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## **Convoke Systems raises \$5.5 Million in Series B Funding, led by Flybridge Capital Partners and QED Investors**

***The leader in automating and accelerating consumer debt information for the financial services industry prepares for expansion***

**SAN FRANCISCO, CA – July 26, 2010 – [Convoke Systems](#)**, an information management software company in the Debt Collection and Recoveries industry, announced that it has secured a \$5.5 million Series B round of financing led by [Flybridge Capital Partners](#) and [QED Investors](#). The proceeds will be used to fund new product development, sales and marketing, and market expansion. Furthermore, the funding will fuel an active product pipeline that is setting the agenda for solving some of the most serious issues facing the financial services industry.

Delivered in a software-as-a-service (SaaS) model, Convoke Systems centralizes, standardizes and automates the handling and movement of consumer and commercial debt information. At the solution's center is a set of secure applications for registering, distributing and managing data that verifies debt, validates account ownership, protects private consumer information and provides "on demand" access to legitimate debt owners and servicers. As a result, the Company bridges the information gap that has until now existed between original creditors, their legal networks, collections agencies and downstream debt buyers as debt is repeatedly placed, bought and sold. Across this network, Convoke Systems manages vital information providing documentation and evidence for millions of delinquent and charged-off accounts, working in partnership with major credit issuers. In doing so, Convoke Systems helps both consumers and creditors alike by providing a more transparent system that ensures compliance and appropriate consumer protection and upholds the principle and value of treating consumers fairly and responsibly. The company already

counts ten of the top debt buyers in the US as customers.

“Our mission is to fundamentally change the way information supporting debt is managed and moved throughout the industry,” said Founder and President of Convoke Systems, [Gary Portney](#). “Today we are accelerating the delivery and transforming the accuracy of the information that debt buyers, servicers and collectors need when communicating with consumers and attempting to recover legitimate debt obligations.”

As part of this funding, QED Investors partner and former Capital One executive [Frank Rotman](#), together with [Jeff Bussgang](#) and [Matthew Witheiler](#) from Flybridge Capital Partners, will join the company’s board of directors.

“We are thrilled to back Gary and the Convoke team,” said Jeff Bussgang, general partner, Flybridge Capital Partners. “The company is coming to the market at a crucial time in the rapidly developing recoveries market. The lack of systems and standards results in a huge unmet need for the timely and accurate delivery of account data and the supporting information necessary to validate and verify consumer debt. Convoke is well-positioned to become the leading solutions and service provider for the recoveries marketplace and the focal point for consumer debt registration.”

“As the former president of a top 10 credit card issuer, I appreciate the extraordinary need for the Convoke solution in the industry,” said Nigel Morris, QED Investors managing partner and co-founder of Capital One. “The company is quickly becoming the standard for credit issuers and those that service and buy their debt.”

The collections and recovery industry is a vital part of the overall US economy, returning over \$50 billion each year to the financial system. Yet in the midst of the economic meltdown and the resulting financial reform, it has come under fire from the United States Congress, Regulators, State Attorney Generals and legislators throughout the country as thousands of complaints continue to be reported to the FTC (Federal Trade Commission) and states attorney’s generals about debt collectors allegedly using unfair and deceptive practices. This was magnified by the July 2010 FTC Report [“Repairing A Broken System: Protecting Consumers in Debt Collection Litigation and Arbitration”](#) and the FTC Order

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on December 16, 2009, which required nine of the nation’s top debt buyers to file a special report on their collections practices.

### **About Convoke Systems**

Founded in 2006, Convoke Systems, Inc., manages, automates, and accelerates accurate business information for the recovery of debt. The Company is a PCI Compliant Software-as-a-Service (SaaS) provider, delivering an on-demand platform and applications that manage access and delivery of data and information for the financial services and accounts receivable management industries (ARM) necessary to recover debt and conform to Federal State and Local laws and regulations. The Company is privately held, and has established relationships with leading financial institutions in the U.S. For more information, visit [www.convokesystems.com](http://www.convokesystems.com)

### **About Flybridge Capital Partners**

Flybridge Capital Partners is an early-stage venture capital firm whose mission is to assist entrepreneurs in growing innovative, global companies. With \$560 million under management, the firm is focused on investing in consumer, energy, healthcare and information technology markets and is led by a team with domain expertise and more than half a century of combined experience in venture capital. For more information, visit [www.flybridge.com](http://www.flybridge.com).

### **About QED Investors**

QED Investors is a boutique venture capital firm that invests in information-rich, high-growth businesses, primarily in the financial services and digital marketing sectors. While the firm’s support is tailored to the specific needs of each portfolio company, it typically provides a combination of capital and capability, often working very closely with senior management to first identify and then monetize the information-based opportunity. In doing so, QED collectively leverages decades of first-hand operational experience accumulated in pioneering a similar approach at Capital One. For more information, visit [www.qedinvestors.com](http://www.qedinvestors.com)