

# FT PARTNERS FINTECH INDUSTRY RESEARCH

December 24, 2018



**Cambridge Mobile Telematics Raises \$500 million  
in Financing From the SoftBank Vision Fund**



## Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 17 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research

**FINTECH RESEARCH & INSIGHTS**

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



**The Information**

**Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by The Information**



**Ranked #1 Most Influential Person in all of FinTech in Institutional Investors "FinTech Finance 40"**



**THE M&A ADVISOR**

**Numerous Awards for Transaction Excellence including "Deal of the Decade"**

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## Transaction Summary

### Transaction Summary

- On December 19, 2018, Cambridge Mobile Telematics (CMT) announced it has raised \$500 million in financing from SoftBank's Vision Fund
  - SoftBank's Vision Fund is one of the largest tech-focused funds ever raised
- CMT is a leading mobile telematics and analytics provider to customers all over the world
- The Company will use the funds to accelerate the adoption of its DriveWell platform used by insurers, fleets, wireless carriers, and other entities as well as to expand in automated crash and claims management, video analytics, and safety for emerging vehicle and mobility systems
  - Currently works with customers in more than 20 countries including some of the largest insurers such as State Farm, Liberty Mutual, AIG, Desjardins, Discovery, Admiral, MS&AD Group, QBE, and Insurance Australia

### Selected Financing History

Date	Size (\$ mm)	Select Investor(s)
12/19/18	\$500	SoftBank Vision Fund
09/03/14	3	Undisclosed Investors

### Management Commentary

*"Over the past few years, the DriveWell platform has helped make roads safer by making drivers better in a world where crashes are rising due to factors like distracted driving. Our rapid growth has been fueled by a culture that values collaboration with our customers and invests in research to improve our solutions and develop new products. This partnership with the Vision Fund is the start of the next stage of our journey to bring safe mobility solutions for people and goods at massive scale."*



**Hari Balakrishnan**  
Co-Founder & CTO



### Investor Commentary

*"CMT is breaking new ground in the application of telematics, machine learning, and behavioral analytics to solve challenging problems in insurance and safety. CMT is uniquely positioned to help insurers develop the insights to better support customers and advance their operations, while promoting long-term improvements in driving standards around the world."*



**Akshay Naheta**  
Partner





Cambridge Mobile Telematics Overview

Company Overview

Co-Founder & CEO: Bill Powers  
Headquarters: Cambridge, MA  
Founded: 2010



- Cambridge Mobile Telematics is a leading telematics and analytics company that uses IoT devices, machine learning, big data analytics, and statistics to improve road safety and driving information exchange
- CMT serves over 25 customers on 6 continents, including auto insurers, fleets, auto makers, wireless carriers, and government agencies
- The Company’s main product is its DriveWell platform, a behavioral analytics solution to improve driving safety and intelligence in the world of transportation

Highlights

35%

Reduction in phone distraction

34%

Lower crash rates

10%

Lower loss ratio compared to black boxes

Management

**Bill Powers**  
Co-Founder & CEO

**Hari Balakrishnan**  
Co-Founder & CTO

**Sam Madden**  
Co-Founder & Chief Scientist

**Fran Smith**  
CFO

Products & Services Overview

DriveWell



DriveWell is a smartphone / IoT device enabled driver monitoring platform that helps reduce dangerous driving habits by collecting valuable individual scoring data and giving feedback to drivers and fleet managers

Mobile Sensors & App SDK

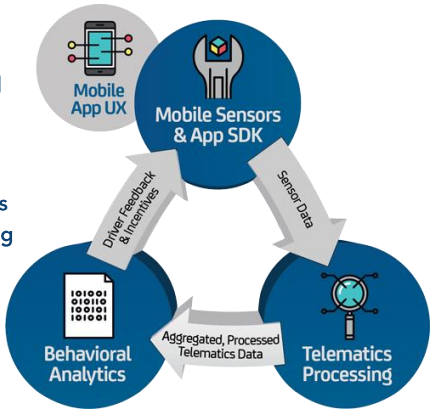
- ✓ Fuses data from phone sensors and optional wireless tag

Telematics Processing

- ✓ Uses machine learning and statistics to accurately infer metrics regarding driving habits

Behavioral Analytics

- ✓ Aggregates telematics data and provides scoring and feedback



DriveWell Fleet Management



Designed to address the needs of commercial insurers and fleet managers

The DriveWell Tag



IoT device that collects / stores telematics data and passes it to the smartphone app



## Selected FT Partners InsurTech Research – *Click to View*



SquareTrade's \$1.4 billion Sale to Allstate



Lennar's \$70 million Co-Lead Investment in Hippo



Goji's Sale to Seeman Holtz



Next Insurance's \$83 million Series B Financing



The Carlyle Group Acquires Majority Stake in Sedgwick for \$6.7 billion



CEO-Interview: Trov



Root Insurance Raises \$100 million in Financing



Allstate Acquires InfoArmor \$525 million

[VIEW MORE FT PARTNERS RESEARCH](#)

## FT Partners Research – Quarterly InsurTech Insights

### Q3 2018 InsurTech Insights



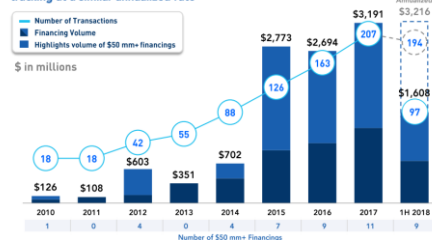
Click pictures to view report

### Highlights of the report include:

- Q3 2018 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions so far in 2018
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

#### INSURTECH FINANCING ACTIVITY: ANNUALLY

InsurTech Private Company financing volume and number of transactions rose to a record level in 2017, and 2018 volume is tracking at a similar annualized rate



Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

#### INSURTECH FINANCING ACTIVITY BY REGION IN 2018



Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

#### ALLOCATION OF INSURTECH INVESTMENTS – P&C vs. L&H

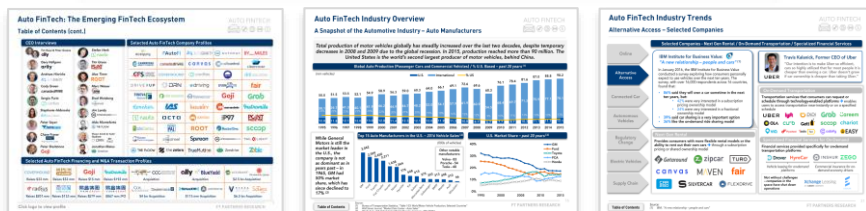
Selected P&C Financings				Selected L&H Financings			
Target	Amount (\$ in mm)	Type		Target	Amount (\$ in mm)	Type	
BITSIGHT	\$40	Cyber Risk Rating Platform		COYA	\$30	Digital Insurer	
ALTA	38	Vehicle Insurance Specialist		alan	28	Online Health Insurer	
CLARK	29	Digital Insurance Platform		beam	23	Group Dental Insurance	
TRACTABLE	25	AI for Claims		bestow	15	Life Insurance	
simpleinsurance	24	Digital Insurance Solutions		ethos	15	Digital Insurance Platform	
CAPE	17	Property Intelligence Platform		ETHOS	12	Life Insurance	
atbay	13	Cyber Insurance Provider		hint	10	Care Administration Platform	
BriteCore	13	Software for Insurers		Ladder	10	Life Insurance	
kin	13	Digital Home Insurance Agency		Fabric	10	Life Insurance	
CLICO	12	Digital Insurer		Selected Diversified Financings			
LeasLock	10	Rent Payment Insurance		Target	Amount (\$ in mm)	Type	
BEIN	7	Insurance Technology Provider		policybazaar	\$238	Online Distribution	
				WorkFusion	50	Claims Automation	

Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

## FT Partners Research – Auto FinTech

### Auto FinTech: The Emerging FinTech Ecosystem Surrounding the Auto Industry



Click pictures to view report

**FT Partners' 200+ page report provides an in-depth look at the FinTech ecosystem surrounding the auto industry:**

As the automotive industry continues to innovate, consumers and businesses will expect the financial services and processes surrounding this massive industry to modernize and adapt as well. Similarly, as new advances change the way consumers and businesses use cars, both traditional financial services and FinTech companies can distinguish themselves by offering new, innovative solutions.

#### The report includes:

- Trends regarding the transformation of the auto industry and innovations in auto lending, insurance and payments
- The activity among traditional players in the space such as partnerships, investments and acquisitions
- Proprietary financing and M&A transactions in the space
- A detailed industry landscape of Auto FinTech players and company profiles

## Leading Advisor Across the InsurTech Landscape

### Consumer Protection Plans

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as  
exclusive strategic and financial advisor to

**square  
trade**

in its sale to

**Allstate**

for total consideration of

**\$ 1,400,000,000**

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### Telematics / Connected Car Solutions

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



**AUTOMATIC**

in its sale to

**SiriusXM**  
SATELLITE RADIO

for total consideration of approximately

**\$ 115,000,000**

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### Online Small Business Insurance

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as  
exclusive strategic and financial advisor to

**NEXT  
INSURANCE**

in its Series B financing led by

**Redpoint**

for total consideration of

**\$ 83,000,000**

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### Homeowners / P&C Insurance

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as  
exclusive strategic and financial advisor to

**LENNAR**

in its minority investment in

**Hippo**

with participation from new  
and existing investors

for total consideration of

**\$ 70,000,000**

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### Largest Wholesale Brokerage in U.S.

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to

**AmWINS  
Group, Inc.**

in its growth recapitalization by

**NMC**

NEW MOUNTAIN CAPITAL LLC

valued at approximately

**\$ 1,300,000,000**

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### Online Small Business Insurance

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to

**insureon**

in its equity capital raise led by

**OAK  
HC/FT**

for total consideration of

**\$ 31,000,000**

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### Sales Automation Technology & Platform

Financial Technology Partners LP  
FTP Securities LLC

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**INSURANCE  
TECHNOLOGIES**

in its sale to

**MOELIS CAPITAL PARTNERS**

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### Agency Management / Marketing Technology

Financial Technology Partners LP  
FTP Securities LLC

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sole strategic and financial advisor to

**ZYWAVE**

in its sale of

**Zywave Insurance Solutions**

to

**AURORA  
CAPITAL GROUP**

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### Online Personal Lines Insurance Agency

Financial Technology Partners LP  
FTP Securities LLC

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**Goji**

in its sale to

**Seeman★Holtz**  
Property & Casualty

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### SaaS / Claims for Property & Contents

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**enservio**

in its sale to

**Solera**

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## FT Partners Advises Automatic on its Sale to SiriusXM

### Overview of Transaction

- On April 27, 2017, Automatic Labs (“Automatic” or the “Company”) announced that it has been acquired by SiriusXM (“Sirius”) for a purchase price of approximately \$115 million
- Automatic provides a data-driven platform that enables vehicle owners to be safer and drive smarter; The Company’s proprietary Automatic Pro and Automatic Lite connected car adapters provide vehicle diagnostic alerts, emergency services, fuel monitoring, access to parking information, vehicle location and much more
  - Automatic also works with insurance carriers to enable usage-based savings and teen driver coaching, and works with automotive dealers to provide tools that help manage their vehicle inventory and customer service relationships
- Headquartered in New York, NY, SiriusXM holds a unique position in the connected vehicle space, offering unparalleled audio entertainment and data services in vehicles from every major carmaker

### Significance of Transaction

- The acquisition deepens and expands SiriusXM’s connected vehicle offerings for drivers nationwide and the industry’s leading carmakers
  - SiriusXM’s position will be further strengthened with data collection and analytical tools that will ultimately enrich key elements of the connected vehicle experience

### FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Automatic
- This transaction demonstrates FT Partners’ continued success advising the highest quality FinTech companies and achieving outstanding results in the InsurTech sector

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*



**AUTOMATIC**

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## FT Partners Advises Next Insurance on its Financing

### Transaction Overview

- On July 11, 2018, Next Insurance announced an \$83 million Series B financing round led by Redpoint Ventures
  - Other investors that participated in the round include Nationwide, Munich Re, American Express Ventures, Ribbit Capital, TLV Partners, SGVC and Zeev Ventures
  - Elliot Geidt, Partner at Redpoint Ventures, will join the board of Next Insurance
- Founded in 2016 and headquartered in Palo Alto, CA, Next Insurance is the leading digital insurance company for small businesses
  - Next Insurance champions technological innovation and sophisticated uses of AI and machine learning to improve customer experience and streamline the insurance purchasing process
- In May 2018, Next announced its new status as a licensed insurance carrier, allowing the Company to write policies independently, as well as to have more freedom over underwriting, setting of prices, and configuring of policies

### Significance of Transaction

- The funding will enable Next Insurance to continue its expansion throughout the US as a full service insurance carrier, further innovate claims handling, offer coverage to many more classes of business, and significantly grow internal operations in both the US and Israel
- The Series B round brings Next Insurance's total funding to \$131 million in just two years

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Next Insurance and its Board of Directors
- This transaction underscores FT Partners' successful track record generating highly favorable outcomes for leading InsurTech companies

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## FT Partners Advises Goji on its Sale to Seeman Holtz

### Overview of Transaction

- On November 13, 2018, Goji announced it has been acquired by Seeman Holtz Property & Casualty (“SHPC”)
- Headquartered in Boston, MA, Goji operates an online analytics and data-driven distribution platform for personal lines of insurance that matches clients with the right coverage at the best prices, through an integrated network of national insurance carriers
  - Goji is a licensed insurance agency in 41 states that writes policies for clients on behalf of insurance carriers
- SHPC will integrate Goji’s technology platform throughout its divisions and verticals to optimize operational efficiency, better address clients needs and increase production
- This acquisition marks SHPC’s 50<sup>th</sup> acquisition

### Significance of Transaction

- Through the acquisition, Goji's clients will gain access to the 400+ carrier relationships and the 50 state agent licenses of SHPC
- SHPC will continue to expand its access to more digital marketing channels and partnerships, further enhancing its online digital marketing and customer acquisition capabilities

### FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Goji
- FT Partners previously advised Goji on its [\\$15 million financing in November 2017](#)
- This transaction highlights FT Partners’ strong expertise across the InsurTech landscape

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
exclusive strategic and financial advisor to*

# Goji

*in its sale to*

**Seeman★Holtz**  
*Property & Casualty*

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## Award-Winning Investment Banking Franchise Focused on Superior Client Results



**2018** Top Investment Bank in FinTech



Institutional Investor  
Annual Ranking

**2018** Steve McLaughlin Ranked #1 for the Second Year in a Row on Institutional Investor's FinTech 40 List

**2017** Ranked #1 on Institutional Investor's FinTech 40 List

**2015 & 2016** Ranked Top 5 on Institutional Investor's FinTech 35 List

**2006 – 2008** Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"



The Information

**2016** Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor  
Awards

**2018** Corporate / Strategic Deal of the Year

**2018** Cross Border Deal of the Year

**2017** Investment Banker of the Year

**2016** Investment Banking Firm of the Year

**2016** Cross Border Deal of the Year

**2015** Dealmaker of the Year

**2015** Technology Deal of the Year

**2014** Equity Financing Deal of the Year

**2014** Professional Services Deal of the Year, \$100 mm+

**2012** Dealmaker of the Year

**2012** Professional Services Deal of the Year, \$100 mm+

**2011** Boutique Investment Bank of the Year

**2011** Deal of the Decade

**2010** Upper Middle Market Deal of the Year, \$500 mm+

**2010** IT Services Deal of the Year, Below \$500 mm

**2010** Cross-Border Deal of the Year, Below \$500 mm

**2007** Dealmaker of the Year – Steve McLaughlin

**2007** Business to Business Services Deal of the Year

**2007** Computer & Information Tech Deal of the Year, \$100 mm+

**2007** Financial Services Deal of the Year, \$100 mm+

**2004** Investment Bank of the Year

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> Founder, CEO and Managing Partner		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs in New York and San Francisco from 1995-2002</li> <li>Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>23</b>
<b>Paul VanderMarck</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly Chief Product Officer at Risk Management Solutions, a global technology business in the catastrophic risk space</li> <li>25+ years of experience as an InsurTech operating executive</li> <li>Experienced advisor and investor in the InsurTech space</li> </ul>	<b>26</b>
<b>Larry Furlong</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004</li> <li>Wharton M.B.A.</li> </ul>	<b>22</b>
<b>Greg Smith</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch, J.P. Morgan and Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	<b>22</b>
<b>Osman Khan</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly Managing Director and Head of FIG M&amp;A at Alvarez &amp; Marsal</li> <li>15+ years FIG deal, consulting and assurance experience at PwC</li> <li>40 Under 40 M&amp;A Advisor Award Winner in 2013</li> <li>LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA)</li> </ul>	<b>21</b>
<b>Steve Stout</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly Global Head of Strategy at First Data</li> <li>Formerly Led J.P. Morgan Payments Investment Banking Practice</li> <li>Former Equity Research Analyst on #1 ranked team at UBS</li> <li>Former Economist at the Federal Reserve Bank</li> </ul>	<b>20</b>
<b>Mike Nelson</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly head of FinTech M&amp;A at SunTrust Robinson Humphrey</li> <li>Kellogg M.B.A.</li> </ul>	<b>18</b>
<b>Tim Wolfe</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs from 2000-2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>16</b>
<b>Kate Crespo</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly with Raymond James' Technology &amp; Services investment banking</li> <li>12+ years of FinTech transaction execution experience</li> <li>Dartmouth M.B.A.</li> </ul>	<b>16</b>
<b>Timm Schipporeit</b> Managing Director		<ul style="list-style-type: none"> <li>Formerly with Morgan Stanley as Senior Executive Director of European Technology Investment Banking Team in London</li> <li>Formerly a Venture and Growth Investor focused on FinTech at Index Ventures</li> </ul>	<b>15</b>
<b>Andrew McLaughlin</b> Managing Director		<ul style="list-style-type: none"> <li>20+ years experience executing / implementing financial and operational strategy</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>12</b>