

Quavo Fraud & Disputes Secures \$300 Million Growth Investment from Spectrum Equity

Transaction follows a period of sustained growth and product innovation, where Quavo has emerged as the leading fraud and dispute management platform for financial institutions.

Wilmington, DE - July 22, 2025 – Quavo, Inc. (“Quavo”), a leading provider of cloud-based software that automates and manages fraud and dispute processes for financial institutions, today announced a \$300 million investment by leading growth equity investment firm Spectrum Equity to accelerate investments across the business and drive innovation and value for customers.

Quavo is the category leader in end-to-end dispute management software, solving a mission-critical challenge for banks, credit unions and fintechs by streamlining every step of the consumer transaction dispute process. Quavo’s solutions enable financial institutions to deliver faster, more transparent, and more reliable dispute resolutions for account holders – helping build trust, strengthen loyalty, and modernize the way institutions engage with their account holders. QFD, the company’s flagship solution, automates the intake, investigation, chargeback, recovery, and client communications workflows across all payment methods and dispute types while ensuring regulatory compliance and enhancing the account holder experience.

- With Quavo, clients automate ~80% of the tasks and interactions involved in resolving a typical consumer dispute and recapture 85% of potentially lost disputed funds. These gains are achieved through Quavo’s workflow automations, its sophisticated decisioning engine, and a comprehensive library of 3rd party API integrations.
- Clients unlock efficiencies while improving outcomes: the average client sees a 37% reduction in write-offs and reduces days to issuing consumer credit from 11 to less than one.
- For clients who prefer not to manage disputes in-house or rely on a third-party outsourcer, Quavo offers Dispute Resolution Experts (DRE), a fully managed service offering that combines QFD technology with active management delivered by Quavo’s team of specialists.

Founders Joseph McLean, David Chmielewski, Daniel Penne, and Richard Jefferson launched Quavo in 2016 based on their learnings from building the dispute management systems in-house at Bank of America. Since the launch of its SaaS platform, Quavo has seen rapid market adoption, growing revenues 60% annually since 2022. Today the Company automates over 12.5 million consumer disputes annually on behalf of a broad spectrum of financial institutions, from large global issuers and fintechs to regional banks and credit unions, delivering consistent performance across all institution types.

Quavo is committed to ongoing product innovation, pioneering the application of artificial intelligence to improve dispute-resolution outcomes through its proprietary decisioning engine. Leveraging its cross-institution transaction data paired with third-party data integrations, Quavo is continually improving its decisioning engine and workflows to drive increased automation and better outcomes for its financial institution clients and their account holders.

“We are thrilled to be partnering with Spectrum Equity on the next chapter of growth at Quavo,” said Joseph McLean, Co-Founder and CEO of Quavo. “With this new investment, we intend to accelerate our AI-led product development initiatives and expand our go-to-market and client success teams to meet growing market demand and drive exceptional client outcomes. Our vision to restore financial trust and simplify fraud and disputes is unwavering, and this partnership allows us to achieve these goals faster and at even greater scale.”

“Fraud and dispute management is a massive business-as-usual problem for financial institutions and fintechs alike, and we believe that Quavo is uniquely positioned to drive automation benefits and better outcomes in this space,” said Adam Margolin, Managing Director at Spectrum Equity. “Quavo’s highly configurable platform, scaled transaction data powering its decisioning engine, and mission-driven approach to solving costly and time-consuming problems for its clients set the company apart. We couldn’t be more excited by the opportunity to back Joe and the rest of the Quavo team going forward.”

Existing investor FINTOP Capital will sell their ownership stake in the transaction; the company thanks them for their many contributions to Quavo’s accomplishments to date. Quavo’s co-founders and Pegasystems, which has been a strategic investor and technology partner to Quavo since the company’s founding, will all remain significant shareholders following the transaction. Additional terms of the transaction have not been disclosed.

KeyBanc Capital Markets served as exclusive financial advisor and Goodwin Proctor served as legal advisor to Quavo. Latham & Watkins served as legal advisor to Spectrum Equity.



About Quavo

Quavo is a leading technology partner and strategic advisor, helping financial institutions build trust-driven customer relationships through faster, more transparent dispute resolutions. Our mission is to restore financial trust by simplifying fraud and disputes. Quavo's award-winning technology automates the entire dispute lifecycle, from intake to resolution. Financial Institutions can pair this end-to-end solution with our expert-led back-office investigation team in one turnkey managed service. Scalable for institutions of all sizes, Quavo's solutions reduce losses, ensure compliance, and enhance customer loyalty. Learn more at www.quavo.com.

About Spectrum Equity

Spectrum Equity is a leading growth equity firm providing capital and strategic support to innovative companies in the information economy. For nearly 30 years, the firm has partnered with exceptional entrepreneurs and management teams to build long-term value in market-leading internet-enabled software, data, and information services companies.

With offices in Boston, San Francisco, and London, the firm is investing its tenth fund with \$2 billion in limited partner capital. Representative investments include Ancestry, Definitive Healthcare, GoodRx, Lucid Software, Origami Risk, Ethoca, SurveyMonkey and Verafin. For more information, including a complete list of portfolio investments, visit: www.spectrumequity.com.

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