

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 29, 2018



Bright Health Raises \$200 million in Series C Financing

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

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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Bright Health Raises \$200 million in Series C Financing

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Transaction Summary

Transaction Summary

- On November 29, 2018, Bright Health announced it has raised \$200 million in its Series C financing
 - New investors, Declaration Partners and Meritech Capital, participated along with Bessemer Venture Partners, Cross Creek Advisors, Flare Capital, Greenspring Associates, Greycroft Partners, New Enterprise Associates, Redpoint Ventures, and Town Hall Ventures
- The Company will use the new funding to expand its balance sheet and support further expansion into new markets
- Bright Health has cumulatively raised over \$440 million in three rounds of equity financing
- Bright Health sells individual, family, and Medicare advantage plans, offering support for customers from childhood through retirement to help build long-lasting relationships between providers and patients

Selected Financing History

Date	Size (\$ mm)	Select Investor(s)
11/29/18	\$200	Declaration Partners; Meritech Capital Partners; Bessemer Venture Partners; Cross Creek Advisors; Flare Capital Partners; Greenspring Associates; Greycroft Partners; New Enterprise Associates; Redpoint Ventures; Town Hall Ventures
06/01/17	160	Greenspring Associates; Greycroft Partners; Redpoint Ventures; Cross Creek Advisors; New Enterprise Associates; Bessemer Venture Partners; Flare Capital Partners
04/06/16	80	Bessemer Venture Partners; New Enterprise Associates; Flare Capital Partners

Management Commentary

"Bright Health has continued to execute at a fast pace towards our goal of disrupting the old health care model that places insurers at odds with providers. With our recently announced expansion, we will triple our geographic footprint in 2019. And Bright Health's current high re-enrollment rate shows that consumers are ready for this improved healthcare experience – especially when it is priced competitively."

We are honored to welcome these long-term investors to the Bright Health community as we look forward to what's ahead for the company. We are just getting started."



Bob Sheehy
CEO & Co-Founder



Investor Commentary

"As a growth investment fund, Meritech is looking for opportunities to invest in fast growing sector leaders whose potential to use technology will enhance the customer experience of large populations. Not only has Bright Health proved this is possible with its above average re-enrollment rates, but the data infrastructure that they are building has the potential to produce better health outcomes for millions of hardworking Americans and disrupt health insurance – and healthcare – as we have come to know and accept it."



Craig Sherman
Managing Director



Bright Health Raises \$200 million in Series C Financing

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Bright Health Overview

Company Overview

CEO: **Bob Sheehy**
Headquarters: **Minneapolis, MN**
Founded: **2015**



- Bright Health partners with health systems and care partners to provide health plans and a connected healthcare experience to support relationships between consumers and care providers using personalized technology
- The Company's Care Partner Health Plan Model works exclusively with a single health system per market in order to remove difficulty between payers and providers
 - The goal of the model is to ultimately optimize the consumer and patient experience

Management



Bob Sheehy
CEO

Prior to Bright Health: CEO of UnitedHealthcare & Executive Partner, Flare Capital



Tom Vadivia
Chief Health Officer

Prior to Bright Health: Co-Founder of Definity Health & Co-Founder of Carol Corp.



Kyle Rolfing
President

Prior to Bright Health: Founder & CEO of Redbrick Health & Co-Founder of Definity Health

Products & Services Overview



Individual Plans

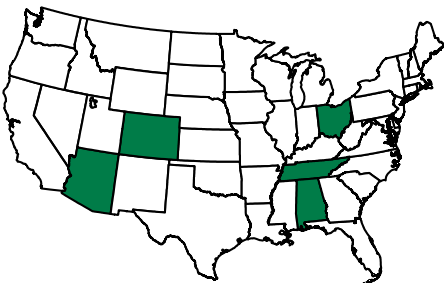


Family Plans



Medicare Advantage

Bright Health plans are currently available in **Alabama, Arizona, Colorado, Ohio, Tennessee, & New York City** via its website, call center, broker partners and through government websites as well as public health insurance exchanges



Investors



Selected FT Partners InsurTech Research – *Click to View*



SquareTrade's \$1.4 billion Sale to Allstate



Lennar's Co-Lead Investment in Hippo



Goji's Sale to Seeman Holtz P&C



Next Insurance's \$83 million Series B Financing



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



Devoted Health Raises \$300 million in Series B Financing



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



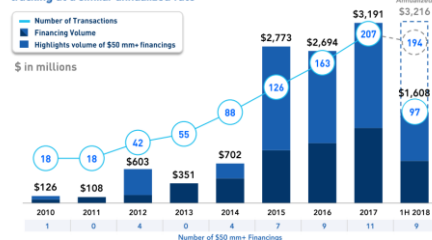
Click pictures to view report

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	
Relia	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	
oak	12	Digital Insurer		Selected Diversified Financings			
LeasLack	10	Rent Payment Insurance		Target	Amount (\$ in mm)	Type	
Ein	7	Insurance Technology Provider		policybazaar	\$238	Online Distribution	
				WorkFusion	50	Claims Automation	

Source: FT Partners Proprietary Transaction Database

FT PARTNERS INSURTECH INSIGHTS

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



in its sale to



for total consideration of

\$ 1,400,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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



for total consideration of approximately

\$ 115,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Online Small Business Insurance

Financial Technology Partners LP
FTP Securities LLC

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



in its Series B financing led by



for total consideration of

\$ 83,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Homeowners / P&C Insurance

Financial Technology Partners LP
FTP Securities LLC

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



in its minority investment in



with participation from new
and existing investors

for total consideration of

\$ 70,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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



in its growth recapitalization by



NEW MOUNTAIN CAPITAL LLC

valued at approximately

\$ 1,300,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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



in its equity capital raise led by



for total consideration of

\$ 31,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Sales Automation Technology & Platform

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to

MOELIS CAPITAL PARTNERS



The Only Investment Bank
Focused Exclusively on Financial Technology

Agency Management / Marketing Technology

Financial Technology Partners LP
FTP Securities LLC

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



in its sale of

Zywave Insurance Solutions
to



The Only Investment Bank
Focused Exclusively on Financial Technology

Online Personal Lines Insurance Agency

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



The Only Investment Bank
Focused Exclusively on Financial Technology

SaaS / Claims for Property & Contents

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



The Only Investment Bank
Focused Exclusively on Financial Technology

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