



Investor Experience Survey Report

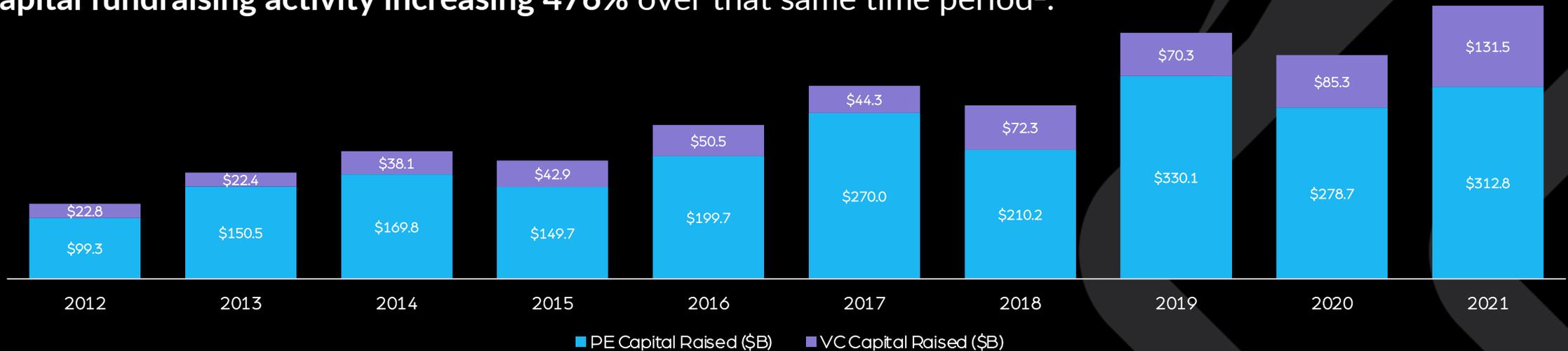
Q4 2022



- 1. Introduction**
- 2. Survey Methodology**
- 3. Forward**
- 4. Survey Results**
- 5. Learnings & Conclusion**

Introduction

The size of the private equity market has tripled in the last decade, from ~\$2 trillion in 2010 to over \$6 trillion in 2021¹. Specifically, **private equity fundraising activity has increased 215%, with venture capital fundraising activity increasing 476%** over that same time period².



Even with that record-setting growth and activity, innovation has lagged severely, with the legacy ways of moving money dictating how private capital is raised and deployed. The first printed checks were introduced in 1762 and wire transfers were born a little over a century later, with the first wire being sent in 1872. There's a reason wires are called "wires" – they were originally sent over telegraph lines and not much has changed since.

Introduction

As a result, painful and labor-intensive problems continue to persist for fundraising and distribution activity for both investment sponsors and investors that include:



Private capital transactions through paper checks and exchanging banking information results in **wasted time, delays in closing deals, and increased errors.**



Time and effort are required to manually reconcile incoming capital and outgoing disbursements.



Unsecure methods of exchanging sensitive banking information adds **unnecessary risk and fraud** to capital collection and disbursements.

With 17th and 18th century movement of money as the only option, that begs the question – **isn't it time to start transacting in the 21st century?**

Introduction

An example of this forward thinking is Lorraine Capital, who completed a capital raise of over \$20 million on Verivend and had **2/3 of commitments funded in the first 24 hours**, saving them weeks of time and effort while providing their investors with a seamless, easy, and secure experience to make their investments.

Over the course of successfully moving hundreds of millions of dollars and flawlessly processing tens of thousands of transactions, we've learned an incredible amount from our customers and their investors. This survey report includes key learnings, such as:



Investment Sponsors are looking for ways to be more efficient, reduce costs, and eliminate the overhead needed to successfully complete transactions.



Investors and Limited Partners want the same ease of a “one-click-checkout” experience we’ve all come to expect with retail and consumer payment transactions.



Security is paramount for both sides of a transaction, and eliminating fraud, ambiguity, and uncertainty is no longer an afterthought or a “wait and see” mentality – it’s now a must with the drastic increases in data breaches and email compromise.

Survey Methodology

In Q4 2022, Verivend surveyed the investors of our customers that funded capital calls, received distribution payments, or completed both types of transactions using our software application.

While we have seen successful customer stories and received incredibly positive feedback from our direct customers, we wanted to get a pulse on the experience of the individuals and entities that were interacting with Verivend on behalf of customers.

These investors represented involvement across a wide range of asset classes including Private Equity, Venture and Angel Funds, SPVs, and Real Estate Investment Syndicates.

Forward

In 2011, Marc Andreessen famously wrote, “Software is eating the world” and in 2021, J.P. Morgan followed that by stating “Payments are eating the world.”

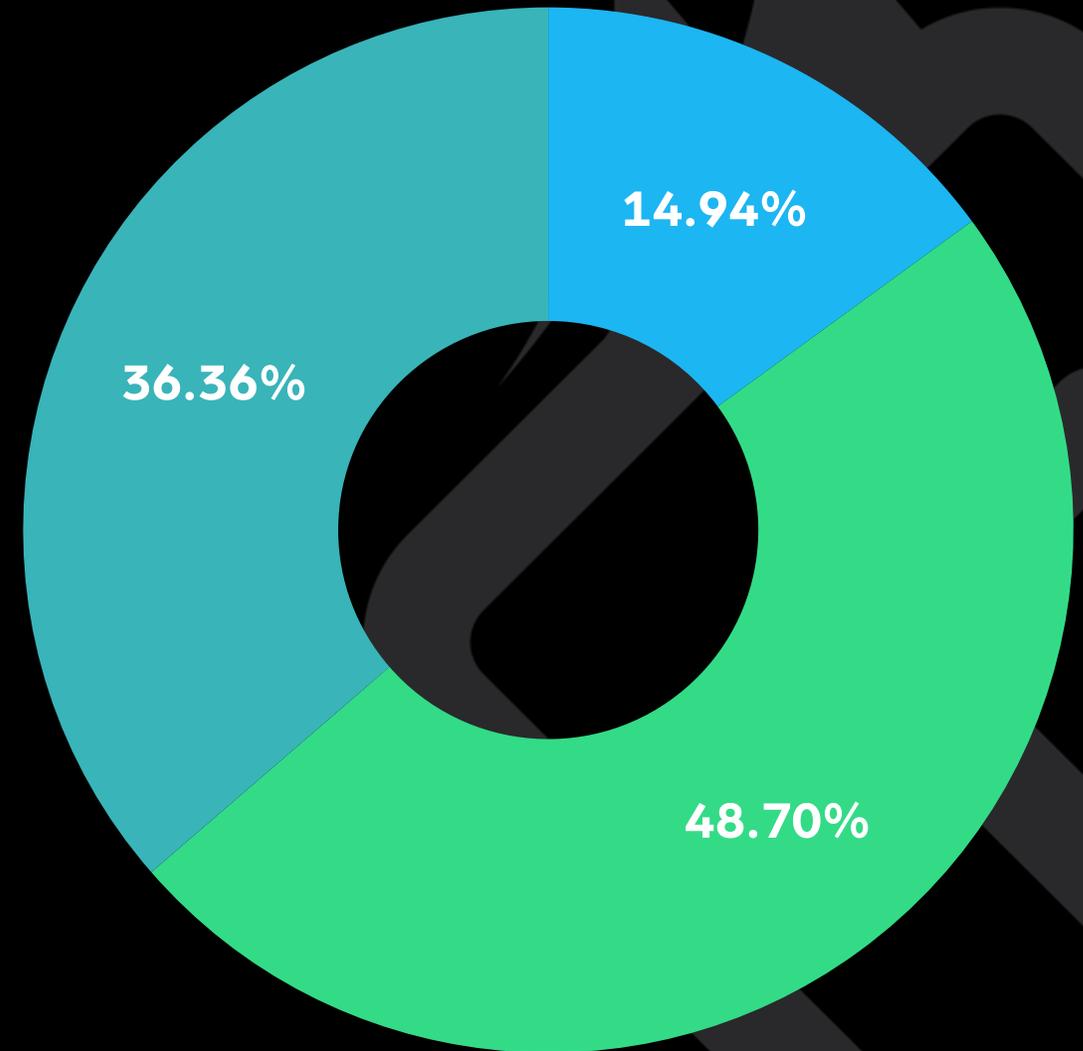
It’s evident that payments have become a critical and constant part of our personal lives with apps like Venmo, PayPal, and Cash App, that let us seamlessly and securely transfer money between one another.

With most adoption of innovation, Businesses follow Consumers, and private capital transactions are no different.

Verivend is built to **not only change, but power, the way capital moves**, and our mission is to bring payments innovation to the private capital industry.

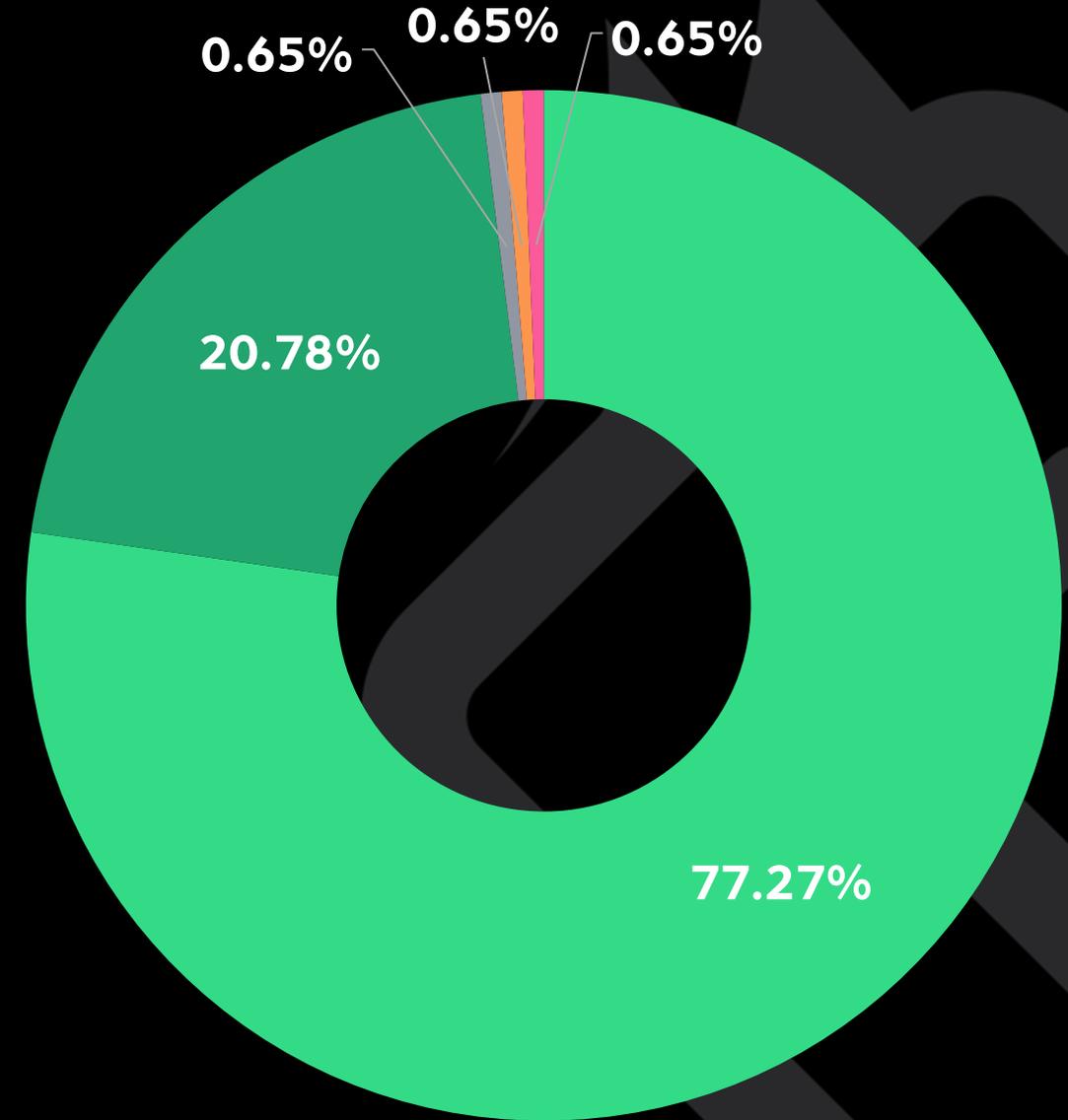
Survey Results

Have you received a Capital Call, Distribution Payment, or Both on Verivend?



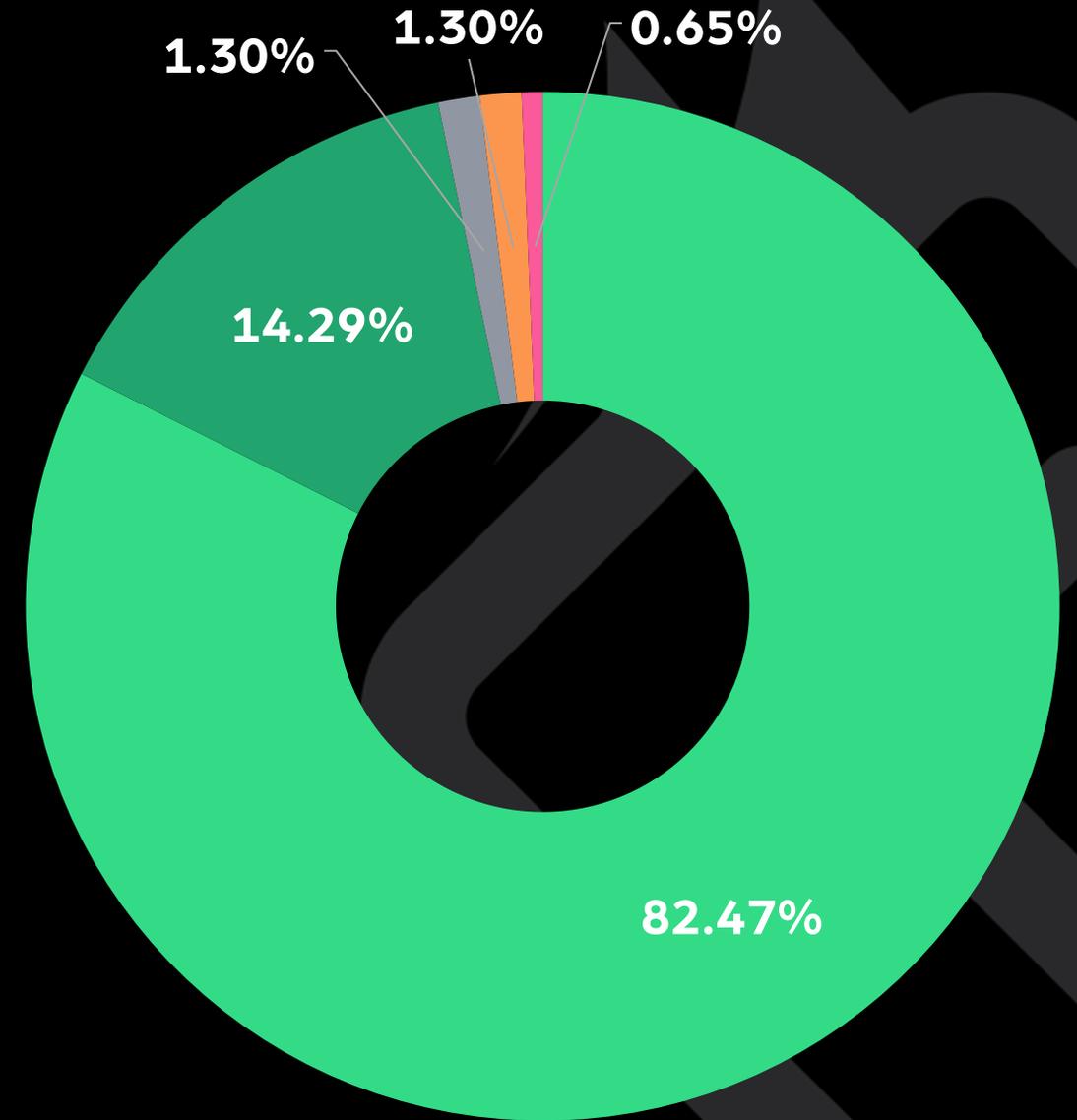
Survey Results

How satisfied were you with your overall experience with Verivend?



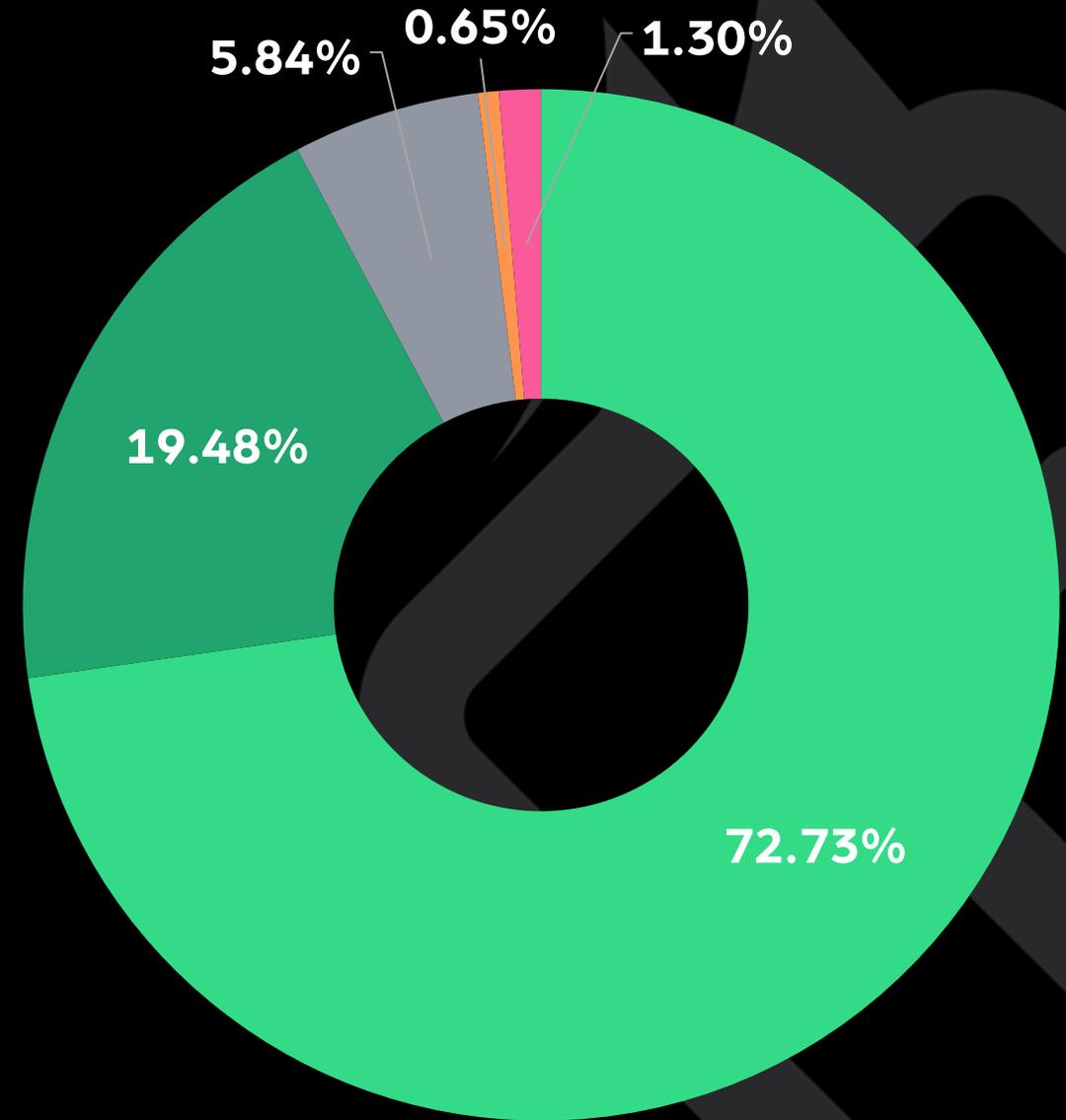
Survey Results

How easy was it to fund your capital call or receive your distribution payment?



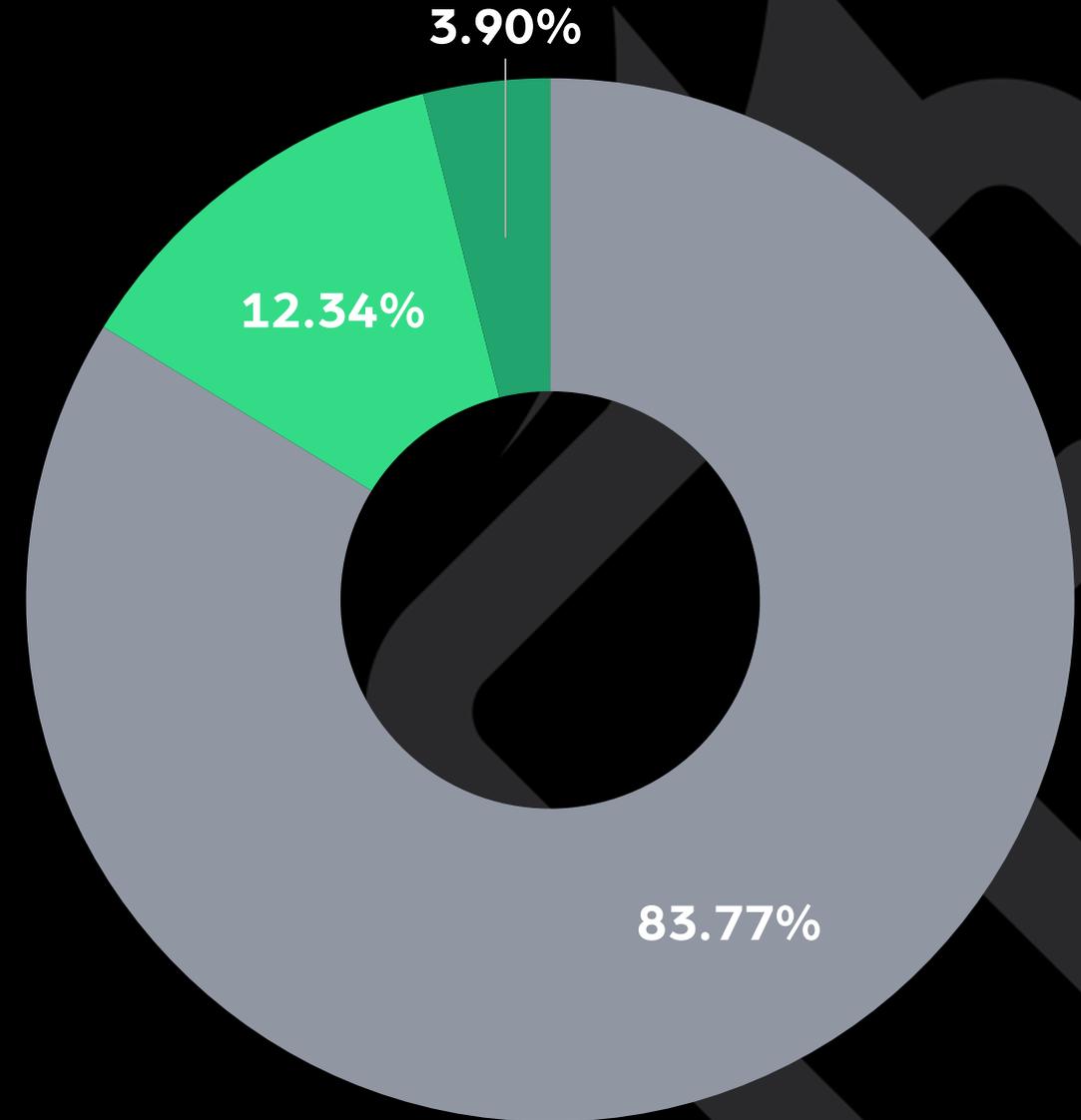
Survey Results

How likely are you to recommend Verivend to other investment funds or investors?



Survey Results

If you contacted Verivend's Customer Support team for assistance, how satisfied were you with the experience?



Investor Feedback

"It was so easy! I loved that I could schedule when I wanted the capital call delivered too!"

"I like having visibility into the distribution transaction and to control bank accounts to receive funds."

"I love that my tax deferred account and personal account are under one logon."

"Excellent first time experience. Look forward to continue use."

"I am very happy [fund name] moved us to Verivend. They seem to be much better and faster at processing our distributions and looking forward to seeing next years k-1 processing."

"Was quick and easy and I received my funds the next day."

"Simple but effective interface."

"I am a satisfied customer!"

"Solid tool"

"KEEP IT UP"

"Have me as an investor."

"Overall, the experience & direction being applied are excellent."

"Works perfectly"

"I wish many more of the CRE sponsors with whom I invest would utilize Verivend!"

Learnings & Conclusion

- 98%** of investors were satisfied or very satisfied with their overall experience with Verivend.
- 96%** of investors found it easy or very easy to fund a capital call or receive a distribution payment.
- 83%** of investors didn't need any additional support and for those that did,
- 100%** were satisfied or very satisfied with their experience with Verivend's Customer Support team.

With the wide adoption and usage of consumer payment apps, ease of use is not just an expectation, but now a requirement, in all integrated payment experiences.

Technology is never a full replacement for live on-demand support, but the user experience should be as clear and intuitive as possible to drive most experiences to be completed on their own.

When live on-demand support is available, the only option is to provide great customer support.

Learnings & Conclusion

Friction no longer has a place in private market investment transactions, and that is why Verivend exists – to remove the pain, effort, and security risks in moving private capital.

It's time to question the status quo and the legacy ways money has moved for the last several hundred years, and for private capital transactions to reflect the same ease and seamless experience when individuals transact with each other.

If you have questions or comments about this survey, or if you would like to learn more about how **Verivend is The Platform Powering How Capital Moves**, contact us as info@verivend.com or schedule a demo at verivend.com/demo.