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Covestor raises \$6.5 million dollars in Series A funding, led by Union Square Ventures and Spark Capital

Unique investing community to expand into asset management

NEW YORK, April 07, 2008 – Covestor, the world’s first portfolio sharing service, today announced the close of \$6.5 million dollars in Series A funding. The company plans to use the money to build out its asset management platform, allowing users to invest alongside the self-directed investors in its community, rather than in an expensive managed fund. The funding round was led by Union Square Ventures (USV) and Spark Capital, who are also joined by one of Europe’s leading technology investors Amadeus Capital Partners. Todd Dagues of Spark and Albert Wenger of USV will join the Covestor board.

Covestor.com is the first service to allow users to share and track actual investment decisions. It provides an online platform for existing or would-be fund managers to showcase their investment strategies and to build a verified performance record. This allows members to compete on a level playing field with professional money managers. Since launching in public beta in summer 2007 Covestor already hosts more than 10 times as many ‘money managers’ than work for any single professional firm worldwide.

“In our first nine months we have demonstrated that there are tens of thousands of self-directed investors out there who are as good, if not better than the pros,” said Rikki Tahta, Co-Founder and CEO of Covestor. “To accelerate our growth we are excited to be working with a combination of the best VCs that the US and Europe have to offer.”

“Covestor gives individual investors a unique platform on which to compete and benefit as if they were professionals,” said Albert Wenger of USV. “We are excited about the company’s potential to find great investment talent and to challenge the underperforming Mutual Fund industry.”

Todd Dagues echoed this sentiment. “At Spark Capital we look for companies with experienced entrepreneurs capable of combining revolutionary ideas with a vision for how their products will transform markets. The world of investment management has been slow to innovate online, and we believe Covestor is building something of real value to ordinary consumers.”

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About Covestor Inc

Founded on the belief that successful investment strategy is not the sole province of money management firms, Covestor provides a unique destination for proven self-investors to share real investment decisions, gain recognition and earn fees by helping others. Over \$100 million dollars in securities are shared through the service. Its members are located in more than 40 countries and hold positions in over 5,000 different securities. To ensure privacy, all data is normalized and members can choose to remain anonymous. For more information, www.covestor.com

About Spark Capital

Spark Capital is a venture capital firm focused on building businesses that transform the distribution, management and monetization of media and content. Spark's General Partners are successful natives of the media and technology industries and have proven track records identifying and actively building market-leading companies in sectors including infrastructure (Qtera, RiverDelta, Aether Systems, Broadbus and BigBand), networks (College Sports Television, TVONE and XCOM) and services (Akamai and the Platform). With a deep network that spans technology and media, investing and operations, Spark Capital provides world-class entrepreneurs and revolutionary companies with the resources to succeed in today's marketplace. Spark Capital has \$622 million under management, and is based in Boston, Mass. To learn more, visit www.sparkcapital.com.

About Union Square Ventures

Union Square Ventures is an early stage venture capital firm located in New York City. USV invests in web-based services that disrupt markets by capitalizing on ubiquitous connectivity and innovative business models. USV's current portfolio includes Indeed, Wesabe and Etsy and past investments include FeedBurner (acquired by Google), TACODA (acquired by AOL) and del.icio.us (acquired by Yahoo!). To learn more, visit www.unionsquareventures.com

About Amadeus

Amadeus is one of Europe's leading technology investors. Since its inception in 1997, the firm has backed over 60 companies covering computer hardware and software, mobile and fixed communications technologies and medical technologies. Investments include Cambridge Silicon Radio, producing single chip bluetooth radios for short range connections and floated on the London Stock Exchange in 2004, Optos, a manufacturer of laser retinal scanners which had a successful IPO on the London Stock Exchange in 2006 and Solexa, the developer of next generation genetic analysis systems which merged with Illumina Inc in February 2007. In March 2007, Amadeus closed its third fund on £162 million bringing the total funds under management to £460m. www.amadeuscapital.com