LEND ACADEMY

Podcast Transcription Session 32: Gilles Gade & Adam Goller

Peter Renton: Welcome the Lend Academy Podcast, Episode Number 32. This is your host, Peter Renton, founder of Lend Academy.

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Peter: Today on the show, we're doing something a little bit different. We have a bank on, not just any bank, this is Cross River Bank and we have Gilles Gade who is the CEO and Founder of Cross River Bank and Adam Goller who is their VP of Lending. I've known of Cross River for some time and I've got to say in the last twelve months I see their name everywhere. It seems that every single new platform that's launching, a consumer platform that is, is using Cross River Bank to help them originate the loans. So I wanted to get them on the show to find out exactly what they do because I've got to admit I didn't really know the ins and outs of this. I learned a lot and I hope you do as well. Enjoy the show!

Peter: Welcome to the podcast, guys!

Gilles Gade: Thanks, Peter. Thanks for inviting us.

Peter: Okay, so let's get started just by giving the listeners a little bit of background about each of you.

Gilles: My name is Gilles Gade. I am the Founder, Chairman and CEO of Cross River Bank, a bank that was created about seven years ago. Prior to creating Cross River Bank, I was involved in the investment banking industry and prior that I was in the venture capital world.

Adam Goller: Adam Goller, I currently function as the Chief Credit Officer of the bank and oversee the entire lending group. I joined the bank actually before launch more than seven years ago. Currently heading up their MPL [marketplace lending] program.

Peter: I guess...why did you decide to start a bank in 2008? Was it 2008? That's an interesting time to start a bank.

Gilles: I would say in retrospect, it probably was the best time to start a bank.

Peter: Really?

Gilles: Starting with a clean balance sheet and being able to deploy our capital and our cash in quality assets had been pretty much cleaned up after the debacle. We pretty much dictated the terms of the loans we were deploying. In addition, we participated in some interesting program. I feel a little bit like a hedge fund in deploying assets...our capital in assets such as ABA pools, MBF, ABS's that were triple A rated and guaranteed by the "full faith and credit" by the US government. We participated in the program called The Taft Program which basically consisted in the government providing 20 to 1 leverage for quality assets Triple A and up and that pretty much provided us with very quick earnings which out of the gate we managed to turn a profit I would say in Quarter No. 5 which is quite unusual in the banking industry.

Peter: Indeed, that sounds pretty impressive particularly given the timing. I mean, I think people remember back in those days where we wondered whether, you know, was Citibank going to go under. It was, you know, some of these big banks that people were just wondering how it is was going to go so full credit to you for coming through that strongly. So I guess.....you started a bank, I mean, I presume you started a bank without thinking about having a peer-to-peer/marketplace lending. When did that first get on your radar?

Gilles: That's actually a very good question. We got acquainted with a platform called Green Sky Credit out of Atlanta, Georgia which basically was originating loans out of the Home Depot for the at-home service which consisted in providing home improvement loan to consumers for renovating kitchens, floorings, sidings, windows and doors. We were one of the first banks to participate in the program. We ended up being the only bank in the program at some point because the first bank that was in the program defaulted during the debacle, during the credit crisis. Very rapidly, there after Green Sky turned around and found another 11/12 partners, banking partners, and were overtaken by the volume. We still are very involved with Green Sky, but what that did is that it gave us an acquaintance and an expertise in consumer credit, that's number one, and number two, with third party arrangements. I think this is key.

At the end of the day, the marketplace lending is a consumer loan, traditional consumer loan. It's now evolving naturally, but it's still a consumer loan that is underwritten like a consumer loan and most of the platforms underwrite based on FICO scores, but at the same time it is also a third party arrangement. Because we had a leg up, thanks to our Green Sky relationship, we managed to very quickly and rapidly cater to the platforms that were coming to us. So Peerform, I don't know if you've heard of it, probably heard of it.

Peter: Of course, I know Michael quite well.

Gilles: So Michael was actually the first one to knock on our door and say...he was a friend of mine from prior acquaintance, and Michael came to us and said, why don't you partner with us and provide us with the true creditor status that we need to deploy those loans nationwide. We were very intrigued by the idea. Also, there were only three players at that time, Peerform, Prosper and Lending Club on the consumer side. He said and I know Renaud pretty well and I'll make an introduction, maybe you could do something with them and that landed us with the back up relationship with Renaud and Lending Club some four years ago. We've been in a relationship with Peerform ever since and the rest is history.

We started accumulating platforms probably in the last two years that accelerated dramatically. I think today we have something like 14 platforms live and we have another three to four due to close within the next two months, close to the end of the first quarter and probably another five to ten before the end of the year.

Peter: Okay, so I know, Adam, you've been really taking the lead on this and your push into this industry. What is it that sort of demonstrated to you that this was such a big opportunity when there were only three platforms. That's not a great business if there's only three customers. What made you think....this is back, you know, we're talking three/four years ago so this is back before the boom so what made you really seize the opportunity?

Adam: To answer your question directly, Gilles mentioned earlier he has a background in technology from the day he got into investment banking. When the bank started from day one it has been very focused on technology. When you take a look at technology and see the way the world is progressing, even the banking world, you see an opportunity to make everything more efficient through technology like delivering loans to consumers, into businesses and to real estate you try to look at technology to say how can you use technology to make that better. When you see companies like Lending Club and Prosper utilizing technology to its fullest and offering a better service to customers, so the bank, our bank which really prides itself on using technology, it was a no brainer, the next frontier was right at our doorstep. It really wasn't necessarily the marketing or the companies themselves although I think they do a great job in acquiring customers, mostly today actually through mail. But it's really the platform itself and the consumer facing applications I think made the bank, you know, realize what opportunity existed over here.

Peter: Okay, so it sounds like you have a couple of different products, shall we say, like you're doing back up for Lending Club and you're the primary service of like 14 platforms, can you just give us a bit of a rundown of how those relationships differ? I'd like to go and see and dig into the weeds pretty deeply here because it's something that I don't fully understand. I know a lot of people don't fully understand what are the mechanisms that are actually in place that force these platforms to use someone like you. Let's just start off with the Lending Club relationship. Explain how that works.

Adam: The Lending Club is actually a very different relationship. As I mentioned earlier, we're a back up for them. We're not actively originating with them, for Lending Club, due to their size, it was necessary for them, particularly as they were going public, to have a back-up arrangement with another bank. That's really the relationship there. It would take definitely some time for us to get up and running, but we do have a relationship where we could step in should WebBank fail to originate or fail to meet their end of the bargain. The Lending Club is unique and maybe we can put them to the side.

Now with regards to the other platforms that we are actively originating for, I think for the most part from a process standpoint, it's very, very similar in both how we board the clients, as well as how we service the clients. We have pretty refined processes and procedures that really dictate how the head of funds have to move, what accounts need to be set up, what information you need to be taken in order to get them up and running. I think it's really the overall process that it's made or allowed the bank to get or to add a platform at such a prolific pace.

With regards to the different industries we're in...you mentioned earlier, Lending Club is sort of a generic term for consumer loans, but there's other platforms that are really focusing their efforts in very specific markets, whether it be a wedding finance, whether it be social finance or it could point-of-sale finance or it might be in solar. I think the platforms are really identifying themselves nearly more from a marketing standpoint more than from a process standpoint vis-a-vis the bank. From a bank standpoint, it might matter when you're talking about credit risk what area they're in or it might matter when we talk about, is there security on the loan like it would be in solar or in let us say auto finance, but with regards to how the bank boards and looks at these clients and then obviously services these clients, there are a lot of similarities in process.

Peter: Okay, so let's just dig a little bit deeper here. Let's just say XYZ platform originates a loan....investors are invested in a loan, a borrower does the application, they've got a loan, they pass it to you guys, what happens exactly then like do you get a data file daily or hourly or whatever. Can you explain the exact process of what you do once you've got this borrower from XYZ platform?

Adam: Yes, so on a daily basis once the platform is up and running....on a daily basis, based on a pre-approved, pre-determined criteria that the bank has presented to its board of directors, the sponsor what we will call them in this case or the platform originates a loan. They then send us a data file, a standard data file which we give them before they start and based on the data file the bank then scrubs those files to make sure that they adhere to both internal criteria as well as have all the required documentation like the note, the identifications, things of that nature related to AML and other regulations....once the bank has determined that the file is clean and ready to fund, the bank then sends out its own funds directly to the borrowers through ACH. The borrowers receive the fund, the bank, for the most part, in most cases, then originates the loan, holds it on its books from anywhere from two to three days in most cases or some of them a little bit longer and then sell the loans back to either the platform themselves, one of their sponsors or one of their investors, in a nutshell.

Peter: Okay, so the investor money that the people are putting in...that never comes to you? So are you saying that you originate the loans with your own capital and then you get paid back after the fact?

Adam: The bank always originates the loan with its own capital. In some cases there is a full collateral account or a partial collateral account with a corresponding balance that equals the loans to be funded so if the loan is outstanding, but the bank is always using its own funds not the funds in the collateral account to fund loans. Obviously, to become a true creditor, the bank has to use its own funds. The fact that we have some protection to make sure that loans are purchased in the form of a collateral account, whether it be a one to one ratio or a one to four ratio, that's obviously a protection for the bank, but that's not how the bank funds its loans.

I want to talk about something I said earlier, when the bank looks at the loans on a daily basis, it's not a completely manual process. The bank has a lot of technology that it uses both on the AML side as well as on the document review side as it both has already implemented and continuing to implement to create more efficiency in reviewing these documents. Obviously, as you add platforms and as each platform adds volume, it's going to be very important for the bank not to have the hire...one person per platform or two per platform, the bank plan on scaling through technology and that's a very important part of what we're trying to accomplish.

Peter: Okay, so if you have.....so you get...... it's probably not there yet, Lending Club is up to close to $500 Million a month that starts to get real money ....do you have enough capital to really sustain a boom and say you get ten times the size you are now with your transaction volume, does that impact you as far as capital goes?

Gilles: We do have enough capital right now to be able to grow the activity to close to $10 Billion stand alone. In addition.....

Peter: Is that an annual number?

Gilles: That's an annual number. That means it's actually closer to $11 Billion with our current capital so that means close to a billion dollars a month.

Peter: That's well over what Lending Club and Prosper are doing right now.

Gilles: That's right and then we have a bank holding company that we haven't tapped into yet with the ability to raise equity or may actually debt.....at the bank holding company level and you can push back that debt at tier 1 capital downstream to the bank which would increase our capital to a point where we can actually have excess marketplace lending origination capacity to $30 Billion annual..

Peter: Okay, so that should last you for a little while.

Gilles: That's right, exactly, so we have no capacity problems here. That's the least of our problems.

Peter: You don't have to give exact numbers, but can you explain how you make money in this industry, in the marketplace lending industry?

Gilles: Sure, there are two ways to make money. Number one is to charge a fee per loan and that fee varies anywhere between 20 bps to 100 bps on the loan amount and the second way is while we are holding the loans in our books we collect the interim interest. So if the note rate is 14% for example, we collect that 14% for those two days that we're holding the loans on our books.

In addition, what we started to do about six months ago was Marlette particularly and we're very excited about it. I think we're coming out with that now in a big bang, in a big way on your podcast and we plan on writing an op-ed that hopefully we will be able to post on your blog. It's the fact that we are holding loans on our balance sheet and this has two effects, two very important consequences.

Number one, it adds revenues to both us and the platform because we're sharing the revenue, the income derived from holding loans on our books. So instead of selling the loans to hedge funds, for example, and foregoing most of the interest and retaining the servicing fee, we're willing to act a little bit like a warehouse lender for the platforms and sharing in the revenue of the upside of the interest above and beyond the charge offs and the cost of funds. We started doing that with Marlette, it's working out very, very nicely.

The second point I would like to make that is really of consequence, I would say, is the fact that this really adds a lot of teeth to the true creditors status, because if you're putting your money where your mouth is, your not only I'm saying I'm holding the loans for two days, but in addition, I will believe in the platform to a point where I'm actually taking 10% of the loan origination in our books and holding it.

So these are the various ways in which we are making money on these platforms.

Peter: So how long are you holding it....the 10% you're talking about? What's your time horizon?

Gilles: Technically, it's held to maturity, however, we're going to start securitizing or selling pools of loans in the secondary market. We're probably starting in the next 60 to 90 days.

Peter: Very interesting.

Gilles: Once we accumulate a critical mass. This hasn't been done at the bank level yet. It's been done by Eaglewood or Granite and others or Black Rock recently. It hasn't been done at the bank level. The very attractive thing for the platforms here is the fact that we're going to share in the revenues of even the residual on the securitization model.

Peter: That is a very interesting development. I was not aware of that. I think you will certainly be breaking ground there. Is it going to be with Marlette initially or can you share?

Gilles: Sure, it has been with Marlette for the past six months and we intend on offering that to a couple of other platforms that we really like. So, basically, the way we select the platforms that we're going to do this with is that we have our own rating system of the platforms internally based on the due diligence package, the servicing expertise, the capital adequacy, the backers, the VC backers behind the platform, the experience of the management team. So we put all these basically into a big soup and what comes out....it's more qualitative than quantitative, by the way, so what comes out is basically is the platform that we select to participate in this program.

We dedicated a part of our balance sheet and basically, the big message here that is very important for you, Peter, to relay is the fact that we're in this industry to help it and to invest as much as the platforms have invested in it. It's not just a way for us to rent a charter and to make a quick buck along the way. It's truly to invest fully and to prepare our balance sheet, to position our balance sheet to assist those platforms to be able to grow and to fulfill their aspirations. I think there's tremendous growth potential here and I fully embrace Renaud's vision for the past three to four years, he's been screaming it. And now we're starting to see the fruits of his labor. All the platforms that are participating in this endeavor and this intermediation business, we're here to help it not to hinder it or to compete with it. In our way that's how we're trying to participate in this growth by putting to contribution the strength of our balance sheet and our capital.

Peter: Okay, I think that message has been received loud and clear. That's great to hear. I think the industry needs a proactive bank like you involved.

Now I want to dig further into the weeds a little bit and I want to get into banking regulation and lending regulation in general. Why can't Lending Club or anyone else, any other consumer platform, why can't they originate the loans themselves without help from you? What's preventing them?

Adam: In reality, they can. That's the simple answer. If they wanted to....they wanted to go license themselves in every state and be subject to both state regulators well as the CFPB for complying with all the state regulation, they could. I think the platforms realize that there are certain states in which it would be very difficult to do so and not to mention the manpower required to maintain those licenses as well as handling all that would be required of them. I think from a simplicity standpoint....when you think about what they do best which is customer acquisition technology, I think it's in their best interest if they use a bank for the most part and depending on the bank, will not cost them a lot from the revenue of the loans. I think that the bank brings a lot to the table in both, I think, offering not only its charter, but legitimizing the loans vis-a-vis the borrowers. If a borrower can see the loans from a technology company, certainly there not going to look at it the same way they look at it from a bank. So I think there are multiple advantages that by using a bank, brings to the table, one, to the compliance; two, vis-a-vis the regulators and three, I think even client facing are also very helpful.

Peter: So you're, obviously, a federally chartered bank here. Does that mean you have lending licenses in all 50 states? Did you have to go through this process because I mean, when you started you were based in New Jersey and you're focused on New Jersey clients, I imagine. So what is the licensing process that you've gone through?

Adam: Actually, we're a state chartered bank, we're chartered in the state of New Jersey, but we're FDIC insured which allows us to lend nationally, not only lend nationally, but also explore the bank's state rate nationally. That means 30% for consumers and 50% for businesses. I think that's what allows us to participate in the (inaudible) model.

Peter: : Okay, so that's 30% APR is the maximum in New Jersey for consumers?

Gilles: That's right, which is fairly favorable. Naturally, Utah is more favorable than that at 36%. But most of our platforms, actually, all of our platforms are satisfied with the 30% rate, particularly.....there are competitive pressures on the pricing today on the rate to be able to gain access to certain consumers. In addition, there is going to be a stigma to the....the higher the rate, naturally, the bigger the stigma. Most of the platforms have expressed the interest and the willingness to stay within an interest rate that remains under the radar in terms of stigma, in terms of scrutiny.

Peter: Right, right, yeah, that makes sense, that makes sense. So you mentioned Utah which we know Web Bank has had a relationship with Lending Club and Prosper since they had to go through SEC registration, how are you different to WebBank and do you have a relationship with these guys?

Gilles: We don't, but we have an open dialogue. We respect those folks a lot. Naturally, they benefited from the first mover advantage. We're following in their footsteps and we're catching up somewhat, I hope, but in the meantime, it's a healthy competition. I think we both play right now in a very different market. They naturally have the two 800-pound gorillas in Lending Club and Prosper and a couple of others. We have pretty much everybody else, enjoying that dynamic.

I think the market naturally will evolve in the future, but in the meantime, I think we really learned a lot from them and from their being a bellwether in this market in terms of how to properly bank those platforms. We looked at their work papers way back then, we looked at a lot of things that they had accomplished and I can only say that it's a good thing that they were here first and we managed to just piggyback on their knowledge.

Peter: Yeah, yeah, fair enough. So I just wanted to switch gears a little bit. I wanted to talk about the platforms you're currently working with. You mentioned Marlette, you know, they're a marketplace lending platform.....they're doing great, they're fairly new, but can you share some of the others that people might recognize?

Gilles: Sure, there are few, they've been made public, I mean, they themselves made the relationship public such as Upstart, Affirm, Borrowers First, Vouch, Peerform, naturally. I believe that's about it that we can disclose. There are a bunch of others that are fairly active that ....I'm just going to talk in broader terms, they're in the various areas that Adam mentioned before which is their consolidation, naturally. There are a few other platforms in the debt settlement business as well as the solar installation business and a couple of others.

Peter: Okay, so do you have small business lending platforms as well or is it mainly the consumer, apart from like the solar, which I guess, is small business?

Gilles: We're predominantly a consumer shop, however, we already have two small business lending platforms and there are a few others that are existing, that have expressed interest in talking to us. So we're exploring, we're trying to better our compliances as well as procedures, internal procedures to handle these platforms because they're naturally very different animals and the compliance requirements are very different.

Peter: Right, right, so let's just imagine I've got a new marketplace lending platform and I'm getting going and I need someone like you to help me, what kind of due diligence do you do on new platforms that come to you?

Adam: It's everything from review of management resumes and board of directors, looking at projections, looking at their policies and procedures and compliance knowledge. It’s really a full review and like I said before, it’s a pretty rigid/refined process and relatively standardized. If you want we can drill down on any particular area, but if you're really looking at the full breadth of both management and the platform itself, we do a deep dive into their credit algorithms to see who their target market is, how they plan on acquiring borrowers and how they plan on achieving scale.

Peter: So I presume when a platform, a start-up platform comes to you for the first time they don't have all their ducks in a row. I mean, have you...like I presume you go through this process back and forth for some time...what's a typical time frame for this process?

Gilles: Typical would probably be 90 to 120 days. The minimum would probably be 50 days and there's some that took up to a year to get up and running. We try to avoid that, but, I think the two areas that we see that companies lacked the most experience in, I think, naturally, is compliance and then I think that from a process standpoint, I think that the other part is not unrelated and it's just getting the back office operations in order to work with the bank. Most of these companies have very, very highly skilled technology programmers, very strong API and algorithm. The areas that banks focus on are less on technology, except for the security obviously, but less on the technology and more on the compliance and regulatory matters.

Peter: Okay, so let's just dig into the compliance a little bit. What are the compliance hoops that these new platforms will have to jump through?

Gilles: I think the issue is not really on them, it's more on the nature of the monster. In AML compliance I would say it's probably the most difficult area to comprehend. Even if you have a very strong AML/BSA compliance officer on staff, you're still going to have a lot of difficulty setting up a compliance program and the reason is because it's all gray areas. It's very difficult to pinpoint exactly what your level of checking are going to be until you test the program so that's why we have a two-prong process.

What we do first is that we get their policy audited before they even start to write the first loan and then six months down the road we get their program audited by doing transaction testing. That has well worked in our favor, it has worked very, very nicely because we provide comments on the policy and procedures and then they manage to fine tune their process. When they're ready to launch, they're actually are very....process that is almost, I would say, 100% compliant, but not quite and we catch the mistakes within the first six months. This is a very proactive way of approaching the whole matter which has made the regulators, in general, very comfortable with the whole concept of marketplace lending.

Peter: Okay, so do you ever talk to the platform who is just so bad and so far behind that you just say…..look, we can't work with you. Does that ever happen or do you always find a way to kind of bring them on.

Gilles: It really takes a lot for us to say no, to be honest with you, because we have a tendency.....I mean, as a former tech banker I really feel for these companies particularly in areas they're not familiar with. We want to help them basically grow in what they're experts at and let us handle the compliance to some extent, but they still have to have the controls in place. So it really takes a long time for us to say no, but it has happened. Listen, we sign over 84 NDAs, non-disclosure agreements, since the last LendIt which was about ten months ago.

Peter: Wow!

Gilles: That's a lot of platforms that we look at and we only signed up 17 altogether; 14 are alive and now the 3 to 4, they're going to become alive in the next couple of months. So that means a lot of them fall by the wayside.

Peter: Right.

Gilles: There are naturally some that go to other banks, I mean, I'm not aware of many banks doing what we do on a grand scale. There are always banks that do one offs and we welcome those endeavors, but the vast majority of those platforms have fallen by the wayside just by the sheer fact of the extensive compliance module that we impose on them and to do the due diligence package is humungous. Those two factors have weeded the platforms are now ready to approach this market on a grand scale.

Peter: That's really interesting. One question follow with that, what is the cost for you guys to start this process. I imagine you're not doing this for free. It sounds like there's going to be some cost to you to start this process, right?

Gilles: Again, we put ourselves in their shoes and particularly in the shoes of the VCs who are backing them. It's very difficult for a VC to put $2 Million in a platform and to say, okay, the first million is going to be spent on a banking relationship. It's not going to work and particularly, they're not prepared for that and the other matter is the VC's expectations so what we do is we charge an inception fee or due diligence fee of $25,000. That's pretty much a flat fee across the board. I mean, naturally, it varies. If the platform is much bigger than that......but we're not going to go above $50,000 I would say. The ongoing process is usually subjected to a minimum fee, but, again, that minimum fee is very reasonable. We want to invest in the platforms and we'd rather backend that fee than front-end it.

Peter: So you're, obviously...if you're spending 120 days or more on a due diligence process and you're charging $25,000, I mean, that's a....you're losing money on that operation, I imagine, but you're making it up on the backend.

Gilles: That's right and we're pretty good at this stage, I mean, not in your stats, but at this stage having looked at 84 platforms over the past ten months....we're pretty good at identifying the guys that are very solid, the management teams that make sense, the business funds that are sound so we can identify the platforms we want to engage in. That has helped us in pricing ourselves within market and accordingly within the platforms that we believe are going to be the winners of tomorrow or at least the winners over the next couple of years so that we can recoup some of that cost, inception cost, that we invest in the platform.

Peter: Right, so I know you guys were at LendIt Europe in November. Adam and I, we had a chat there. I'm curious as to why you were there. Do you have international expansion plans, I mean, why go to London to really meet platforms there?

Gilles: Peter, you don't miss anything. That's what makes you the expert in this industry. This actually had a little bit of a different purpose.

First of all, we'd like to see and to know that platforms that intend on coming to the US because we're well positioned to help them out.

Number two, the other side of the balance sheet which is the deposit side, we have very neat technology-based transaction platforms that we found, the ACH front also on real time payment. So there's a whole spectrum of the fintech industry that we're exploring and delving into for the past couple of years. We have our own team of developers that develop some pretty neat technologies that assist...peer-to-peer or marketplace lending platforms and peer-to-peer payment platforms. So in addition to....again, going back to that expertise in the third party arrangement, we're now putting our contribution and our knowledge to exploring relationships with international platforms that need an international payment solution and a very fast payment solution. That's our interest in this industry as well.

Peter: That's interesting. I'd love to delve on that, but we're running out of time here. Can you just give the listeners a bit of an indication of...like how much of your bank's resources and attention is going to marketplace lending now versus the traditional bank loan, deposit taking, retail type banking operation as far as revenue and that kind of thing.

Gilles: I would say 50%.

Peter: 50%, okay, so your future plans, I mean, obviously you touched on it there, Adam, but just for the marketplace lending platforms specifically, is your plan just to keep adding new ones becoming the Goliath of the space, what are the plans?

Adam: We'd like to try to add a new partner, obviously strategically, not just adding partners for volume or just to have them under our wings, but.....and I think we'd like to sort of identify who the winners will be and try and help them grow. I think that there's a lot of opportunities. It's a very big market that can be shared by a lot of different companies. I think the bank has dominant and will continue to hopefully do a good job of identifying who the companies are who can be successful with requisite knowledge and all of the areas mentioned earlier, whether it be technology or banking compliance.

Peter: Okay, well on that note I really appreciate your time, gentlemen. It's been fascinating, I've learned a lot and I hope the listeners have as well. Thanks a lot.

Gilles & Adam: Thank you, Peter.

Peter: See you. Okay, that was fascinating to me, I certainly learned a lot. I now have a much better understanding of the exact pieces of the relationship between banks like WebBank and Cross River Bank and the platforms. I see what a great service they provide, particularly Cross River, I think who is sort of implanting themselves right in the middle of the ecosystem here and are doing a great job of providing added value to platforms.

Anyway, I hope you enjoyed the show and I will catch you next time. Thanks for listening. Bye.

[closing music]