

## **TrueLayer secures \$7.5 million funding to expand to Europe**

*Funding round follows partnerships with Monzo, Starling Bank, Zopa, ClearScore, Canopy and Plum*

London, UK; 19th July 2018: [TrueLayer](#), a leading provider of financial APIs, has secured a \$7.5 million funding round led by venture capital fund [Northzone](#).

TrueLayer will use the investment to expand across Europe, starting with Germany and France. Additionally, TrueLayer will substantially grow its team and develop new products to help companies and consumers make the most of Open Banking and PSD2.

Since Open Banking was launched in January, TrueLayer has secured a series of major partnerships and integrations with companies including Monzo, Starling Bank, Zopa, ClearScore, Canopy, Plum, BitBond, Emma, Anorak and CreditLadder. It also has a number of undisclosed partnerships in the pipeline with major companies in the consumer and financial space that will go live in the next 12 months.

With hundreds of developers signed up on the API platform and hundreds of thousands of consumers securely sharing financial data every day, TrueLayer is quickly becoming the leading infrastructure layer between banks and third-party companies.

Its service provides an interface between financial institutions and third-party applications over an API. This allows companies to capitalise on new Open Banking and PSD2 rules by providing secure, clear and simple access to banking infrastructure.

Northzone, which has previously invested in companies including Spotify, Klarna, Zopa and iZettle, was joined in the round by previous investors Connect and Anthemis.

Francesco Simoneschi, co-Founder and CEO of TrueLayer, said: “Over the past few months our entire team has worked exceptionally hard to develop our product and secure new clients and partnerships. This has enabled us to play a major role in the development of Open Banking in the UK, and now, with this investment, we’ll be able to expand our service across Europe.

“In the coming months, we will be busy expanding to more and more countries as well as releasing a wealth of new functionalities and products to our Bank API platform.

“We are extremely excited to see so many companies becoming seriously interested in Open Banking and PSD2 and we continue to believe this is an unparalleled opportunity for the financial and tech industries. It is already driving innovation and competition which is great news for consumers, yet we are only 1% done. We want TrueLayer to be the key player in the creation of a secure infrastructure that underpins Open Banking and this investment is a big step forward on this journey.”

Jeppe Zink, Partner at Northzone, said: “Although people will continue to hold their money in bank accounts, the walled gardens of these institutions are being knocked down, and banking transactions will increasingly take place elsewhere. To enable this to function, you need thousands of banks to deliver transaction data in a single,

secure and compliant way. This is a massive undertaking which TrueLayer intends to be the centrepiece of. We love the vision, ambition, and the audacity of the team in rising to the challenge.”

TrueLayer became one of the first UK companies to be authorised and registered as a payment institution by the Financial Conduct Authority (FCA) to provide account information and payment initiation services under Open Banking and PSD2. The confirmation means that it has passed rigorous security, management and operations assessments.

By using TrueLayer, businesses save a significant amount of time and resources, enabling a much broader range of companies to develop products that take advantage of PSD2 and Open Banking. Businesses can easily verify identity and account ownership using existing customer data; view accounts, check balances, and access transaction history; query bank accounts and cards to build powerful applications; and mitigate fraud and enhance credit scoring modelling using detailed income and expenses data from users' bank account. For example, Zopa uses TrueLayer for faster income verification, Canopy to automatically update its customers' rental information, Plum to connect its chatbot with Monzo and Starling Bank accounts, and Anorak to provide more accurate and timely insurance quotes.

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### **About TrueLayer**

At TrueLayer, we aim to be the leading provider of financial APIs that will power a new era of financial innovation.

Our first product - the Data API - allows companies to access the financial data of their customers, securely and efficiently.

TrueLayer was founded in 2016 by serial entrepreneurs, Francesco Simoneschi and Luca Martinetti. We've received \$4.4M across multiple round of investments from top-tier VC firms operating in Financial Services and SaaS business, including Anthemis Group and Connect Ventures.

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### **About Northzone**

Northzone is a venture capital fund with offices in London, Stockholm, New York and Oslo. To date, it has raised eight funds with €1bn under management, and invested in some 130 technology-enabled companies, including category leaders such as Spotify, iZettle, Klarna, Avito, Trustpilot, Zopa, MarketInvoice, Lastminute.com, Stepstone and more. For further information, visit us at <https://northzone.com/>

### **About Open Banking and PSD2**

Open Banking, a UK initiative, describes the use of Open APIs that enable third party developers to build applications and services around financial institutions. It is part of a series of financial reforms spearheaded by the Competition and Markets Authority (CMA) in August 2016 and came into force in the UK in January 2018.

Open Banking enables personal customers and small businesses to share their data securely with other banks and with third parties, allowing them to compare products on the basis of their own requirements and to manage their accounts using regulated third parties to provide new and innovative payment services.

The European-wide Payment Services Directive 2 (PSD2) is the EU regulation that becomes operational in January 2018. Its aims were to:

- lower the entry barriers,
- protect consumers,
- encourage lower prices, and
- promote the development and use of innovative online and mobile payments.

PSD2 also introduced a new permission allowing third parties to be given consent by the account holder to access their bank accounts so as to extract data and / or initiate payments, without having to use existing banking infrastructure.