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**MARKET VIEW:** The fourth quarter included a sharp rally in Financials following President Donald Trump's election win as the rhetoric surrounding deregulation and the potential "dismantlement" of Dodd-Frank and the CFPB heightened. The expectation of reduced regulation helped big bank stocks end the quarter nearing their pre-financial crisis all-time highs. U.S. asset-backed securities issuances decreased 28% to \$42.5 billion over the prior quarter. The auto sector led all issuances at approximately \$16 billion, although auto loan delinquencies are at their highest levels since the financial crisis and there is clear concern towards a bubble in the sector. Encouraged by signs of an improving economy, the Fed announced a 25 bps rate increase for just the second time in a decade and also guided towards additional gradual rate hikes in 2017.

Fourth quarter Mergers & Acquisitions and Private Placement activity in the Specialty Finance and Consumer Finance Sectors declined from the previous quarter but corporate confidence remains relatively high, even in the anticipated rising interest rate environment. Many in the financial services industry patiently await potential (de)regulatory changes and its ultimate impact on the capital markets.

## FIXED INCOME

### MARKET OBSERVATIONS:

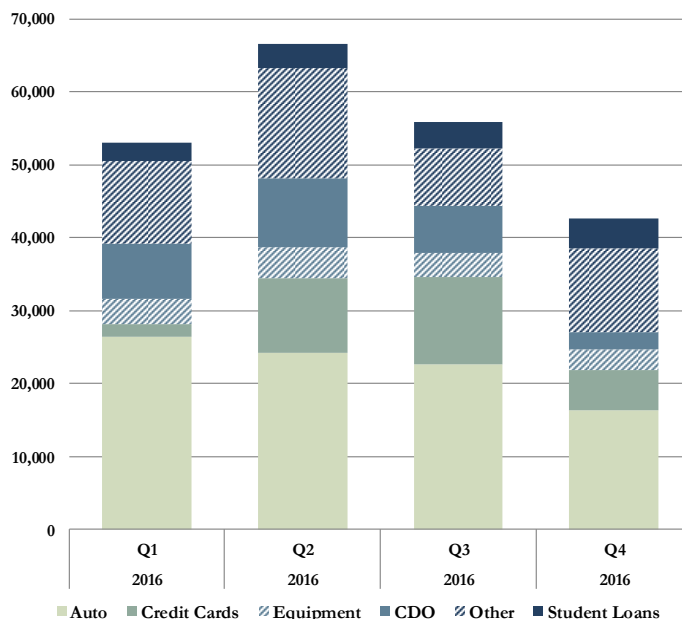
- Bond yields have surged from record lows reached in 2016. Average new issue bond yields dropped 92 bps in December to 6.46%, and they widened by 34 bps in the fourth quarter to 6.77%.
- U.S. high-yield corporate bond issuance finished 2016 at \$227 billion, 10% lower year-over year, and down 31% from the record levels posted in 2012-2013.

### Fixed Income Overview:

#### ■ Asset-Backed Securities

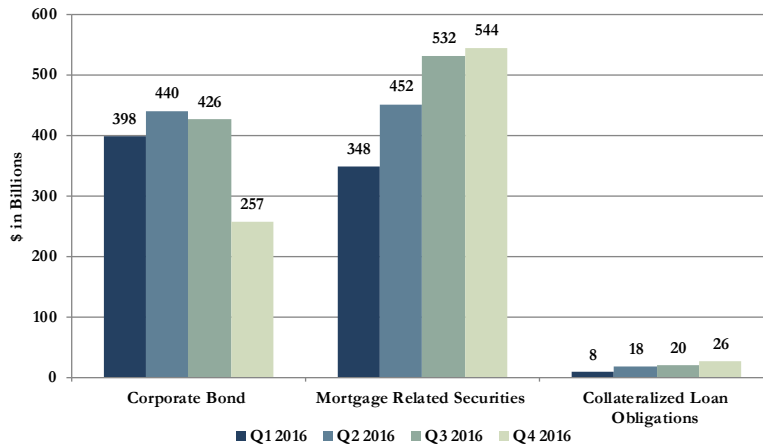
- Issuance of asset-backed securities decreased 28% from Q3 2016 to \$42.5 billion in Q4 2016.
- Auto sector led total issuance with \$16.3 billion in Q4 2016 followed by: Others: \$11.4 billion; Credit Cards: \$5.5 billion; Student Loan: \$4.1 billion; Equipment: \$2.8 billion; CDO: \$2.3 billion

**U.S. Asset-Backed Securities Issuance**



## FIXED INCOME

### Fixed Income Issuance



## INTEREST RATES

### MARKET OBSERVATIONS:

- At the Federal Open Markets Committee (FOMC) meeting on December 14<sup>th</sup>, 2016 the Committee announced its decision to increase the target federal funds rate by 25 basis points to a 1/2 to 3/4 range. This was only the second time in the past decade that the Committee raised rates. The FOMC noted job gains in recent months and a decline in the unemployment rate, as well as a moderate rise in household spending. Inflation increased since earlier in 2016 but is still below the Committee's 2 percent longer-run objective. Future rate raises are expected, but the Committee's projections are always informed by incoming data.

Rate as of 02/08/2017		
<b>1 Year</b>	<b>LIBOR – 1 Month</b>	<b>5 Year</b>
0.84%	0.77%	1.92%
<b>10 Year</b>	<b>Prime Rate</b>	<b>30 Year</b>
2.48%	3.75%	3.09



- Fixed Rate Swaps** occur between two parties exchanging a set of fixed-rate payments and floating-rate payments based on LIBOR as a reference rate; the rate is the percentage over LIBOR that one side agrees to pay.
- LIBOR** is the most used benchmark for short-term interest rates and is derived from an average of the most creditworthy banks' interbank deposit rates.
- Prime Rate** is the rate that creditworthy customers receive from commercial banks and is largely determined by the federal funds rate.

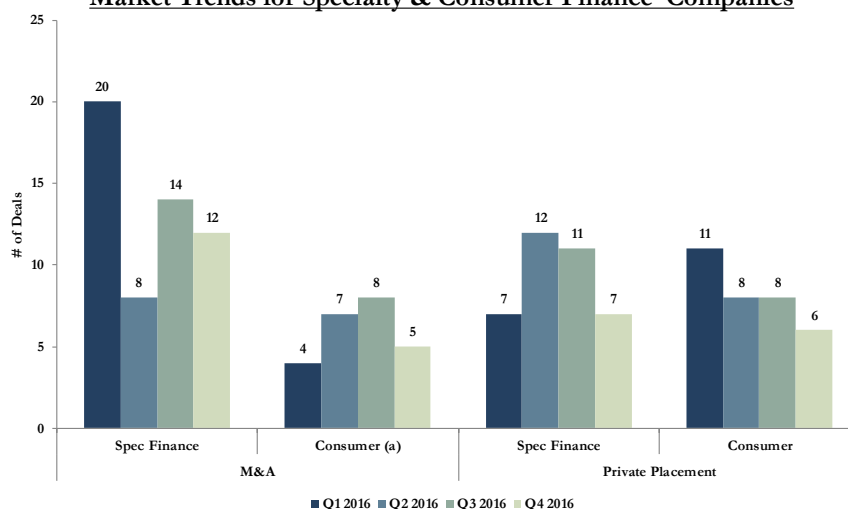
Sources: Federal Reserve, SIFMA, Cap IQ

## MERGERS AND ACQUISITIONS

### OVERALL MARKET OBSERVATIONS:

- U.S. M&A deal activity decreased in December by 5.5% with 933 announcements compared to 987 in November. Aggregate M&A spending also decreased. In December, 28.1% less was spent on deals compared to November.
- In Q4 2016, the sectors that saw the biggest increases in M&A deal activity, relative to the same three-month period one year ago, were: Process Industries, Energy Minerals, Non-Energy Minerals, Utilities, and Transportation.
- In Q4 2016, the sectors that saw the biggest declines in M&A deal volume, relative to the same three-month period one year ago were: Commercial Services, Technology Services, Health Services, Finance, and Consumer Services.

### Market Trends for Specialty & Consumer Finance Companies



### RECENT SPECIALTY FINANCE & CONSUMER M&A TRANSACTIONS:

- *February 1<sup>st</sup>* – **StoneCastle Insured Cash Sweep, LLC** acquired **Intermedium Financial, LLC**. Intermedium Financial LLC, offers FDIC extension programs and cash sweep services. The company was incorporated in 2010 and is based in Richmond, VA.
- *January 25<sup>th</sup>* – **United Payment Services, Inc.** was acquired by **Direct Connect Holdings, LLC**. United Payment Services, Inc., provides credit and ATM/debit card processing, and check guarantee services. The company was founded in 1998 and is based in Westlake Village, CA.
- *January 19<sup>th</sup>* – **Northlight Financial LLC** acquired **PDS Gaming Corporation**. PDS Gaming Corporation, a finance and lease company, provides financial products and services for gaming companies. The company will continue to be led by Johan Finley and Peter Cleary, President & CFO. PDS Gaming Corporation was incorporated in 1988 and is based in Las Vegas, NV.
- *January 4<sup>th</sup>* – **Marlin Business Services Corp. (NasdaqGS: MRLN)** acquired **Horizon Keystone Financial**. Horizon Keystone Financial provides equipment financing services. The company was founded in 1994 and is based in Mt. Laurel, NJ.
- *December 28<sup>th</sup>* – **Material Handling Services** acquired **GSG Financial LLC**. GSG Financial LLC provides equipment and software leasing and financing solutions for vendors, end-users, and financial institutions in the United States and Puerto Rico. The company was founded in 2003 and is based in New York, NY.

(a) Consumer refers to companies which operate consumer loan, personal credit agencies and offer fund transfers clearance and exchange services.

Sources: MergerMarket, Factset, CapIQ


## MERGERS AND ACQUISITIONS

- *December 14<sup>th</sup>* – **Meta Financial Group, Inc. (NASDAQ: CASH)** acquired substantially all of the assets and specified liabilities of **Specialty Consumer Services, LP**. The Specialty Consumer Services team is expected to join Meta and remain in Hurst, TX.
- *December 15<sup>th</sup>* – **White Oak Global Advisors LLC** acquired **Capital Business Credit, LLC (“CBC”)**. As a part of the transaction, White Oak acquired CBC’s existing loan portfolio and the CBC team along with its office locations in New York, Charlotte, Fort Lauderdale, Los Angeles, Hong Kong and Shang Hai. The CBC and White Oak platform will be able to provide asset-based loans, factoring, and trade finance credit facilities ranging from \$1-\$100 million.
- *November 28<sup>th</sup>* – **CV Holdings, Inc.** acquired **Centra Leasing, Inc.** through a newly formed subsidiary **Centra Funding, LLC** as well as formed and launched **CV Capital Funding, LLC**. The Company’s strategy with respect to each new vertical is to grow by leveraging the capital invested in each business. Centra Leasing, Inc. was incorporated in 2001 and is based in Plano, TX. The company now operates as a subsidiary of Centra Funding, LLC.
- *November 22<sup>nd</sup>* – **Pure Hospitality Solutions, Inc. (OTCPK: PNOW)** acquired Medo Numismatics, Corp. Meso Numismatics, Corp. buys and sells coins, banknotes, medals, and tokens. The company was incorporated in 2016 and is based in Doral, FL.

## PRIVATE PLACEMENTS

### RECENT PRIVATE PLACEMENT TRANSACTIONS:

- *January 20<sup>th</sup>* – **SouthStar Capital, LLC** received a total of \$675,000 in funding from three undisclosed investors. SouthStar Capital, LLC provides business financial solutions to small land medium size businesses such as accounts receivable financing, equipment leasing, asset based lending, and purchase order financing. The company was incorporated in 2008 and is based in Mount Pleasant, SC.
- *January 17<sup>th</sup>* – **TRANSFAST Remittance** received \$40 million in a credit facility from **Comvest Partners**. TRANSFAST Remittance, based in New York, NY, provides cross-boarder money transfer and payments services to consumers and businesses in the United States.
- *January 10<sup>th</sup>* – **Financial-Information-Technologies, Inc.** announced that it has received a strategic growth investment from new investors, Luminate Capital Partners. Founded in 1991 and based in Tampa, FL, the company offers electronic funds transfer (EFT) and electronic data interchange (EDI) services. The company provides delivery data exchanging, invoice settlements, payment activity reconciling, and purchase managements services, catering to the retail and hospitality industries.
- *January 10<sup>th</sup>* – **Clearinghouse Community Development Financial Institution (CDFI)** received \$700,000 in equity funding from returning investors, Community Bank (OTCPK: CYHT). CDFI provides community development lending solutions in California, Nevada, Arizona, New Mexico, and Sovereign Nations in the Western U.S. The company was founded in 1996 and is based in Lake Forest, CA.



*January 3<sup>rd</sup>* – Pegasus Legal Funding, LLC completed an asset sale in the form of a forward flow agreement with an undisclosed investor. Pegasus is a leading provider of non-resource pre-settlement advances in the United States. ***Bryant Park Capital acted as exclusive financial advisor in connection with this transaction.***

- *December 15<sup>th</sup>* – **Cognical, Inc. (dba Zibby)** received \$103 million in funding from returning investor, Victory Park Capital Advisors, LLC. Cognical, Inc. offers lease-to-own monthly payment options to help consumers acquire durable goods from retailers in the U.S. The company was incorporated in 2012 and is based in New York, NY.

PRIVATE PLACEMENTS

**RECENT PRIVATE PLACEMENT TRANSACTIONS:**

- *December 15<sup>th</sup>* – **Wyre, Inc.** received \$5.8 million in funding led by investors Amphora Capital. Wyre, Inc. operates a digital currency community that allows business owners to send money to any person or business worldwide. It serves customers in China, Brazil, Mexico, Hong Kong, and the United States. The company was founded in 2013 and is headquartered in San Francisco, CA.
- *December 12<sup>th</sup>* – **AppliePie Capital, Inc.** raised \$16.5 million in Series B funding, co-led by QED Investors and Fifth Third Capital, the direct investment subsidiary of Fifth Third Bancorp, with participation from previous investors Signia Venture partners, Freestyle Capital, and Prosper president Rob Suber as well as Colchis Capital Management. The company also announced that it has entered into a \$180m loan purchase agreement with TowerBrook Capital Partners to purchase franchise loans originated by AppliePie over a two-year period. AppliePie Capital provides financing to franchise businesses. The company was incorporated in 2014 and is based in San Francisco, CA.
- *December 2<sup>nd</sup>* – **Ezuza, Inc.** raised \$350,000 in a round of funding from an undisclosed investor. Ezuza, Inc. operates as a modible money company that provides individuals and small businesses the ability to use electronic money instead of cash for their day-to-day financial transactions. The company was founded in 2007 and is based in Sewell, NJ.
- *November 30<sup>th</sup>* – **HJKS Partners, LLC** raised approximately \$900,000 in a round of funding from an undisclosed investor. HJKS Partners, LLC finances and invests in theatrical productions. The company was incorporated in 2015 and is based in New York, NY.
- *November 21<sup>st</sup>* – **True Link Financial, Inc.** announced that it has received \$3.6 million in a round of funding led by existing investors Kapor Capital and Cambia Health Solutions, Inc. True Link Financial, Inc. offers a prepaid Visa debit card with a fraud blocker to protect elderly from frauds and unwanted charges. The company was incorporated in 2013 and is based in San Francisco, CA.
- *November 15<sup>th</sup>* – **P2Binvestor Inc.** raised \$7.7 million in funding, led by Rockies Venture Club and new investor, FVC Americas. The funding will be used to expand operations and invest in sales, marketing, and technology. P2Binvestor Inc. incorporated in 2012 and based in Denver, Colorado, is a crowdfunded receivables finance company that operates an investment platform for small and mid-sized businesses in the U.S.
- *November 14<sup>th</sup>* – **Fig Loans, LLC** raised approximately \$1.1 million from an undisclosed investor. The company will issue common shares in the transaction. The company, incorporated in 2015 and based in Sugar Land, TX, provides emergency loans and financial stability products to consumers.
- *November 2<sup>nd</sup>* – **i2b Capital, LLC** closed a significant joint venture funding agreement with Arena Investors, LP. i2b Capital, LLC provides senior debt and direct asset investments for growth capital to qualifying entrepreneurs and equity-backed emerging specialty finance companies. The company was founded in 2015 and is based in Fort Collins, CO.
- *November 2<sup>nd</sup>* – **Sequel Energy Group LLC** received more than \$500 million of initial capital through funds managed by GSO Capital Partners LP and Sequel Energy's founding members. GSO Capital Partners LP is the global credit investment platform of Blackstone. Sequel Energy Group, founded in 2016 and based in Greenwood Village, CO, offers financing and other services to the oil and gas companies.
- *November 1<sup>st</sup>* – **Clearinghouse Community Development Financial Institution (CDFI)** received \$100,000 in an equity round of funding from existing investor First General Bank. CDFI provides community development lending solutions in California, Nevada, Arizona, New Mexico, and Sovereign Nations in the Western U.S. The company was founded in 1996 and is based in Lake Forest, CA.

## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 2/07/2017)

(US\$ in millions, except per share data)

Company	Ticker	Market Statistics		Operating Metrics						Valuation Metrics								
		Mkt Cap 2/7/17	Enterprise Value	Sales		EBITDA		Net Income		EV / Sales		EV / EBITDA		P/E		Price/BV		
				LTM	LTM	Margin	2017 E	LTM	2017 E	2018 E	LTM	LTM	2017 E	2018 E	LTM	2017 E	2018 E	2018 E
<b><i>Specialty Finance - Other</i></b>																		
Asta Funding, Inc.	ASFI	\$122.0	\$170.3	\$58.7	\$19.5	33.3%	NA	\$7.1	NA	NA	2.9x	8.7x	NA	NA	17.1x	NA	NA	0.7x
Encore Capital Group, Inc.	ECPG	\$840.0	\$3,561.6	\$1,080.1	\$346.9	32.1%	\$305.1	\$124.3	\$87.1	\$106.4	3.3x	10.3x	11.7x	8.9x	6.8x	9.6x	7.9x	1.5x
Medallion Financial Corp.	MFIN	\$46.7	\$382.0	\$29.5	\$13.3	45.0%	NA	\$0.9	(\$0.7)	\$5.3	NM	NM	NA	NA	NM	NM	8.8x	0.2x
On Deck Capital, Inc.	ONDK	\$374.4	\$957.7	\$162.6	NA	NA	(\$40.2)	(\$31.4)	(\$48.5)	(\$11.6)	5.9x	NA	NM	NM	NM	NM	NM	1.3x
PRA Group, Inc.	PRAA	\$1,858.5	\$3,637.6	\$905.5	\$282.6	31.2%	\$309.5	\$116.4	\$141.0	\$153.0	4.0x	12.9x	11.8x	10.6x	16.0x	13.2x	12.1x	2.0x
<b>Mean</b>						<b>35.4%</b>					<b>4.0x</b>	<b>10.6x</b>	<b>11.7x</b>	<b>9.7x</b>	<b>13.3x</b>	<b>11.4x</b>	<b>9.6x</b>	<b>1.1x</b>
<b>Median</b>						<b>32.7%</b>					<b>3.7x</b>	<b>10.3x</b>	<b>11.7x</b>	<b>9.7x</b>	<b>16.0x</b>	<b>11.4x</b>	<b>8.8x</b>	<b>1.3x</b>
<b><i>Leasing / Rental</i></b>																		
Chesswood Group Limited	TSX:CHW	\$156.9	\$385.8	\$41.0	NA	NA	\$26.6	\$11.6	\$12.7	\$16.4	9.4x	NA	14.5x	10.7x	13.5x	12.4x	9.6x	1.5x
Element Fleet Management Corp.	EFN	\$3,825.8	\$14,723.3	\$1,177.3	NA	NA	NA	\$267.9	\$290.2	\$319.6	NM	NA	NA	NA	14.3x	13.2x	12.0x	1.5x
FLY Leasing Limited	FLY	\$445.6	\$2,579.2	\$343.9	NA	NA	\$296.5	\$39.6	\$65.7	\$62.1	7.5x	NA	8.7x	8.2x	11.2x	6.8x	7.2x	0.7x
Marlin Business Services Corp.	MRLN	\$288.0	\$216.6	\$79.8	NA	NA	NA	\$17.7	\$19.4	\$22.5	2.7x	NA	NA	NA	16.3x	14.8x	12.8x	1.8x
Mobile Mini, Inc.	MINI	\$1,459.5	\$2,392.5	\$508.6	\$183.0	36.0%	\$192.9	\$52.6	\$58.5	\$67.5	4.7x	13.1x	12.4x	11.5x	27.7x	24.9x	21.6x	2.0x
Textainer Group Holdings Limited	TGH	\$778.1	\$3,764.3	\$505.7	\$343.1	67.9%	\$404.5	\$35.2	(\$52.8)	\$23.8	7.4x	11.0x	9.3x	9.4x	22.1x	NM	32.7x	0.7x
<b>Mean</b>						<b>51.9%</b>					<b>6.4x</b>	<b>12.0x</b>	<b>11.2x</b>	<b>9.9x</b>	<b>17.5x</b>	<b>14.4x</b>	<b>16.0x</b>	<b>1.4x</b>
<b>Median</b>						<b>51.9%</b>					<b>7.4x</b>	<b>12.0x</b>	<b>10.9x</b>	<b>10.1x</b>	<b>15.3x</b>	<b>13.2x</b>	<b>12.4x</b>	<b>1.5x</b>
<b><i>Asset Based Lending</i></b>																		
Accord Financial Corp.	TSX:ACD	\$56.9	\$120.7	\$19.9	NA	NA	NA	\$4.3	NA	NA	6.1x	NA	NA	NA	13.3x	NA	NA	1.0x
Callidus Capital Corporation	TSX:CBL	\$689.9	\$1,031.4	\$93.2	NA	NA	NA	\$50.9	\$51.1	\$71.3	NM	NA	NA	NA	13.6x	13.5x	9.7x	1.8x
CIT Group Inc.	CIT	\$8,364.5	\$18,119.1	\$2,177.3	NA	NA	NA	\$260.3	\$590.8	\$773.4	8.3x	NA	NA	NA	32.1x	14.2x	10.8x	0.8x
NewStar Financial, Inc.	NEWS	\$395.2	\$3,845.0	\$79.8	NA	NA	NA	\$12.3	\$24.3	\$34.0	NM	NA	NA	NA	32.1x	16.3x	11.6x	0.6x
<b>Mean</b>						<b>NA</b>					<b>7.2x</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>22.8x</b>	<b>14.6x</b>	<b>10.7x</b>	<b>1.1x</b>
<b>Median</b>						<b>NA</b>					<b>7.2x</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>22.8x</b>	<b>14.2x</b>	<b>10.8x</b>	<b>0.9x</b>
<b><i>Consumer Finance</i></b>																		
Atlanticus Holdings Corporation	ATLC	\$38.0	\$213.6	\$73.5	NA	NA	NA	(\$7.0)	NA	NA	2.9x	NA	NA	NA	NM	NA	NA	5.1x
Enova International, Inc.	ENVA	\$481.1	\$1,091.1	\$680.0	NA	NA	\$161.1	\$35.9	\$44.7	\$56.3	1.6x	NA	6.8x	5.9x	13.4x	10.8x	8.5x	2.0x
EZCORP, Inc.	EZPW	\$504.9	\$719.3	\$735.6	\$62.0	8.4%	\$89.8	\$19.8	\$28.3	NA	1.0x	11.6x	8.0x	NA	25.5x	17.9x	NA	0.8x
FirstCash, Inc.	FCFS	\$2,110.1	\$2,476.7	\$1,088.4	\$171.2	15.7%	\$263.7	\$80.5	\$122.9	\$146.3	2.3x	14.5x	9.4x	8.3x	26.2x	17.2x	14.4x	1.5x
Green Dot Corporation	GDOT	\$1,315.1	\$785.7	\$706.9	\$90.7	12.8%	\$156.4	\$29.2	\$71.5	\$87.3	1.1x	8.7x	5.0x	4.4x	45.1x	18.4x	15.1x	1.9x
LendingClub Corporation	LC	\$2,488.0	\$1,967.2	\$505.8	NA	NA	(\$22.5)	(\$48.7)	(\$42.9)	\$27.0	3.9x	NA	NM	NM	NM	NM	NM	2.5x
Regional Management Corp.	RM	\$278.1	\$763.2	\$230.4	\$65.5	28.4%	\$72.3	\$24.3	\$30.1	\$34.3	3.3x	11.7x	10.5x	NA	11.4x	9.2x	8.1x	1.3x
The J.G. Wentworth Company	JGWE	\$6.3	\$4,914.4	\$65.9	NA	NA	\$36.0	\$26.7	(\$5.2)	\$0.2	NM	NA	NM	NM	0.2x	NM	40.0x	(0.5x)
World Acceptance Corporation	WRLD	\$432.1	\$814.0	\$531.3	\$142.2	26.8%	\$111.5	\$69.7	\$59.4	\$46.0	1.5x	5.7x	7.3x	9.0x	6.2x	7.3x	9.4x	1.0x
<b>Mean</b>						<b>18.4%</b>					<b>2.2x</b>	<b>10.4x</b>	<b>7.8x</b>	<b>6.9x</b>	<b>18.3x</b>	<b>13.4x</b>	<b>15.9x</b>	<b>1.8x</b>
<b>Median</b>						<b>15.7%</b>					<b>1.9x</b>	<b>11.6x</b>	<b>7.7x</b>	<b>7.1x</b>	<b>13.4x</b>	<b>14.0x</b>	<b>11.9x</b>	<b>1.5x</b>



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				LTM	LTM	Margin	2017 E	LTM	2017 E	2018 E	LTM	LTM	2017 E	2018 E	LTM	2017 E	2018 E	2018 E		
<b><i>Automotive Financing</i></b>																				
America's Car-Mart, Inc.	CRMT	\$334.2	\$459.8	\$588.3	\$40.1	6.8%	\$42.4	\$20.0	\$20.2	\$24.8	0.8x	11.5x	10.8x	8.4x	16.7x	16.5x	13.5x	1.4x		
Consumer Portfolio Services, Inc.	CPSS	\$119.7	\$2,284.5	\$162.1	NA	NA	\$128.6	\$33.0	\$23.4	\$23.1	NM	NA	17.8x	15.6x	3.6x	5.1x	5.2x	0.7x		
Credit Acceptance Corp.	CACC	\$4,093.2	\$6,682.3	\$781.3	NA	NA	\$766.0	\$332.0	\$384.9	\$410.3	8.6x	NA	8.7x	8.1x	12.3x	10.6x	10.0x	3.5x		
Nicholas Financial, Inc.	NICK	\$87.6	\$298.3	\$50.4	NA	NA	NA	\$9.3	NA	NA	5.9x	NA	NA	NA	9.4x	NA	NA	0.8x		
<b>Mean</b>						<b>6.8%</b>					<b>5.1x</b>	<b>11.5x</b>	<b>12.4x</b>	<b>10.7x</b>	<b>10.5x</b>	<b>10.8x</b>	<b>9.5x</b>	<b>1.6x</b>		
<b>Median</b>						<b>6.8%</b>					<b>5.9x</b>	<b>11.5x</b>	<b>10.8x</b>	<b>8.4x</b>	<b>10.9x</b>	<b>10.6x</b>	<b>10.0x</b>	<b>1.1x</b>		
<b><i>eFinance</i></b>																				
BGC Partners, Inc.	BGCP	\$3,098.5	\$3,754.1	\$2,546.4	NA	NA	\$480.0	(\$182.6)	\$228.7	\$265.0	1.5x	NA	7.8x	6.7x	NM	13.5x	11.7x	3.5x		
GAIN Capital Holdings, Inc.	GCAP	\$392.3	(\$760.3)	\$385.7	NA	NA	\$64.2	\$24.6	\$27.0	\$31.6	(2.0x)	NA	(11.8x)	(13.4x)	15.9x	14.5x	12.4x	1.3x		
Intercontinental Exchange, Inc.	ICE	\$35,678.8	\$41,685.8	\$4,499.0	\$2,754.0	61.2%	\$2,903.8	\$1,318.0	\$1,796.7	\$2,028.1	9.3x	15.1x	14.4x	13.2x	27.1x	19.9x	17.6x	2.3x		
Investment Technology Group, Inc.	ITG	\$636.7	\$394.3	\$464.4	NA	NA	NA	(\$22.5)	\$19.8	\$45.9	0.8x	NA	NA	NA	NM	32.2x	13.9x	1.6x		
KCG Holdings, Inc.	KCG	\$964.3	(\$1,942.1)	\$1,376.8	NA	NA	\$191.5	\$247.8	\$44.8	\$64.4	(1.4x)	NA	(10.1x)	(8.7x)	3.9x	21.5x	15.0x	0.7x		
MarketAxess Holdings Inc.	MKTX	\$7,115.4	\$6,947.2	\$369.9	\$209.7	56.7%	\$243.9	\$119.8	\$150.7	\$181.9	NM	NM	NM	NM	NM	47.2x	39.1x	15.2x		
Nasdaq, Inc.	NDAQ	\$11,458.5	\$14,413.5	\$3,705.0	\$1,157.7	31.2%	\$1,249.4	\$519.4	\$699.4	\$760.8	3.9x	12.5x	11.5x	10.9x	22.1x	16.4x	15.1x	2.1x		
<b>Mean</b>						<b>49.7%</b>					<b>2.0x</b>	<b>13.8x</b>	<b>2.3x</b>	<b>1.7x</b>	<b>17.2x</b>	<b>23.6x</b>	<b>17.8x</b>	<b>3.8x</b>		
<b>Median</b>						<b>56.7%</b>					<b>1.2x</b>	<b>13.8x</b>	<b>7.8x</b>	<b>6.7x</b>	<b>19.0x</b>	<b>19.9x</b>	<b>15.0x</b>	<b>2.1x</b>		
<b><i>Fin Tech</i></b>																				
Broadridge Financial Solutions, Inc.	BR	\$8,155.6	\$9,054.0	\$3,197.6	\$629.0	19.7%	\$681.5	\$293.1	\$329.7	\$395.7	2.8x	14.4x	13.3x	11.4x	27.8x	24.7x	20.6x	7.8x		
CoreLogic, Inc.	CLGX	\$3,129.9	\$4,652.5	\$1,868.5	\$390.0	20.9%	\$498.6	\$123.6	\$202.6	\$207.6	2.5x	11.9x	9.3x	9.4x	25.3x	15.5x	15.1x	2.9x		
Fiserv, Inc.	FISV	\$23,099.2	\$27,426.2	\$5,442.0	\$1,695.0	31.1%	\$1,932.4	\$870.0	\$964.9	\$1,069.7	5.0x	16.2x	14.2x	13.2x	26.6x	23.9x	21.6x	9.0x		
MoneyGram International, Inc.	MGI	\$678.0	\$1,442.2	\$1,501.9	\$216.0	14.4%	\$269.3	\$23.1	\$43.5	\$55.8	1.0x	6.7x	5.4x	5.1x	29.3x	15.6x	12.2x	(3.3x)		
The Western Union Company	WU	\$9,619.5	\$11,545.3	\$5,431.2	\$1,357.0	25.0%	\$1,340.9	\$580.0	\$803.6	\$833.3	2.1x	8.5x	8.6x	8.5x	16.6x	12.0x	11.5x	6.9x		
WEX Inc.	WEX	\$4,941.0	\$6,705.0	\$940.3	\$281.1	29.9%	\$368.5	\$80.0	\$195.1	\$230.5	7.1x	NM	18.2x	13.5x	NM	25.3x	21.4x	3.3x		
<b>Mean</b>						<b>23.5%</b>					<b>3.4x</b>	<b>11.5x</b>	<b>11.5x</b>	<b>10.2x</b>	<b>25.1x</b>	<b>19.5x</b>	<b>17.1x</b>	<b>4.4x</b>		
<b>Median</b>						<b>22.9%</b>					<b>2.7x</b>	<b>11.9x</b>	<b>11.3x</b>	<b>10.4x</b>	<b>26.6x</b>	<b>19.8x</b>	<b>17.8x</b>	<b>5.1x</b>		

## Specialty Finance Market Update

### Analysis of Comparable Publicly Traded Financial Services Companies (as of 2/07/2017)

(US\$ in millions, except per share data)

Company	Ticker	Market Statistics		Operating Metrics						Valuation Metrics								
		Mkt Cap 2/7/17	Enterprise Value	Sales		EBITDA		Net Income		EV / Sales		EV / EBITDA		P/E		Price/BV		
				LTM	LTM	Margin	2017 E	LTM	2017 E	2018 E	LTM	LTM	2017 E	2018 E	LTM	2017 E	2018 E	2018 E
<b>SBA Lending/ BDC</b>																		
Ares Capital Corporation	ARCC	\$7,403.1	\$10,998.9	\$1,013.7	\$732.0	72.2%	NA	\$334.8	\$660.5	\$681.9	NM	15.0x	NA	NA	22.1x	11.2x	10.9x	1.4x
Fifth Street Asset Management Inc.	FSAM	\$49.2	\$152.6	\$87.6	\$37.4	42.7%	NA	\$16.4	\$4.5	\$4.5	1.7x	4.1x	NA	NA	3.0x	10.8x	11.0x	27.2x
FS Investment Corporation	FSIC	\$2,562.7	\$4,173.5	\$428.6	NA	NA	NA	\$136.2	\$211.9	\$214.2	9.7x	NA	NA	NA	18.8x	12.1x	12.0x	1.1x
Garrison Capital Inc.	GARS	\$151.7	\$375.2	\$44.8	NA	NA	NA	\$14.4	\$19.5	\$19.8	8.4x	NA	NA	NA	10.5x	7.8x	7.7x	0.8x
Hercules Capital, Inc.	HTGC	\$1,127.0	\$1,707.1	\$167.0	\$124.0	74.3%	NA	\$54.6	\$96.3	\$101.8	NM	13.8x	NA	NA	20.6x	11.7x	11.1x	1.5x
KCAP Financial, Inc.	KCAP	\$149.4	\$323.3	\$38.3	NA	NA	NA	\$12.3	\$19.0	\$18.0	8.4x	NA	NA	NA	12.1x	7.9x	8.3x	0.7x
Main Street Capital Corporation	MAIN	\$1,944.3	\$2,721.7	\$175.0	NA	NA	NA	\$71.2	\$117.7	\$123.1	NM	NA	NA	NA	27.3x	16.5x	15.8x	1.7x
Medley Management Inc.	MDLY	\$55.8	\$78.8	\$73.8	\$17.9	24.2%	\$39.9	(\$0.9)	\$3.3	\$4.2	1.1x	4.4x	2.0x	1.7x	NM	17.0x	13.4x	(25.4x)
Monroe Capital Corporation	MRCC	\$257.0	\$393.2	\$43.9	NA	NA	NA	\$14.1	\$27.0	\$26.7	9.0x	NA	NA	NA	18.2x	9.5x	9.6x	1.1x
Newtek Business Services Corp.	NEWT	\$261.6	\$436.4	\$30.5	\$1.7	5.4%	NA	(\$4.6)	\$26.8	\$29.3	NM	NM	NA	NA	NM	9.7x	8.9x	1.3x
Oaktree Capital Group, LLC	OAK	\$2,840.6	\$7,245.9	\$1,125.7	\$352.5	31.3%	\$704.4	(\$0.5)	\$165.8	\$251.4	6.4x	NM	10.3x	7.7x	NM	17.1x	11.3x	3.7x
Och-Ziff Capital Management Group LLC	OZM	\$645.1	\$976.5	\$831.9	(\$179.5)	(21.6%)	(\$225.0)	\$152.8	(\$40.3)	\$81.1	1.2x	NM	NM	2.7x	4.2x	NM	8.0x	(1.4x)
PennantPark Investment Corporation	PNNT	\$576.3	\$1,060.3	\$142.1	NA	NA	NA	\$45.6	\$68.9	\$61.1	7.5x	NA	NA	NA	12.6x	8.4x	9.4x	0.9x
Prospect Capital Corporation	PSEC	\$3,089.1	\$5,576.8	\$771.6	NA	NA	NA	\$225.9	\$346.2	\$348.3	7.2x	NA	NA	NA	13.7x	8.9x	8.9x	0.9x
TICC Capital Corp.	TICC	\$373.7	\$652.5	\$69.2	NA	NA	NA	\$12.8	\$23.3	\$25.9	9.4x	NA	NA	NA	29.2x	16.0x	14.4x	1.0x
Triangle Capital Corporation	TCAP	\$796.3	\$1,127.2	\$114.3	\$93.0	81.3%	NA	\$41.4	\$64.9	\$76.2	9.9x	12.1x	NA	NA	19.2x	12.3x	10.4x	1.3x
<b>Mean</b>						<b>38.7%</b>					<b>6.7x</b>	<b>9.9x</b>	<b>6.1x</b>	<b>4.0x</b>	<b>16.3x</b>	<b>11.8x</b>	<b>10.7x</b>	<b>1.1x</b>
<b>Median</b>						<b>37.0%</b>					<b>7.9x</b>	<b>12.1x</b>	<b>6.1x</b>	<b>2.7x</b>	<b>18.2x</b>	<b>11.2x</b>	<b>10.7x</b>	<b>1.1x</b>
<b>Real Estate Financing</b>																		
ARMOUR Residential REIT, Inc.	ARR	\$793.6	\$8,079.3	\$9.8	NA	NA	\$113.8	(\$16.1)	\$98.4	\$88.9	NM	NA	NM	NM	NM	8.1x	8.9x	0.8x
Fidelity National Financial, Inc.	FNF	\$9,909.9	\$8,294.9	\$9,554.0	\$1,628.0	17.0%	\$1,445.0	\$623.0	\$669.5	\$725.2	0.9x	5.1x	5.7x	5.2x	15.9x	14.8x	13.7x	1.7x
First Acceptance Corporation	FAC	\$60.8	(\$12.5)	\$389.1	(\$29.5)	(7.6%)	NA	(\$23.3)	NA	NA	(0.0x)	NM	NA	NA	NM	NA	NA	0.8x
Meta Financial Group, Inc.	CASH	\$884.4	\$285.1	\$178.2	NA	NA	NA	\$23.0	\$62.7	NA	1.6x	NA	NA	NA	38.4x	14.1x	NA	2.4x
MFA Financial, Inc.	MFA	\$2,984.0	\$12,309.2	\$370.1	NA	NA	NA	\$195.9	\$281.4	\$285.6	NM	NA	NA	NA	15.2x	10.6x	10.4x	1.0x
Nationstar Mortgage Holdings Inc.	NSM	\$1,807.6	\$14,219.6	\$1,054.4	NA	NA	\$606.1	(\$57.9)	(\$130.1)	\$174.1	NM	NA	NM	NM	NM	NM	10.4x	1.2x
PHH Corporation	PHH	\$778.3	\$1,119.3	\$1,009.0	NA	NA	NA	(\$138.9)	(\$59.7)	(\$80.6)	1.1x	NA	NA	NA	NM	NM	NM	0.6x
Walker & Dunlop, Inc.	WD	\$988.8	\$2,483.3	\$507.1	NA	NA	\$125.6	\$115.8	\$102.0	\$94.0	4.9x	NA	19.8x	13.1x	8.5x	9.7x	10.5x	1.7x
<b>Mean</b>						<b>4.7%</b>					<b>1.7x</b>	<b>5.1x</b>	<b>12.8x</b>	<b>9.2x</b>	<b>19.5x</b>	<b>11.5x</b>	<b>10.8x</b>	<b>1.3x</b>
<b>Median</b>						<b>4.7%</b>					<b>1.1x</b>	<b>5.1x</b>	<b>12.8x</b>	<b>9.2x</b>	<b>15.6x</b>	<b>10.6x</b>	<b>10.4x</b>	<b>1.1x</b>

Source: Cap IQ



## SELECTED SPECIALTY FINANCE TRANSACTIONS

### EXECUTIVES & PRINCIPALS

Joel Magerman  
Managing Partner

Volfi Mizrahi  
Managing Director

Dan Avnir  
Managing Director

Raymond Kane  
Managing Director

<p><b>\$15,000,000</b></p> <p><b>DIVIDENDSOLAR</b> DIVIDEND SOLAR, INC. has agreed to merge with</p> <p><b>Figtree</b> FINANCING</p> <p><b>FIGTREE FINANCING</b> and secured financing commitment of up to \$200,000,000 from affiliates of LL Funds</p> <p>Bryant Park Capital LLC initiated and acted as exclusive financial advisor to Dividend Solar, Inc. in connection with this transaction.</p>	<p><b>\$15,000,000</b></p> <p><b>DIVIDENDSOLAR</b> DIVIDEND SOLAR, INC.</p> <p>Senior Secured SPV Debt and Senior Secured Debt</p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Dividend Solar, Inc. in connection with this transaction.</p>	<p><b>DIVIDENDSOLAR</b> DIVIDEND SOLAR, INC.</p> <p>Senior Secured SPV Debt and Preferred Stock</p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Dividend Solar, Inc. in connection with this transaction.</p>	<p><b>\$100,000,000</b></p> <p><b>GOLDEN PEAR FUNDING</b></p> <p><b>GOLDEN PEAR FUNDING, LLC</b></p> <p>Structured Portfolio Sale and Forward Flow Agreement</p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Golden Pear Funding, LLC in connection with this transaction.</p>
<p><b>\$150,000,000</b></p> <p><b>GOLDEN PEAR FUNDING</b></p> <p><b>GOLDEN PEAR FUNDING, LLC</b></p> <p><b>\$100,000,000 Senior Secured Credit Facility</b> <b>\$50,000,000 Additional Commitment</b></p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Golden Pear Funding, LLC in connection with this transaction.</p>	<p><b>northern leasing systems, inc.</b> Creating an online. Growing opportunities.</p> <p><b>NORTHERN LEASING SYSTEMS, INC.</b></p> <p>Senior Secured Credit Facility</p> <p>Bryant Park Capital LLC acted as financial advisor to and as placement agent for Northern Leasing Systems, Inc. in connection with this transaction.</p>	<p><b>\$40,000,000</b></p> <p><b>peachtree</b> FINANCIAL SOLUTIONS</p> <p><b>PEACHTREE SETTLEMENT FUNDING, LLC</b> d/b/a PEACHTREE</p> <p>has completed a Private Placement of Preferred Equity</p> <p>Bryant Park Capital, Inc. initiated this transaction.</p>	<p><b>123 LUMP \$UM</b> HOLDINGS</p> <p><b>123 LUMP SUM HOLDINGS, LLC</b></p> <p>Private Placement of Preferred Stock with <b>GCP Capital Partners</b></p> <p>Bryant Park Capital Securities, Inc. acted as exclusive financial advisor and sole private placement agent to 123 Lump Sum Holdings, LLC in connection with this transaction.</p>
<p><b>\$240,000,000</b></p> <p><b>J.G. WENTWORTH</b></p> <p><b>J.G. WENTWORTH MANAGEMENT COMPANY, INC.</b></p> <p>has sold a majority stake in the company through a leveraged buyout transaction to <b>JLL PARTNERS</b></p> <p>Bryant Park Capital initiated the transaction and acted as financial advisor to J.G. Wentworth Management Company, Inc.</p>	<p><b>RAPID CASH FUNDING</b></p> <p>has been acquired by</p> <p><b>JGWPT</b> HOLDINGS, LLC</p> <p>Bryant Park Capital Securities, Inc. acted as exclusive financial advisor to Rapid Cash Funding in connection with the transaction.</p>	<p><b>FAIRFIELD FUNDING</b></p> <p><b>APIS MANAGEMENT LLC</b> d/b/a <b>FAIRFIELD FUNDING</b></p> <p>Advisory Services for the Sale of Structured Settlement Assets</p> <p>Bryant Park Capital Securities, Inc. acted as financial advisor to Fairfield Funding in the sale of certain assets.</p>	<p><b>\$25,200,000</b></p> <p><b>THE MONEY PORTAL PLC</b></p> <p><b>THE MONEY PORTAL PLC</b></p> <p>Convertible Cumulative Redeemable Preference Shares</p> <p>Bryant Park Capital acted as financial advisor to The Money Portal PLC in connection with this transaction.</p>
<p><b>CBC</b> SETTLEMENT FUNDING</p> <p>has been acquired by</p> <p><b>Asta</b> ASTA FUNDING, INC. FINANCIAL HOLDINGS</p> <p>Bryant Park Capital Securities, Inc. acted as exclusive financial advisor to CBC Settlement Funding, LLC in connection with this transaction.</p>	<p><b>\$15,000,000</b></p> <p><b>peachtree</b> FINANCIAL SOLUTIONS</p> <p><b>SETTLEMENT FUNDING, LLC</b> d/b/a <b>PEACHTREE FINANCIAL SOLUTIONS</b></p> <p>a wholly-owned subsidiary of <b>PEACH HOLDINGS, INC.</b></p> <p>initiated into a <b>Lottery Financing Facility</b></p> <p>Bryant Park Capital, Inc. initiated and acted as financial advisor to Peach Holdings, Inc. in connection with this transaction.</p>	<p><b>123 LUMP \$UM</b> HOLDINGS</p> <p><b>123 LUMP SUM HOLDINGS, LLC</b></p> <p>Senior Secured Credit Facility</p> <p>Bryant Park Capital LLC initiated this transaction and acted as placement agent for 123 Lump Sum Holdings, LLC.</p>	<p><b>\$50,000,000</b></p> <p><b>CashReady</b></p> <p><b>CASHREADY LLC</b></p> <p>Portfolio Purchase Credit Facility</p> <p>Bryant Park Capital, Inc. acted as the exclusive financial advisor to CashReady LLC in this transaction.</p>
<p><b>\$150,000,000</b></p> <p><b>MoneyLion</b></p> <p><b>MoneyLion, Inc.</b></p> <p>Senior Secured Credit Facility</p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to MoneyLion, Inc. in connection with this transaction.</p>	<p><b>PRINCIPALS CAPITAL</b></p> <p><b>PRINCIPALS CAPITAL LLC</b></p> <p>Senior Secured Credit Facility</p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Principals Capital LLC in connection with this transaction.</p>	<p><b>\$40,000,000</b></p> <p><b>peachtree</b> FINANCIAL SOLUTIONS</p> <p><b>SETTLEMENT FUNDING, LLC</b> d/b/a <b>PEACHTREE FINANCIAL SOLUTIONS</b></p> <p>a wholly-owned subsidiary of <b>PEACH HOLDINGS, INC.</b></p> <p>initiated into a <b>Credit Facility</b></p> <p>in finance pre settlement funding assets</p> <p>Bryant Park Capital, Inc. acted as financial advisor to Peach Holdings, Inc. in connection with this transaction.</p>	<p><b>\$25,000,000</b></p> <p><b>LEISURE CONCEPTS MANAGEMENT AND CONTEXT RV CONVERSION FUND I, L.P.</b></p> <p><b>Acquisition Line of Credit and Consumer Finance Line of Credit</b></p> <p>Bryant Park Capital, Inc. acted as financial advisor to Leisure Concepts Management in connection with this transaction.</p>
<p><b>\$60,000,000</b></p> <p><b>GOLDEN PEAR FUNDING</b></p> <p><b>GOLDEN PEAR FUNDING, LLC</b></p> <p><b>\$30,000,000 Junior Secured Credit Facility</b> <b>\$30,000,000 Additional Commitment</b></p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Golden Pear Funding, LLC in connection with this transaction.</p>	<p><b>northern leasing systems, inc.</b> Creating an online. Growing opportunities.</p> <p><b>NORTHERN LEASING SYSTEMS, INC.</b></p> <p>Senior Secured Credit Facility</p> <p>Bryant Park Capital LLC acted as financial advisor to and as placement agent for Northern Leasing Systems, Inc. in connection with this transaction.</p>	<p><b>JGWPT</b> HOLDINGS, LLC</p> <p>Valuation Services</p> <p>Bryant Park Capital Valuation Services LLC provided valuation services to JGWPT Holdings, LLC.</p>	<p><b>GOLDEN PEAR FUNDING</b></p> <p><b>GOLDEN PEAR FUNDING, LLC</b></p> <p>Portfolio Sale of Assets</p> <p>Bryant Park Capital LLC acted as exclusive financial advisor to Golden Pear Funding, LLC in connection with this transaction.</p>

**NEW YORK CITY**  
489 Fifth Avenue  
16<sup>th</sup> Floor  
New York, NY 10017

212-798-8200

**PHILADELPHIA**  
Eight Tower Bridge  
161 Washington Street  
Suite 310  
Conshohocken, PA 19428

484-586-8200

[www.finra.org](http://www.finra.org)  
[www.sipc.org](http://www.sipc.org)

[www.bryantparkcapital.com](http://www.bryantparkcapital.com)

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