

**From:** Katie Dodge <kdodge@rosemontseneca.com>  
**Sent:** Monday, March 31, 2014 at 05:56:08 PM CEST  
**To:** "Hunter Biden" <hbiden@rosemontseneca.com>  
**Cc:**  
**Bcc:**  
**Reply-To:**  
**Priority:** Low  
**Subject:** Re: Jumio follow up

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Your morning is pretty full - 8:15 Lea; 9:30 Metabiota; 11 AM meeting.

You could squeeze this in at 10:30 or after your 11AM meeting.

FYI Stiglitz is tomorrow at 2PM

On Mon, Mar 31, 2014 at 11:45 AM, Hunter Biden <[hbiden@rosemontseneca.com](mailto:hbiden@rosemontseneca.com)> wrote:

RHB  
202.333.1880

Begin forwarded message:

**From:** Evan Haymes <[evan@citizen.vc](mailto:evan@citizen.vc)>  
**Date:** March 31, 2014 at 9:39:19 AM EDT  
**To:** Hunter Biden <[hbiden@rosemontseneca.com](mailto:hbiden@rosemontseneca.com)>  
**Subject:** Re: Jumio follow up

Hunter:  
Can we talk first thing tomorrow, Tuesday, would that work for you?

Welcome back, we just got back from some family fun in the sun, too.  
Best,

Evan

On Sun, Mar 30, 2014 at 7:40 PM, Hunter Biden <[hbiden@rosemontseneca.com](mailto:hbiden@rosemontseneca.com)> wrote:

Hey buddy- back from vacation. Let's talk this week some time. I  
leave for Europe Wed afternoon. Best, H

RHB

[202.333.1880](tel:202.333.1880)

On Mar 28, 2014, at 1:47 PM, "Evan A. Haymes " <[evan@citizen.vc](mailto:evan@citizen.vc)>  
wrote:

Hi Hunter:

Just off the line with Neil Callahan regarding the ID Authentication  
platform for which we are doing a secondary offering. The company  
is called Jumio. Per Neil, subject to your partners call on Monday  
we are hopeful to present to your team on Wednesday afternoon.  
There maybe some biz dev opportunities for your team down the  
line as well. See below for a summary on the company. Hopeful  
that we can work on this one together.

Best regards,  
Evan

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Evan A. Haymes  
[evan@citizen.vc](mailto:evan@citizen.vc)  
[\(917\) 690-9090](tel:(917)690-9090)

Sent from my iPhone

Begin forwarded message:

**From:** Evan Haymes <[evan@citizen.vc](mailto:evan@citizen.vc)>  
**Date:** March 27, 2014 at 11:40:55 AM EDT  
**To:** Neil Callahan <[ncallahan@rosemontseneca.com](mailto:ncallahan@rosemontseneca.com)>  
**Subject:** Jumio follow up

Dear Neil:

I am eager to follow up with you on Jumio. I think it is a great way to start transacting together. As we mentioned, we are running the book on a tender offer for Jumio, Inc. the A16Z and Citi Ventures funded credentials tech company. They were recently added to the SP100 list of top 100 private companies in the world today. Jumio is a next generation credentials management platform that utilizes computer vision to scan and validate payment and ID credential. I think Will Lee, especially, would be very interested in the technology. This is not a low margin customer facing typical credit processing company like Square; rather Jumio is B2B and thrives integrated into the checkout space of marquee clients like FB, AirBNB, Travelocity, Equifax and others. My partner Emilio is an expert on Jumio and the landscape. I think that this company is ideal for you based on valuation, liquidity time line, revenue, cash flow, Mgmt Team / Board and investor base. With companies like Square garnering a multi billion dollar valuation I think this company is attractively valued. Please let me know if you have time to chat early next week. See data points below. Best, Evan

#### **The Deal and Terms**

Common Shares priced at \$4.60 per share.

There are 93,000,000 shares outstanding

***\$427,800,000 Valuation – secondary***

#### **Key Company Formation Information**

**Incorporation:** February 9, 2010

**Founder/CEO:** Daniel Mattes (Jajah/Telefonica)

**Headquarters:** Palo Alto, USA

**Dev Centers:** *Palo Alto, Vienna, Austria, Moscow University of Science and tech (11 professors) and Jaipur India dev center*

*One Office in Jaipur*

*103 people working as Document Experts, Supervisors, IT Operations and a lot more to make 24/7 service possible ! Everyone there is doing an amazing job.*

*We started our partnership with Ankit Goyanka, managing director of Goyanka Technologies LTD , in 2010 and it was a big success from the beginning. Over the last years the company was growing from 12 employees to more than one 100 and became a very important part of Jumio and we decided to join our forces.*

**Offices:** Palo Alt & London

**Funding:** \$40mm

**Employees:** 100

**Profitability:** Q2 2013

**Key Investors:** Andreessen Horowitz, Citi Ventures & Eduardo Saverin,

**Why the company was founded – Thesis and Lessons learned at Jajah**

- Criminals took advantage of new VoIP services to monetize stolen credit card numbers
- Jajah developed technology and processes to combat this fraud
- Fraud controls and ID verification must be central to ecommerce but are treated as an afterthought.

**Management Team**

- CEO & Founder – Daniel Mattes
- COO – Thomas Kastenhofer
- CFO & General Counsel – Chad Starkey
- CTO – Thomas Willomitzer
- CIO – Alexey Grubuer
- CMO – Marc Barach

- Chief Sales – Michael Orlando
- Chief Security – Christian Schwaiger

#### **Board of Director**

- Daniel Mattes – Jumio
- Thomas Kastenhofer - Jumio
- Chad Starkey – Jumio
- Scott Weiss – Andreseen Horowitz
- Eduardo Saverin – Facebook CoFounder
- Ramneek Gupta - (Board Observer from Citi Ventures)

#### **Technology & Products**

##### **Netswipe**

- ***Allows your laptop camera or camera off mobile device to scan, validate and process a CC***
- Low Switching Costs ***ZERO Switching costs*** as Netswipe has been designed to layer on top of how merchants process payments today and requires no new integration with their payment processor or gateway.
  - No Hardware or Dongles required for transaction to occur
  - SDK takes about 30 minutes to integrate into an application
- Nearly two-thirds (66%) of consumers attempting to make mobile purchases on their smartphone or tablet have been forced to abandon their purchase during the payment process
- Offering consumers an easier way to pay that helps to increase conversion rates by ***greater than*** 20%
- Allows a customer to fill out information for purchase in **2-5 Seconds** compared to **2minutes**
  - Only 3% of Shopping carts complete a purchase on mobile compared to 28% conversion on desktop
- Increases Revenue ~18-33% more transaction completion improvement (Travelocity example)
- Eliminates Fraud - Results in decreased fraud rates by 67% reported by EntroPay.

- VISA soon to accept card images in chargeback remediation – **effective as of April 2013**

- Increase Customer Satisfaction and Engagement

- Card scanning consumers view 2.5x **or better to say 52% more pages** per session than key entry customers

### Netverify

- Enabling sites or mobile app with Real-Time **ID AUTHENTICATION and Verification**

- The old way is slow, expensive, inaccurate, inaccessible, and unsecure

- Netverify performs verification in **4.6s** on average. Traditional takes **3 minutes to 14 hours using traditional methods.**

- Utilizes sophisticated fraud detection algorithms and can detect pixel manipulation on IDs.

- Developed for Web and Mobile

- *Jumio Face Match*

- Developed extremely accurate facial recognition matching techniques to measure the degree of confidence that the person is the person on the ID.

- Brings an additional authentication factor to the Netverify process. In addition to asking customers to present a real credential Jumio now compares the photo in the credential to the customer's actual face. Use it for all your transactions or just the higher risk ones.

- ID Checking Capabilities better than human eye

- Font comparison
- Microprint analysis
- Hologram check
- MRZ code checks
- Known forgery review
- Layout & positioning check

- Reduces Fraud – Actual and bona-fide ID must be present
  - Clients reporting that fraud rate have dropped from ~10% to under 1%
- Increases Transaction Completion
  - Eliminates need to fax or mail ID in
- Increases Customer Satisfaction

### **FastFill**

- Fastfill is installed within an app and enables customers to scan their own IDs to extract and automatically fill personal data fields on a sign-up or checkout pages. Fast. Easy. Fun.
- With Fastfill the process takes seconds rather than a 1 min or 2 as with traditional key entry
- Financial institutions such as retail banks, online lenders, insurance carriers and brokerage firms utilize Fastfill to expedite the account opening process that customers execute on their mobile devices.

### **Security**

- Jumio is PCI Level 1 compliant and regularly conducts security audits, vulnerability scans and penetration tests to ensure compliance with security best practices and standards.
- To demonstrate PCI compliance a yearly on-site validation assessment by a QSA is carried out.
- Jumio carries the security controls established to achieve PCI compliance over to PII data which is of comparable sensitivity and has extended the scope of such controls to cover and protect all systems used to transmit/process/store PII data

### **Competitive Landscape**

- NetSwipe : [card.io](https://card.io)
  - Was acquired by PayPal in July 2012
  - Less accurate and doesn't accept as many card types(eg. CUP, JCB)
  - Price: .05 - .10 per scan
  - Not featured as stand-alone SDK
- NetVerify : **IDchecker**

- Verify ID from static image; upload only no real-time capture with web camera
- No mobile offering or SDK currently
- All manual reviews which can take up to 14+ hours to complete
- Price: \$2 - \$5 per scan

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Evan A. Haymes  
Sr. Managing Director & Partner

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