than 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 an entrepreneur, investor and mentor in proptech and fintech. Follow Dharmesh on X @dharmeshmistry and listen to the Demystify podcast he co-hosts with Dave Wallace.

Denmark's deepfake disruption

By Sujata Dasgupta, global head – financial crime compliance advisory & transformation, TCS

The rise of generative AI has brought with it the rise of deepfakes – synthetic media that realistically mimics an individual's face, voice and behaviour.

This escalating threat has seen deepfake fraud attempts surge in the last three years, with Onfido's 2024 Identity Fraud report indicating a 3,000% increase in 2023 alone. According to a recent Deloitte report on deepfakes, businesses in the US alone lost $12.3 billion to deepfake fraud in 2023, which is projected to rise to $40 billion by 2027.

The financial sector is highly vulnerable, with the number of deepfake face swap attacks during identity verification spiking by more than 700% in 2023, according to data from iProov.

Traditional fraud detection tools struggle with deepfakes, and human deepfake detection accuracy remains low. Many decision makers are unfamiliar with deepfake technology, underscoring a global unpreparedness and the urgent need for disruptive legal and technological solutions.

DENMARK'S PIONEERING LEGISLATION: A SUMMARY OF THE PROPOSED COPYRIGHT LAW

Responding to this threat, Denmark is set to enact a groundbreaking piece of legislation amending its copyright law. This pioneering move grants individuals a copyright-like ownership over their body, facial features and voice, treating personal likeness and vocal patterns as intellectual property.

The law's core purpose is to empower citizens with a legal tool against unauthorised deepfakes that exploit their identity. Individuals will have exclusive rights to control how their unique characteristics are used in AI-generated content. Should an unauthorised deepfake be created, the individual can demand its immediate removal from online platforms. Non-compliant platforms face "severe fines", with potential escalation to the European Commission under the EU's Digital Services Act (DSA).

However, the legislation excludes carve-outs for satire, parody and legitimate artistic expression. Announced in July with potential enactment by late 2025 or early 2026, this law establishes a proactive "right of ownership" model.

HOW THIS NEW LAW CAN DISRUPT DEEPFAKE FRAUD

Denmark's proposed copyright law can significantly disrupt deepfake fraud.

First, it creates a clear legal basis for takedown requests, simplifying and accelerating the removal of fraudulent deepfake content. This reduces legal ambiguity and the burden on victims.

Second, it shifts accountability by imposing "severe fines" on platforms that fail to comply. This incentivises platforms to invest in robust deepfake detection, content moderation and rapid response, extending accountability beyond creators to distributors.

Third, it moves from a reactive to a proactive stance. By establishing ownership over likeness, the unauthorised creation or use of a deepfake becomes a violation itself, enabling preventative action before significant harm occurs.

Finally, elevating personal likeness to intellectual property is a profound legal disruption. Using a deepfake for fraud becomes akin to copyright infringement, opening clearer legal avenues for redress and invalidation of fraudulently obtained assets or identities. This robust legal deterrent aims to reduce the economic viability and ease of operation for fraudsters.

IMPACT ON FINANCIAL INSTITUTIONS

The Danish law holds profound implications for financial institutions (FIs), particularly regarding digital onboarding and combating deepfake-enabled illicit financial activities. Remote digital onboarding is a prime deepfake target. AI-generated synthetic identities can bypass KYC liveness and biometric verification, allowing fraudsters to open accounts or access services under fabricated identities, undermining trust in remote verification.

Deepfake-owned accounts can then become conduits for money laundering, obscuring illicit funds and evading AML/sanctions screening. The synthetic nature makes tracing perpetrators exceptionally challenging. Money muling by deepfake accounts further complicates financial crime investigations.

While targeting creators and platforms, the Danish law indirectly pressures FIs. If a deepfake-enabled account is found, the victim can demand its invalidation or closure, leading to reputational damage and potential legal challenges for FIs failing to detect such fraud. The law implicitly raises the bar for digital identity assurance, compelling FIs to enhance fraud prevention.

WHAT FINANCIAL INSTITUTIONS MUST PREPARE FOR

To combat deepfake fraud, financial institutions must urgently implement a multi-layered defence:

- First, **advanced identity verification technologies** are paramount. This includes sophisticated liveness detection to discern real human presence from deepfakes, analysing micro-expressions, skin texture and depth perception to counter injection attacks. Coupled with this, AI-powered document verification is essential to detect forged or synthetically generated IDs. Advanced biometric analysis should integrate face matching with continuous checks for inconsistencies and cross-referencing against fraud watchlists.
- Second, **behavioural biometrics** offer a critical defence layer, analysing unique user patterns such as typing speed or mouse movements to detect anomalies indicating fraud.
- Third, **adaptive authentication systems** are crucial. These should continuously analyse signals (transaction patterns, location, device details and so on) to trigger additional verification or block suspicious activity. For high-value transactions, robust multi-factor authentication is vital, never relying solely on voice or video instructions.
- Fourth, FIs must invest in **continuous learning AI** for deepfake detection algorithms, as deepfake technology constantly evolves.
- Lastly, FIs should also explore **cryptographically secured digital identification methods** such as eID-Ident or Bank-Ident for higher assurance against AI/deepfake attacks. Sweden's BankID and Denmark's MitID are some examples.

THE ROAD FORWARD: STEERING EUROPE AND THE WORLD

Denmark's proposed copyright law is a critical step poised to reshape global digital identity protection. With Denmark assuming the EU Presidency in July 2025, it will aim to champion similar reforms across the bloc, potentially creating a harmonised legal framework against deepfake threats.

This pioneering move is poised to influence global standards by recognising personal likeness in deepfakes as intellectual property, and can inspire similar legislation worldwide as nations grapple with AI's ethical and security implications.

The law complements existing EU regulations such as the DSA and the upcoming AI Act by strengthening individual rights and platform responsibilities. It moves beyond mere labelling for AI-generated content towards empowering individuals with direct ownership and control of their identity.

Ultimately, Denmark's bold legislative action will spur further development in deepfake detection, prevention and remediation technologies globally. It offers a powerful blueprint for a more secure and trustworthy digital future in the AI age.

Sujata Dasgupta is a multiple international award winning industry leader and global head of financial crime compliance advisory at Tata Consultancy Services (TCS), based in Stockholm, Sweden. She has over 25 years of experience, having worked extensively in the areas of payments, fraud and financial crime prevention across banking operations, IT services and consulting. She has had global exposure through her work with premier banks in several major financial hubs in seven countries across North America, Europe, the UK and Asia. She is an accomplished thought leader, author, columnist and speaker and is regularly interviewed by reputed international journals for her analysis and opinions on contemporary topics in this area.

FOOD FOR THOUGHT

Caught in the headlights

By Leda Glyptis

I haven't done my Captain Obvious routine for a while, so I thought I'd play the hits for a moment here… in case you have forgotten.

Because I am feeling like the fatigue we have all been accumulating for years now is not lessening… the noise we operate within seems amplified by the minute… and the *rabbit in headlights* moments are multiplying. Too much is happening too fast, demanding too much of us, and it's not always possible to know where or when to turn.

Only these days, the rabbits have reach and span of control, so any sudden movements 'echo in eternity', as your man Maximus Decimus Meridius would tell you. As if the pressure could get any crazier.

So let's say the quiet parts out loud.

Crazy as the pace of change is… 'What's next?' is occupying only a small part of our attention span inside our offices.

It's not that we don't care about the latest trends. We do. We all know AI is changing the way we work, and we all lose sleep over quantum computing, and we all have been reading around stablecoins and the latest trends in regulatory change. We all have teams working on all the things.

And at the top of the house, we all can and have and do and will continue to have conversations around scale, security and robustness.

But we are not yet having conversations around interoperability, compounded operational complexity and the sheer cost of it all.

Not enough, anyway.

Not because we don't care or we don't realise it's all very important.

No.

Because the part of our brain *not* dealing with 'What's next?' is dealing with 'What now?'.

What now, when it comes to the programme of work that is 18 months into a five-year run and some assumptions have been proven wrong? Which is fine… we expected that. And some leadership changes have happened, which is par for the course… we expected that too. And some directional changes have been needed as the market changed around us, which is to be expected… and we expected that. We really did.

What we didn't expect is that the things we expected *may* happen, would in fact *all* happen and we would be left in a place that is a lot less compelling than where we thought we were originally going, so we are trying to tweak and uplift and remodel while also trying to desperately backfill a key post before the year-end hiring freeze hits us.

What now?

Or we are trying to deal with the fact that, although our organisation has announced some great shiny work in all the 'What next?' stuff, we also had a pretty radical cost cutting exercise and now we have to deliver work designed for a team of 60 with 32 people. Oh, and the financial targets have been brought forward by two quarters.

That's the reality for most of us, behind the big announcement, and I know you know because I have told you before and you knew then too!

But you don't call me Captain Obvious for nothing.

And it is because you know all this… and I know you know… that I feel the need to do my Gladiator routine and remind you that what you do echoes… if not in eternity… then in your P&L… for quite some time.

So, in the spirit of saying the quiet parts out loud, let me continue with the next known and unspoken fact.

Nobody really wants to innovate on their business model if they can help it.

There. I said it.

Now let's all accept that this is a given but also that we should remind ourselves of it every now and again.

Because it cuts both ways.

It means that change will, does, has done and will again… affect our business models. And that it's OK to not go looking for it. As long as we accept that defence and resistance are fine… but may be futile as sometimes we can't help the tides of change.

Because back in the day, we used to think that we could absolutely help it.

And we were wrong.

But then there was also a time when we seemed to think that there was no choice *but* to change everything, and that isn't entirely right either.

Technology innovations happen every day, building on each other, relentlessly. Regulation evolves. Society flexes and changes.

All those things happen simultaneously and not always in tandem.

And although there is often a plan… things don't always work to plan.

Both the plan and the reactions to the plan not quite going to plan are leadership challenges.

And leadership is about decisions and trade-offs in a shifting context.

That is the lesson. That is literally all of it.

You will have to judge each situation on its own merit. That's why they pay you the big bucks, after all. To make decisions when the right answer isn't obvious.

You are chosen to hold this privilege, this position, this power, this burden… whichever way you look at it, because your knowledge, experience and demeanour create confidence in those around you that, when the time comes, you will make good decisions. But the conveyance of a decision-maker's mantle also comes with the implicit, unspoken understanding that you, as a decision-maker, no matter the level you make decisions at, are a custodian, ultimately.

So let's say the quiet part out loud: if you are a decision-maker in a business, no matter how big your remit or how big the business, your job is to make decisions on incomplete information and your mission is to preserve, protect and grow the business. Sometimes to preserve you need to change. A lot. But preservation is always the end game.

So.

You are a custodian of assets, capital and capabilities.

Your span of control changes depending on your role, but your mission does not. As a leader in our industry, you need to be first and foremost a good steward for capital and that means taking some risks and placing some bets to accelerate returns. It means giving in to the commercial urgency without being consumed by it. It means keeping an eye on the trends, the changes and the shifts without becoming a rabbit in headlights. It means understanding that your choices echo, if not in eternity, then in the lifespan of the thing you are tasked with protecting.

It means understanding that innovation around the business model is a terrible idea until just before it becomes inevitable. And acting on that turn in good time is good stewardship. And knowing the difference is good leadership.

And that's simple. But not easy.

And that's the quiet part said out loud.

#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. She is also a published author – her first book, *Bankers Like Us: Dispatches from an Industry in Transition*, is available to order now.

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

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

MERGERS AND ACQUISITIONS

Image: Ripple

Ripple is buying Canadian payment infrastructure fintech **Rail** for $200 million.

Initially founded as Layer2 Financial by CEO Bhanu Kohli and CTO Tarun Mistry in 2021, Rail operates a platform that connects stablecoins with traditional fiat currency systems, enabling cost-effective cross-border payments through a single API. The infrastructure is said to be on track to process around 10% of all global B2B stablecoin payments this year.

The company, based in Toronto, is backed by the likes of Galaxy Ventures and Accomplice, raising $10.7 million in Series A funding last year.

This combined solution will support USD pay-ins and pay-outs across key corridors, new capabilities for third-party payments and internal treasury flows, and digital asset liquidity across various assets, including Ripple's USD-backed stablecoin, RLUSD.

Earlier this year, Ripple announced a $1.25 billion deal for global prime brokerage firm Hidden Road. Including Rail, it says it has now spent over $3 billion on acquisitions and "strategic opportunities" to date.

US-based banking technology provider **CSI** is acquiring digital banking solutions vendor **Apiture** for an undisclosed sum.

Founded in 2017, Apiture provides a digital business and consumer banking platform featuring account onboarding, payments, open banking and analytics capabilities. The company's tech is used by financial institutions across the US.

CSI will integrate Apiture's tech into its own banking technology product suite, with the company saying the deal will enable it to "power every stage of the account holder lifecycle, including core banking, digital banking, customer engagement and lending".

CSI has been active on the M&A front in recent years having previously purchased Hawthorn River, a community bank-focused loan origination platform, in 2023, and Velocity Solutions, which offers deposit growth and liquidity management solutions, in 2024. The company itself was acquired by private equity firms Centerbridge and Bridgeport in 2022 for $1.6 billion.

Incode has acquired **AuthenticID**, a US-based identity verification software provider, to combat the rising threat of synthetic deepfakes posed by generative and agentic AI developments. The terms of the acquisition have not been disclosed.

AuthenticID will now be merged into Incode's identity orchestration platform, which features identity solutions for organisations to create, manage and monitor ID verification processes through a unified dashboard.

Incode, led by founder and CEO Ricardo Amper, says the combined company serving eight of the largest 10 US banks with solutions to combat "the most advanced AI threats".

AuthenticID builds on Incode's previous acquisition of fellow identity verification platform MetaMap, formerly known as Mati, in mid-2024. MetaMap's platform offers document verification services to verify ownership and detect fraud risk, as well as biometric verification solutions.

US financial services software provider **MeridianLink** is to be acquired by funds advised by affiliates of **Centerbridge Partners**.

Under the terms of the all-cash transaction, which values MeridianLink at around $2 billion, shareholders will receive $20 for each share of common stock, representing a 26% premium over its closing price as of 8 August 2025.

Founded in 1998 and based in California, MeridianLink provides cloud-based digital lending, account opening, point-of-sale, collections, background screening and data verification software solutions to nearly 2,000 community financial institutions and reporting agencies.

MeridianLink went public in July 2021, trading on the NYSE with an IPO of 13,200,000 shares at $26 per share. Following the deal's completion, it will become a privately held company.

FINTECH M&A DEALS

South Africa's **Nedbank** is buying fintech **iKhokha**, which specialises in payment and business management tools for SMEs, in an all-cash deal valued at ZAR 1.65 billion ($93.9 million).

The fintech will continue operating under its own brand and leadership team, according to Nedbank. The deal will see long-standing investors Apis Partners, International Finance Corporation and Crossfin Holdings, which has supported iKhokha since its inception, exit their interests in the business.

iKhokha brings to Nedbank a suite of point-of-sale (POS) solutions, online payment and accounting tools, and cash advance products. The fintech currently processes in excess of ZAR 20 billion annually and has distributed more than ZAR 3 billion in SME working capital to date. Nedbank says the acquisition could potentially lead to international expansion.

UK banking start-up **Fiinu** has announced a proposed reverse takeover of **Everfex**, an FX brokerage which, despite only recently being incorporated through the January 2025 acquisition of Polish currency hedging solutions provider Stały Kurs, has already tipped into profitability, recording over £600,000 in pre-tax profits in the first four months of this year.

The deal is valued at "up to £12 million", Fiinu says, comprising an initial £8 million consideration alongside a possible additional earnout for Everfex owners if its order book surpasses £650 million by year-end. Fiinu plans to raise £800,000 by way of a conditional cash subscription to fund the acquisition.

It previously completed a similar reverse takeover of Immediate Acquisition, formerly Immedia Group, in 2022.

Everfex executed over $1 billion in spot, swap and forward contracts trades last year, when its SME client base is said to have expanded 1,300%, with 2,500 clients already using the platform in Poland. Fiinu will use the purchase to broaden its fintech portfolio beyond Banking-as-a-Service.

Fiinu has also been attempting to launch itself as a bank for at least the past seven years, and though already completing its mobilisation phase with the Bank of England, the initiative "remains on pause due to capital requirements".

UK challenger **Starling Bank** has acquired start-up **Ember** for an undisclosed sum. Founded in 2019, Ember provides UK limited companies and sole traders with tax and bookkeeping software that includes expense management, invoicing and multi-currency services.

Currently serving customers of Barclays, HSBC, Lloyds and Revolut, Ember's platform will be integrated exclusively into Starling Bank's business banking suite by the end of 2025. The integration is strategically timed ahead of the 2026 deadline set by the UK government for the 'Making Tax Digital' legislation.

Starling, which claims to boast a 9% market share in small business banking, will add Ember to its existing business services, including Spaces for setting aside funds, bills manager, bulk payments, international money transfers and Spending Intelligence – a recent AI feature that helps track expenses.

This marks Starling's first acquisition since purchasing buy-to-let mortgage group Fleet Mortgages in 2021 for £50 million. Ember's accountancy advisory services will be discontinued.

Global payments services company **Euronet** is to acquire US-based **CoreCard Corporation**.

The deal values CoreCard at around $248 million ($30 per CoreCard share) and is structured as a stock-for-stock merger transaction with an exchange ratio between 0.2783 and 0.3142 shares of Euronet common stock for each share of CoreCard.

Founded in 2001, CoreCard operates a credit card issuing and processing platform. It provides card management tools and transaction processing to support various card products, including prepaid, revolving credit, fleet, debit, loans and private-label cards.

The integration will complement Euronet's existing focus on credit and debit card processing, money transfers, currency exchange and ATM services.

US-based **Corpay** continues its acquisition streak with a $2.2 billion agreement to buy **Alpha Group International**, a London-headquartered provider of B2B cross-border payment and FX solutions. The purchase will be funded through a combination of cash, debt, bank capital optimisation and non-core divestitures.

Corpay specialises in multi-currency accounts, commercial card programmes and accounts payable (AP) automation solutions, including invoices and cross-border payments.

Alpha, founded in 2009 and listed on the London Stock Exchange since 2017, offers currency management and mass payment tools, global accounts, interest rate hedging capabilities and the Cobase multi-bank connectivity platform, acquired in 2023. Alpha predominantly serves corporations and investment funds in Europe; the new parent will help it grow in the US and Asia.

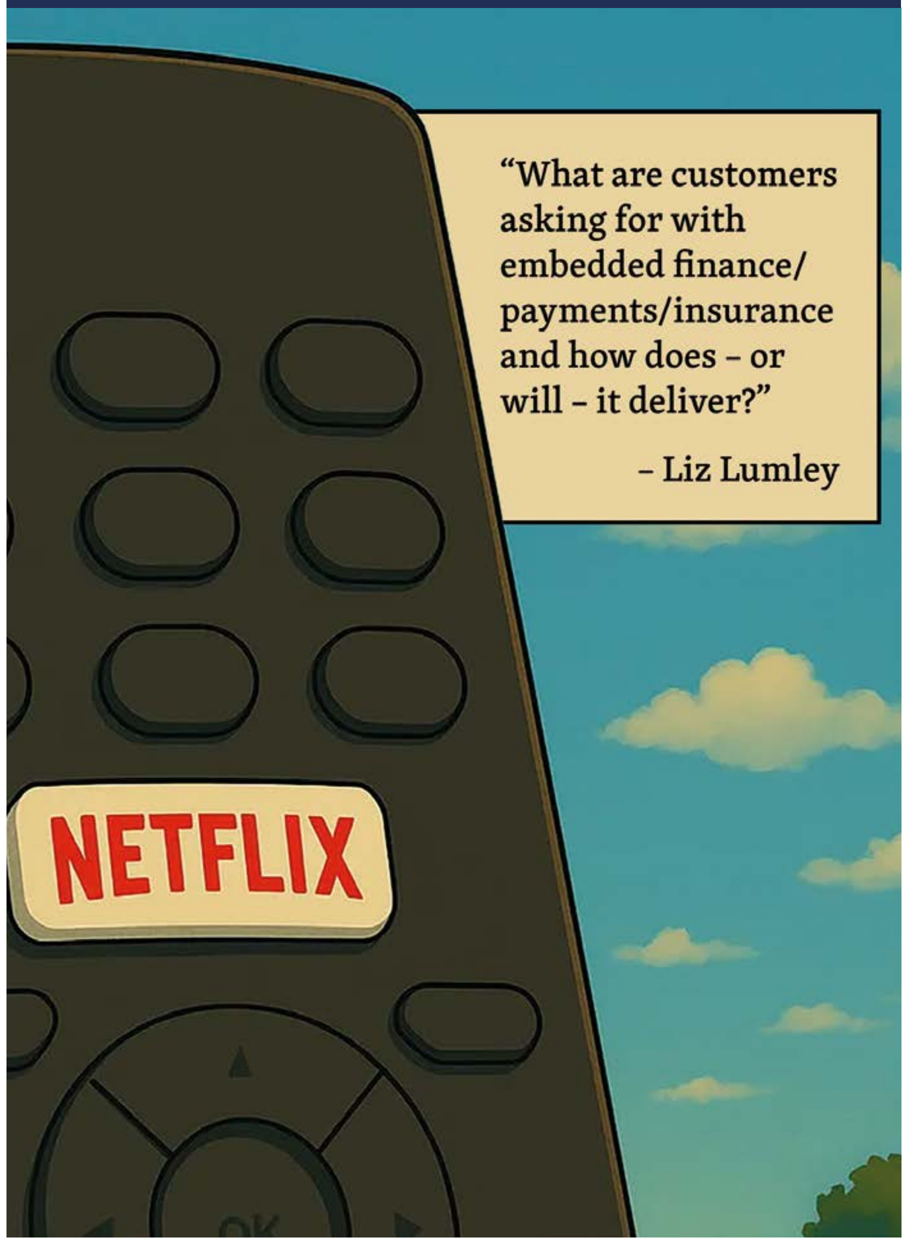
Alpha joins Corpay's growing portfolio of acquired payment companies. The company picked up AP solutions provider AvidXchange in May for $2.2 billion, following deals for GPS Capital Markets and Paymerang in 2024.

There is so much more mergers and acquisitions activity worldwide. For more info on these and many other deals, head over to the *FinTech Futures* website!

Fintech question time: What are customers asking for with embedded financial services?

Jas Shah shares advice on the popular topic of embedded technology, and specifically how and why embedded tech benefits customers

THE QUESTION



I'm cheating a little with this one as this question was put to me by Liz on stage at London Tech Week recently on a panel about embedded financial services. But as it's a great question, I'm going to give a longer and fuller answer here.

The first thing to start with is clarifying what customers are definitely not asking for, and what they are not asking for is embedded finance, insurance, payments and credit products.

Most customers don't actually know what embedded finance is, let alone embedded lending, insurance and all the other variations. And most customers don't care.

What customers are really asking for is not more financial products. They're asking for less friction, more relevance and better timing. Whether it's a consumer or a business, the ask is usually implicit: *"Help me complete the task I'm trying to do with less effort and more clarity."*

That might mean:

- Getting credit at checkout without hunting for options.
- Automatically reconciling invoices and payments without switching tools.
- Getting insured while booking a holiday, without needing to think about risk.

WHY THE EMBEDDED BOOM?

We've gone through a period of financial services unbundling. While 15 years ago you'd go to your bank for everything (banking, insurance, investing, savings and so on), the past 10 years of innovation – which has ultimately created better customer-centric products – has had a side effect of creating a hyper-fragmented ecosystem. It means the best products in each category are usually spread across different providers all with different onboarding journeys, entry requirements and terms of service.

So what customers are asking for is the best products to help them to a desired outcome as simply and quickly as possible, without the discovery overhead.

What embedded fintech does is stitch together the best products and services into the experiences and journeys where customers need them the most.

NETFLIX ANALOGY

Quick question: Do you watch Netflix on a TV, rather than on your phone or iPad?

When you do, do you use the Netflix button on your TV remote to get there?

The statistics say you probably do because according to Netflix, nearly 80% of Netflix views on traditional TVs are initiated via the Netflix button embedded in the manufacturer's remote.

That button is a perfect example of embedded experience design. Instead of scrolling and maybe being distracted by other streaming apps, you just click, jump straight into Netflix and start watching (or spend 20 minutes scrolling for something to watch).

And that's exactly the kind of simplicity and context we aim for with embedded finance and beyond.

The service is right *where you need it, when you need it*, and you barely notice it.

That's what customers want.

TWO EMBEDDED OPPORTUNITIES ASIDE FROM FINANCE

Based on the value of embedded x, the decoupling of specific products and some of the challenges customers continue to face, here are two of my favourite underrated embedded use cases – aside from embedded finance, of course.

Embedded savings – for example, Park Christmas Savings

Most consumer savings tools still sit in separate apps, or worse, entirely separate mental models. But the opportunity lies in embedding savings into purchase flows, where intent and motivation are highest.

Park Christmas Savings is the classic example of a savings club that encourages customers to save over the course of the year so they can spend in the build up to Christmas, giving discounts at specific retailers.

I know a number of retailers building out their own save now, buy later (SNBL) products to lock in customer funds while giving them incentives to save, and later spend, at said retailer. I'm not naming them yet, but watch this space…

This isn't about building another savings account. It's about meeting the customer *at the point of aspiration* and giving them a structured way to reach it, right when the desire to spend kicks in.

Why it matters: It flips the psychology of spending from instant gratification to planned gratification and helps retailers build long-term recurring relationships.

> "The real opportunity with embedded tech isn't just about adding services, it's about removing friction and unlocking behaviour by placing the right functionality in the right context."
>
> **Jas Shah**

Embedded accounting – for example, HSBC x Ember

For small businesses, bookkeeping is a task no one wants but everyone must do. Yet it's often still manual, reactive and disconnected from where the money actually moves.

The HSBC x Ember integration automatically reconciles income and expenses, files VAT returns and gives real-time tax insights, all within the banking experience.

The key benefit for customers is that HSBC is now the central nervous system for their business finance and accounting, whereas without the embedding accounting option, an SME may use a third-party accounting service provider, which then becomes the first port of call for most activities. This way, the bank captures the majority of customer interactions and the customer has a higher likelihood of seeing relevant lending options HSBC chooses to surface.

Why it matters: Embedding accounting into banking flows removes one of the biggest friction points for freelancers, microbusinesses and founders, freeing up mental space and reducing the risk of late filings or poor financial planning while capturing more of the SME touchpoints.

The real opportunity with embedded tech isn't just about adding services, it's about removing friction and unlocking behaviour by placing the right functionality in the right context. The next wave of embedded experiences will win not just on integration, but on intent-alignment.

It's about understanding what the customer is really trying to do, and quietly helping them get there.

Would you like Jas to tackle your question answered in the next edition of fintech question time? Click here to submit your question.

Jas Shah has been developing products in FS for nearly 20 years, initially as an engineer and predominantly as a product specialist, starting out in tier 1 financial institutions and going on to help build challenger banks and PFM apps, scaling an SME lender as their chief product officer, and continuing to advise and provide hands on expertise for organisations looking to create innovative products.

Follow Jas on X and LinkedIn, and subscribe to his bi-weekly newsletter, Fintech R&R (jasshah.substack.com).

FINTECH FUNDING ROUND-UP

Image: NG.CASH

NG.CASH, a Gen Z-focused digital challenger based in Brazil, has closed its Series B funding round at **$26.5 million**, with plans to develop stablecoin custody solutions and enhance lending capabilities.

The round was led by New Enterprise Associates, with participation from Monashees, Andreessen Horowitz, Daphni, Endeavor Catalyst and Nikolay Storonsky's Quantum Light fund. Early-stage venture capital firm 17Sigma also supported the raise, with founder Pierpaolo Barbieri, of Ualá, set to join the NG.CASH board.

The investment follows a $12.5 million Series A round led by Monashees in 2024 and a $10 million seed round led by Andreessen Horowitz and Monashees 2022.

NG.CASH was initially founded in 2021 as a real-time platform for PIX payments. This remit has since been expanded to include prepaid cards, savings accounts and device insurance, among other app-based features.

San Francisco-based lendtech start-up **Casca** has raised **$29 million** in a Series A funding round led by venture and growth equity firm Canapi Ventures. The round brings the company's total backing to date to $33 million and comes just 15 months after a pre-seed raise of $3.9 million.

Pre-seed investors Y Combinator, Peterson Ventures and Bankwell Bank "multiplied their investments" in the Series A, Casca says, while the round also included support from Live Oak Bank, Huntington National Bank and Alliance Funding Group.

Founded in 2023 by CEO Lukas Haffer and CTO Isaiah Williams, former Stanford University and Y Combinator alumni respectively, Casca offers a loan origination platform for small business lenders built to streamline the loan application and origination process with AI.

IVIX has raised **$60 million** in a Series B funding round led by OG Venture Partners. The round included participation from Cardumen Capital, Cerca, Citi Ventures, Team8, Disruptive AI and Insight Partners, and follows a $12.5 million Series A in August 2023, bringing IVIX's total funding to $85 million.

Founded in 2020, IVIX provides government authorities with an open-source intelligence (OSINT) platform designed to combat financial crime at scale. The technology leverages publicly available business data and graph analytics to "index the internet from a financial perspective, giving authorities full visibility into financial crime and criminal networks that traditional methods often miss", explains IVIX.

The company currently serves clients across the US, Europe and Asia, with solutions that detect financial misconduct across multiple industries, including e-commerce, cryptocurrency, short-term rentals and cannabis markets.

Grasshopper, a digital commercial bank based in the US, has raised **$46.6 million** in a funding round led by Patriot Financial Partners with additional backing from Glendon Capital Management.

The investment supported Grasshopper's recent merger with Auto Club Trust, the federally chartered savings bank subsidiary of The Auto Club Group (ACG) and Insurance Association.

The merged entity now manages approximately $1.4 billion in assets. Grasshopper provides small business checking and savings accounts, corporate cards and yacht lending services, while also offering fintech capabilities including embedded finance and Banking-as-a-Service (BaaS) solutions.

Grasshopper also plans to expand its platform to consumer offerings.

1Kosmos, a US cybersecurity start-up focused on identity verification and passwordless authentication, has raised **$57 million** in a Series B funding round led by Forgepoint Capital and Oquirrh Ventures, a private equity firm operated in partnership with Origami Capital Partners.

The raise includes a $10 million credit line with Bridge Bank and builds on the company's $15 million Series A from February 2021.

Supporting this latest round were NextEra Energy Ventures, Gula Tech Adventures, the 1Kosmos management team and angel Craig Abod, president and founder of government solutions provider Carahsoft.

Having raised around $72 million to date, 1Kosmos plans to accelerate global expansion by scaling direct and channel sales across North America, EMEA and APAC.

1Kosmos provides a distributed identity cloud service that combines digital identity proofing with biometric and passwordless authentication technology, while using an encrypted, private permissioned blockchain to store sensitive identity information.

The company, founded in 2018 and headquartered in New Jersey, was notably selected for a 10-year blanket purchase agreement by the US General Services Administration in October last year to provide, in partnership with Carahsoft, identity proofing services for Login.gov, an authentication platform used across numerous federal government agencies.

Mongolian fintech company **AND Global** has secured **$21.4 million** in a Series B funding round led by the International Finance Corporation (IFC) and Japanese financial group AEON Financial Service.

The investment round also drew participation from Marubeni Corporation, SBI Holdings and Tokyo's Premium Group, and builds on the company's $15.3 million Series A in 2021.

Founded in 2015, AND Global provides a range of financial services solutions for businesses through its proprietary Fintech-as-a-Service software, including digital lending solutions as well as custom credit scoring tools and document processing services.

The funding announcement comes shortly after AND Global's subsidiary LendMN secured $20 million in debt financing from London-based investment platform Lendable. LendMN, launched in 2017 as Mongolia's first digital lending fintech, now serves over 1.3 million registered users.

AND Global currently operates in 11 countries and employs 250 people across offices in Mongolia, Singapore, Japan, the Philippines and Thailand.

Paddle, a UK-based fintech serving as a Merchant of Record for software and digital commerce businesses, has secured **$25 million** in funding from CIBC Innovation Banking.

Founded in 2012, Paddle provides payment infrastructure for more than 6,000 AI, SaaS and app businesses worldwide, managing operations including payments processing, sales tax compliance, refunds, subscription management and invoicing.

The company secured $200 million in a Series D round led by KKR back in 2022 at a valuation of $1.4 billion, and has now raised more than $300 million in total funding, with other backers including FTV Capital, Notion Capital and 83North.

According to Paddle, the funding arrives during a period of significant momentum, with the fintech experiencing 40% year-over-year growth in 2025.

It has also opened a new US office in Austin, Texas, adding to its locations in London, Lisbon, Toronto and New York, and plans further international expansion.

US-based homeowner loyalty platform **Mesa** has secured **$24 million** in combined debt and equity financing to expand its workforce and enhance product development.

The investment round was supported by "key partners in the housing, lending and home improvement space", says Mesa, including Trinity Capital, Paramount Residential Mortgage Group and Lowe's Companies.

The company emerged from stealth mode in September 2024 with $9.2 million in seed funding led by Streamlined Ventures. By November, Mesa launched its credit card, issued by Celtic Bank, which rewards customers for mortgage payments and home-related purchases.

Under CEO and founder Kelley Halpin's leadership, Mesa now offers mortgage solutions allowing users to earn "Mesa Points" on loan principal payments, redeemable for vacations, gift cards and home-related expenses. The service currently operates in 11 US states with plans underway to expand the offering across the country.

Turkish investment platform **Midas** has secured **$80 million** in a Series B funding round led by QED Investors, bringing its total funding to more than $140 million, following last year's $45 million Series A fundraise.

The investment, claimed by Midas to be the largest ever for a Turkish fintech company, attracted new backers including the International Finance Corporation, HSG, Nik Storonsky's QuantumLight, Spice Expeditions LP and George Rzepecki. Existing investors Spark Capital, Portage Ventures, Bek Ventures and Nigel Morris also participated.

Founded in 2020 by CEO Egem Eraslan, Midas now serves 3.5 million investors, offering access to Borsa Istanbul (Turkey's national stock exchange), mutual funds, US stock markets and cryptocurrencies through a unified platform.

Uzbekistan-based **Uzum** has raised nearly **$70 million** in equity financing, bringing its post-money valuation to approximately $1.5 billion.

The investment was led by Chinese tech conglomerate Tencent and global alternative asset manager VR Capital, with additional participation from FinSight Ventures.

The company became Uzbekistan's first tech unicorn in 2024 after raising $114 million in a combination of Series A equity funding and debt financing.

Founded in 2022, Uzum has developed a digital services ecosystem that spans multiple sectors. The company manages three core business units: Uzum Market, Uzbekistan's largest digital marketplace; Uzum Tezkor, which provides express delivery services; and Uzum Bank, which offers financial services such as loans, money transfers and ATM access.

Fresh capital will fund the rollout of digital lending and deposit products, help scale Uzum's financial infrastructure and support the expansion of Uzum Bank's Visa debit card programme, which has issued more than two million cards during the first half of 2025.

UAE-based **Alaan** has secured **$48 million** in a Series A funding round led by Peak XV Partners with participation from Y Combinator, 468 Capital, Pioneer Fund, 885 Capital and a group of angel investors.

Founded in 2022, Alaan provides AI-powered spend management, corporate cards and accounting automation services for businesses.

Its latest investment brings its total funding to $55 million since its inception, following a $4.5 million pre-Series A round in 2023 and a $2.5 million seed round in 2022.

Following its expansion into Saudi Arabia earlier this year, Alaan plans to extend its presence across the MENA region. It is also working to enhance its product capabilities in bill payments, procurement, treasury and travel services.

US spend management fintech **Ramp** has secured **$500 million** in a Series E-2 funding round, catapulting its valuation to $22.5 billion. This latest fundraise comes hot on the heels of Series E, which saw the company raise $200 million at a $16 billion valuation.

Founded in 2019, Ramp has seen its valuation quadruple over the past two years. The company was valued at $5.8 billion following a $300 million Series D round in 2023, before elevating to $7.65 billion after a $150 million Series D-2 round in 2024. A secondary share sale in March this year further lifted its valuation to $13 billion.

The Series E-2 round was led by ICONIQ, with additional backing from all previous investors in the June Series E. New investors include Google Ventures, Emerson Collective, Sutter Hill Ventures, Lightspeed Ventures, T. Rowe Price Associates, Operator Collective and Pinegrove Capital Partners.

Ramp's platform automates financial functions for businesses, handling accounting processes, data analysis and integrations with external systems. The company currently serves over 40,000 businesses with tools for corporate cards, expense management, bill payments and more.

CEO and co-founder Eric Glyman says the fresh capital will fund the hiring of marketing and sales staff, product experts, and engineers focused on developing and driving the adoption of Ramp's new AI agents.

Ramp has recently unveiled its first set of AI agents, which it describes as the "first autonomous finance agents purpose-built for real-world policy enforcement, fraud detection and policy improvement". The company plans to release additional agents for budgeting and reporting, reconciliation, procurement, intake and vendor onboarding in the coming months.

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

Image: Beaufort

Suzanne Schilder

Netherlands-based **Triodos Bank** has appointed former ABN Amro exec **Suzanne Schilder** as chief technology officer (CTO), while **Barbara van Duijn** has been promoted to chief information officer (CIO).

Schilder brings more than 25 years of industry experience, most recently serving as a partner at Beaufort Consulting. Her previous positions include VP of global restructuring at RBS, and multiple leadership roles at ABN Amro, including head of corporate strategy and executive director of portfolio optimisation.

Van Duijn currently serves as Triodos Bank's group director of digital and technology. Since joining the bank in 2015, she has led several significant initiatives, including the launch of personal current accounts in the UK.

The CIO position will replace the role of chief operating officer, resulting in the departure of Triodos Bank veteran Nico Kronemeijer, who has held this role for four years.

Valentin Stalf, co-founder of Germany-based digital bank **N26**, has stepped down as co-CEO and will move to a new role on the company's supervisory board after a six-month transition period.

Stalf, who founded N26 together with Maximilian Tayenthal in 2013, describes the move as a "forward-looking decision to continue to best utilise my many years of experience and knowledge to strengthen N26". Stalf and Tayenthal jointly hold around a 20% share of N26, with Tayenthal now continuing as the company's sole CEO.

Upon officially joining the supervisory board, Stalf will work alongside Déborah Carlson-Burkart, Peter Kleinschmidt, Jörg Gerbig and board chair Marcus Mosen.

The leadership change comes after the reports that investors in N26 were seeking to remove both co-founders from their executive roles, with plans to appoint Mosen as interim co-CEO, according to its sources. An N26 representative told *FinTech Futures* that claims suggesting the founders are under pressure from investors to step down are unsubstantiated.

Image: N26

Valentin Stalf

N26 has recently unveiled plans to introduce an array of new products, including accounts for children with cards and investment features, alongside a refreshed app design focused on wealth management.

It has appointed industry veteran **Jochen Klöpper** as managing director and chief risk officer (CRO), effective 1 December 2025. He will succeed Carina Kozole, who has managed risk and compliance functions at N26 since November 2023.

Klöpper has been working as CRO of Santander's consumer banking operations in Germany since 2015. His career also includes leadership positions at BAWAG PSK AG in Vienna, and a 20-year tenure at Deutsche Bank, where he held various senior roles, including chief credit officer for Deutsche Bank in Italy.

Brazilian challenger **Nubank** has appointed Snap's SVP of engineering, **Eric Young**, as its next CTO. Young replaces Vitor Olivier, who will "pursue a new entrepreneurial endeavour", after more than a decade in the role.

Olivier joined the challenger in 2014 as a software engineer and partner when Nubank was still operating in stealth mode. Throughout his tenure, he led NuConta, the bank's digital account product, served as general manager for Nubank's operations in Brazil and held the VP of operations and platforms position.

Since becoming CTO in December 2022, Olivier has driven several significant technology initiatives. These include launching

Image: CFIT

Anna Wallace

The **Centre for Finance, Innovation and Technology (CFIT)**, a UK-based private sector-led body set up in 2023 to promote innovation and spur growth in UK fintech, has named **Anna Wallace** as its new CEO. She will succeed CFIT's inaugural CEO, Ezechi Britton MBE.

With more than 20 years of industry experience, Wallace joins CFIT from the Gates Foundation, where she has served as senior program officer for consumer protection and regtech since 2020. Prior to this, she spent more than eight years at the Financial Conduct Authority (FCA), where she held a number of leadership positions, including head of innovation.

CFIT says Wallace "also has direct experience of working with and investing in scale-up technology businesses, as an early-stage backer of FNA, Proto and Regnology, three companies addressing customer complaints, fraud and regulatory reporting respectively".

Earlier this year, CFIT unveiled its Digital Company ID initiative with the aim of helping businesses tackle financial crime. The group also set up a coalition earlier this year, led by Mastercard and Lloyds Bank, to help improve access to financing for SMEs.

the later discontinued cryptocurrency Nucoin, establishing a partnership with ChatGPT developer OpenAI and acquiring US-based data intelligence start-up Hyperplane in 2024.

Reporting directly to founder and CEO David Vélez, Young brings over 25 years of technology leadership experience at some of the world's largest companies. He joins from social media giant Snap, where he has served as SVP of engineering since June 2023.

Previously, he spent seven years as VP of engineering at Google, where he is credited with overseeing technical infrastructure supporting YouTube, Search, Ads and Google Cloud products. His career also includes 15 years at Amazon, where he held senior roles across pricing, supply chain, fulfilment and personalisation.

John Schlesinger has departed banking technology company **Temenos** after 14 years as the company's chief enterprise architect.

"After 17 different roles in 34 years before joining Temenos, and then doing the same role for 14 years at Temenos, I am now, for the first time, no longer in full-time employment. I am not quite retired, as I still have three non-executive roles, though they are part time," he wrote on LinkedIn.

Schlesinger began his career as a development programmer at IBM in 1977 and joined Temenos in 2011. On his future, he says he's "open to doing some consulting work".

Temenos has made a number of new leadership appointments in recent times, including Rohit Chauhan as CTO and Eugene Khmelevsky, formerly of FIS, as the company's first global head of architecture and data.

Spanish banking giant **Banco Santander** has appointed **Juan Olaizola** as its new group chief operating and technology officer. He succeeds Dirk Marzluf, who has held this role for the last seven years and played a key role in the development and deployment of the bank's self-built core banking solution, Gravity.

Santander's executive chair, Ana Botín, says Marzluf "has decided it is time for a change and will now take on a new role as my senior advisor on transformation".

Olaizola is a Santander veteran and has held several leadership positions at the bank over the last 20 years, including COO of Santander UK and head of technology and operations for Europe and Spain.

He has most recently held the role of CEO of PagoNxt's Payments Hub, which develops and operates all the bank's payments businesses for merchants, corporates, SMEs and consumers.

Gareth Richardson has been appointed as the new CEO of **Finova**, a mortgage and savings technology provider based in the UK.

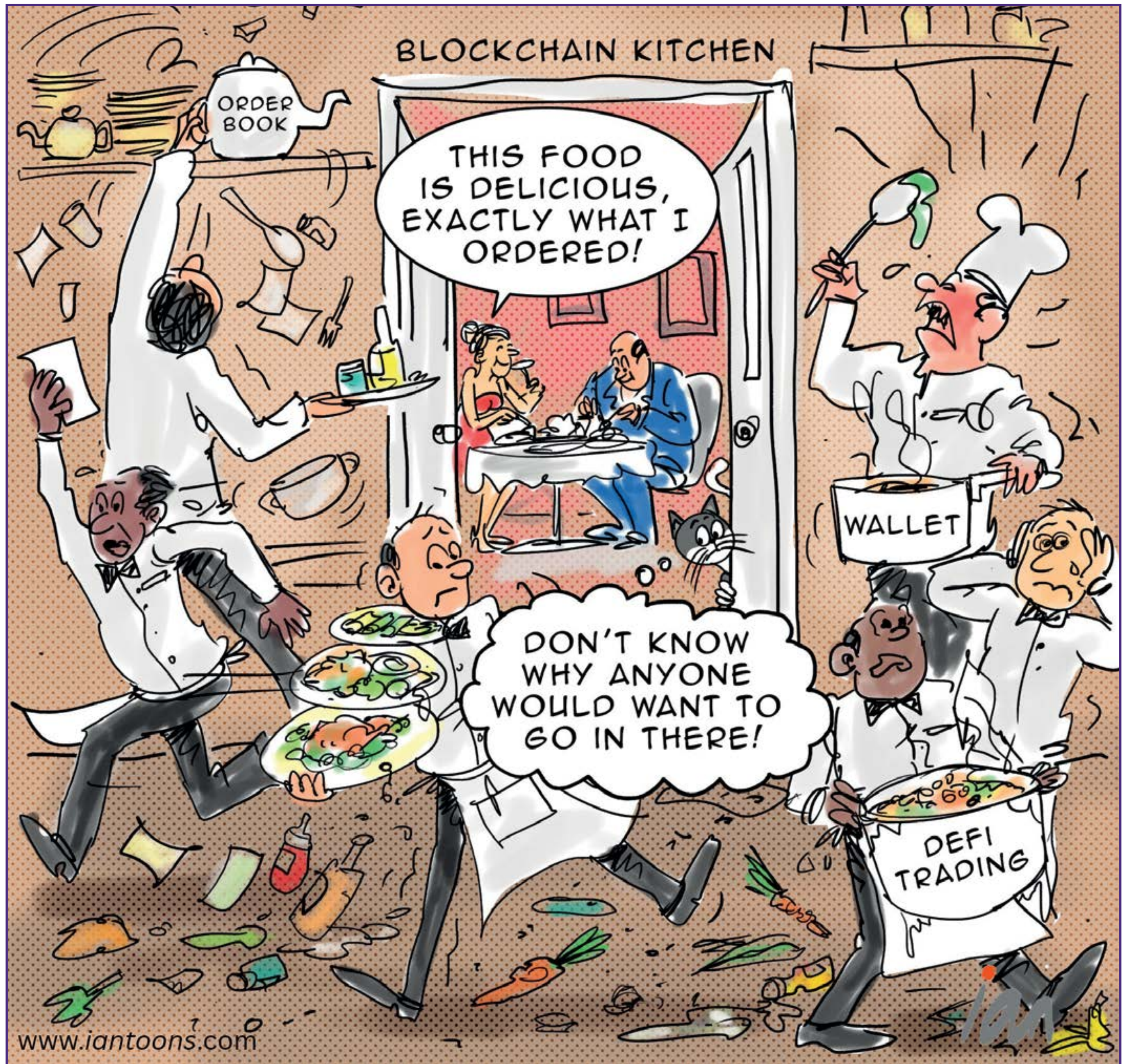
The announcement follows a period of transformation for Finova, including the merger with MSO, a mortgage solution platform carved out from Australia-based software provider Iress.

Meanhile, Paraag Davé, who was named Finova's CEO in December last year, will return to his original post of executive chairman.

Richardson joins from Thought Machine, where he had served as COO since January 2020.

Other recent additions to the Finova C-suite include Richard Bolger as chief human resources officer, Rowan Clayton as chief product officer and Richard Marsh as chief customer officer.

For more news on appointments in the industry, head to the Movers and Shakers section of the *FinTech Futures* website.



"KITCHEN NIGHTMARES"

Cartoon by Ian Foley

Today, 80% of crypto users abandon trades mid-process. Why? Confusing wallets, chain switching and unpredictable gas fees. Meanwhile, 65% of developers say blockchain complexity is a major barrier to building new applications. In traditional finance, you can open a bank account and buy a stock in less than 30 minutes, but in crypto it often takes two hours – or users simply give up.

Intent engineering fixes this by letting users focus on outcomes instead of execution steps. You simply declare what you want, such as swapping tokens and staking, and the system handles it all – no wallet juggling, no chains to manage. It's similar to 'vibe engineering'in AI, where developers express high-level goals and let AI fill in the precise code details.

Intent engineering is crypto's 'restaurant moment' – you order the dish and the kitchen chaos stays behind the door where it belongs. The next step is convincing the rest of crypto that users don't want to cook, they just want their spaghetti served hot.

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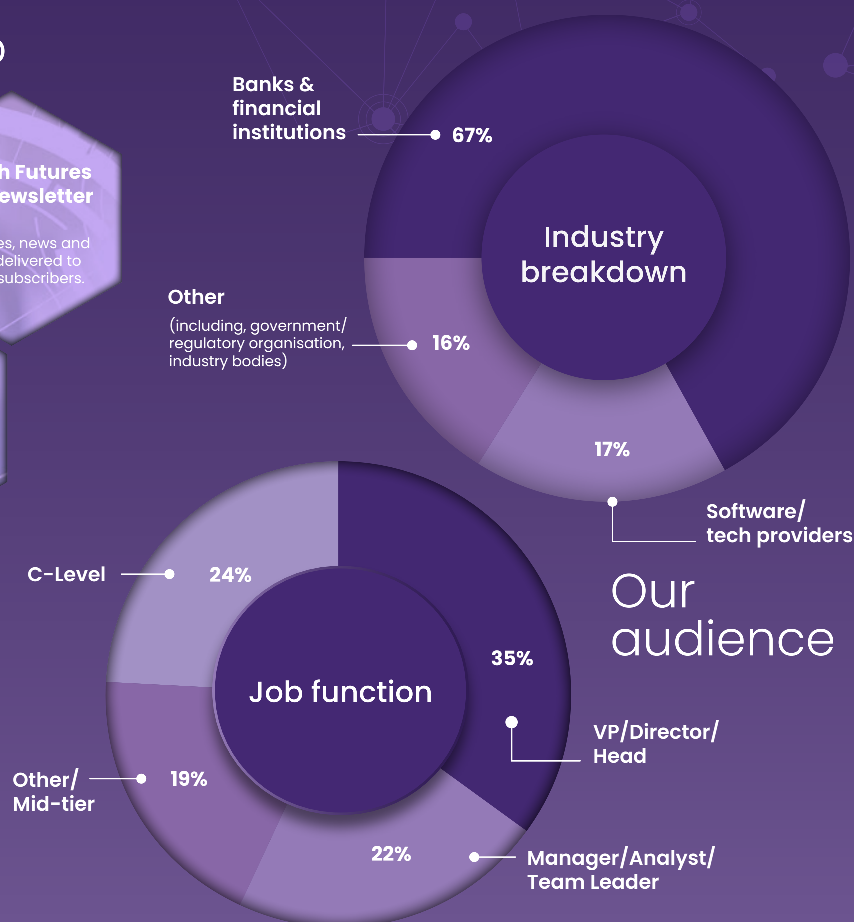

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