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Liberty Strategic Capital Leads Investment Round in Contrast Security, a Premier Provider in Software Security

WASHINGTON, DC, November 9, 2021 – Liberty Strategic Capital, a private equity firm founded and led by former Secretary of the Treasury Steven T. Mnuchin, today announced that it has entered into a definitive agreement with Contrast Security, Inc., a leader in next-gen code security tools, to invest a total of \$110 million in the company and lead Contrast Security’s Series E financing round. This is Liberty Strategic Capital’s second investment since its founding and its second investment in the cybersecurity industry, one of Liberty’s primary focus areas.

Contrast Security provides a code security platform solution that seeks to prevent hackers from attacking critical business operations through vulnerable software applications. Legacy approaches to assuring the security of such software applications have previously depended on inaccurate code scans, or analyzing previous attacks after-the-fact, which can be slow and inaccurate. Contrast Security instead integrates cybersecurity tools into the application development process, enabling a continuous feedback loop. Contrast has developed a platform to include software composition analysis, static analysis, interactive testing, as well as run-time application protection. In October 2021, Contrast Security was recognized as the best Application Security Solution by the Tech Ascension Awards, which noted that Contrast was the only platform that offered comprehensive observability and protection across the entire Software Development Life Cycle (SDLC).

Secretary Mnuchin, Founder and Managing Partner of Liberty Strategic Capital, said: “Businesses are increasingly dependent on applications to support their critical operations, creating strong demand for solutions like Contrast’s that help developers ensure, in real-time, that the code underlying these applications is secure from evolving threats from hackers and other malign actors. We believe the team at Contrast has developed a market leading solution, and we are excited to partner with them as they continue to innovate in the application security space.”

Alan Naumann, Chairman of the Board, and CEO of Contrast Security, said: “We are living in a global economy running on software applications, yet they continue to be a major attack vector representing nearly 40% of all data breaches in the last year. Contrast is at the forefront of a new era of cyber resilience with our code security platform that protects those vulnerable software applications. Secretary Mnuchin’s support and investment, given his experience shaping the global approach to cyber threats, is validation of the role Contrast will play in making all software secure from cyber attacks. The decision to work with Liberty Strategy Capital came down to their global connections and their deep understanding of cybersecurity in both the private and public sector.”

In connection with Liberty’s investment in Contrast Security, Secretary Mnuchin will join Contrast Security’s Board of Directors.

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Paul, Weiss, Rifkind, Wharton & Garrison LLP is serving as legal counsel to Liberty Strategic Capital.

About Contrast Security

Contrast Security secures the code that the world economy relies on. It is the industry's most modern and comprehensive Application Security Platform, removing security roadblock inefficiencies and empowering enterprises to write and release secure application code faster. Embedding code analysis and attack prevention directly into software with instrumentation, the Contrast platform automatically detects vulnerabilities while developers write code, eliminates false positives, and provides context-specific how-to-fix guidance for easy and fast vulnerability remediation. Doing so enables application and development teams to collaborate more effectively and to innovate faster while accelerating digital transformation initiatives. This is why a growing number of the world's largest private and public sector organizations rely on Contrast to secure their applications in development and extend protection in production.

About Liberty Strategic Capital

Liberty Strategic Capital is a Washington, DC-based private equity firm focused on strategic investments in technology, financial services and fintech, and new forms of content. The firm was founded in 2021 and is led by former Secretary of Treasury Steven T. Mnuchin.

The Contrast Security investment is Liberty Strategic Capital's second investment since its founding earlier this year. As Secretary of the Treasury and a member of the National Security Council, Secretary Mnuchin helped shape the U.S. government's approach to cyber threats, including supervising the design of new economic sanctions targeting Iranian, Russian, and North Korean cyber attackers and transnational cyber criminals and using sanctions authorities to combat ransomware attacks. Secretary Mnuchin was also the U.S. government's lead official responsible for cybersecurity across the financial services sector. In that capacity, he worked directly with top U.S. regulators and chief executives of the largest U.S. financial institutions on cybersecurity preparedness, regulatory coordination, and incident response. In addition, Secretary Mnuchin led the modernization of technology and data security within the Internal Revenue Service to better protect the single largest collection of sensitive personal financial data in the country.

Secretary Mnuchin's previous private sector technology experience includes his service as the Chief Information Officer of Goldman Sachs, with responsibility for the firm's global information and technology strategy and operations.

Liberty Managing Director Michael D'Ambrosio, former Assistant Director of the United States Secret Service and cybersecurity expert, played a key role in this investment and will also play a leading role in Liberty's efforts to provide strategic assistance to Contrast Security.