

April 23, 2015

# Financial Technology Partners LP

## FTP Securities LLC

Transaction Profile:

OSCAR

*raises*

**\$145,000,000**

*in financing led by*



FOUNDERS FUND

*Courtesy of:*



***The Only Investment Bank***  
***Focused Exclusively on Financial Technology***

[www.ftpartners.com](http://www.ftpartners.com)



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# Oscar Raises \$145 mm in Financing

## Transaction Summary

*"Oscar has the new-era tech pedigree to become the Spotify, Airbnb or Uber of health insurance"*

The  
New York  
Times

*"Oscar is the insurance company for the Age of Obamacare"*

VB

*"With the introduction of the Affordable Care Act, insurance marketplaces upstarts like Oscar have the ability to compete head-to-head with the established giants"*



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### Transaction Summary

- On April 20, 2015, Oscar Health Insurance ("Oscar") announced it has raised \$145 million in a financing round led by previous investor, Founders Fund; total funding to date for Oscar is \$320 million
  - Peter Thiel and Brian Singerman led the investment at Founders Fund
  - Other investors in the round included Li Ka-Shing at Horizons Ventures, the Wellington Management Company and Goldman Sachs, in addition to all previous investors
- According to TechCrunch, the round valued the Company at \$1.5 billion <sup>(1)</sup>
- The Company will use the financing to expand operations, create new products and extend insurance plans to new customers across the United States

### Previous Oscar Financings

Date	Size (\$ mm)	Key Investors
05/14/14	\$80	BREYER CAPITAL, FOUNDERS FUND, THRIE CAPITAL, formation   8, khosla ventures, General Catalyst Partners
01/07/14	30	General Catalyst Partners, THRIE CAPITAL, khosla ventures, FOUNDERS FUND
07/17/13	40	General Catalyst Partners, THRIE CAPITAL, khosla ventures, FOUNDERS FUND

### Transaction Commentary



*"We don't get excited about raising money, but rather, see it as a small step towards improving experiences for our members each and every day. Our most recent round of financing will ensure our continued dedication to service and innovation for our members."*

*It will allow us to grow our staff, create new products and extend our plans to new members across the country."*

**Mario Schlosser**  
Co-Founder, CEO of Oscar



*"When we founded Oscar, our ambition was to take an experience that was confusing and make it intuitive and transparent through technology, data and design. But the deeper we get, the more we realize that the operating system that we have built on the back-end is*

*what enables us to offer an experience that other traditional health insurers cannot"*

*"As an insurer we control our own destiny. We are not reliant on any partners to deliver the experience that we believe is best for our customers. We can innovate without buy in from others. We're more in control of our own destiny. We can do interesting things but we don't need as much buy-in from others" <sup>(1)</sup>*

**Josh Kushner**  
Co-Founder of Oscar  
Managing Partner at Thrive Capital

Source: Company press release and website, Business Insider, Reuters, CNBC, VentureBeat, TechCrunch, The New York Times.

(1) TechCrunch, "Oscar Raises \$145M At A \$1.5B Valuation To Build A New Healthcare, Insurance Giant," April 20, 2015.



# Oscar Raises \$145 mm in Financing

## Oscar Overview

### Oscar Company Statistics

185  
employees

\$200 million  
In annual healthcare  
spending through  
Oscar

Nov. 2014:

16,000  
members



Apr. 2015:

40,000  
members

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### Oscar Overview

**Founders:** Josh Kushner

Mario Schlosser

Kevin Nazemi

**Headquarters:** New York, NY

**Founded:** 2013

- Oscar provides health insurance through its online and mobile platform for comparing insurance plans, contacting healthcare providers and managing personal health
- Currently only available in New York and New Jersey, but the Company is applying to be able to operate in California by 2016
- Search, compare, and purchase Oscar insurance plans from the least covered, 'Secure' plan to the 'Platinum' plan
- All plans include free check-ups, flu shots, generic drugs and preventive care
- Manage personal health with advice nurse, patient records and health incentives
- Health incentives include Misfit Flash activity tracker that syncs with Oscar app
  - Pays customer \$1 if he or she reaches daily step count goal (personalized by Oscar app)
  - Can earn up to \$240 every year
  - First insurance company to give fitness tracker and incentive rewards for activity

### Product Overview

#### Search

- Search by symptoms, people, type of care, location or medication
- Learn More feature for information on possible symptoms / diagnosis



#### Compare

- Compare options of care (Primary Physician, Specialized Practice, Urgent Care, Emergency Room)
- Compare prices, locations, appointment times



#### Doctor On Call

- 24 hour Board-Certified doctor / nurse call line for advice
- Assistance with filling common prescriptions



#### Health Insurance Plans

- Offers Oscar Simple, Standard and Edge plans
- Also offers NY State Standard plans designed by the NY State Marketplace



#### Health History Timeline

- Tracks data including doctor's office visits, prescriptions and lab results



Source: Company press release, Company website, Mobihealthnews, Business Insider.

# Oscar Raises \$145 mm in Financing

## Founders Fund Overview

### Other Current Round Investors



New



khosla ventures



Existing

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### Founders Fund Overview

#### FOUNDERS FUND

**Founder:** Peter Thiel

**Headquarters:** San Francisco, CA

**Founded:** 2005

**Fund Size:** \$1,015 mm

- Founded by PayPal's Peter Thiel, Founders Fund is focused on partnering with transformational technology companies
- Specific industries of focus include Aerospace, Biotech, Advanced Machines & Software (Artificial Intelligence), Energy and Internet
  - Founders Fund highlights that the most promising companies make their own sector
- Founders Fund, as the name implies, focuses on the founding management team and in the firm's history has never removed a portfolio company's founder
- Has invested in some of the fastest growing tech companies such as Facebook, Spotify, Lyft and Airbnb

### Selected HealthCare / HCIT Investments

Announce Date	Target	Amt (\$ in mm)	Description
03/18/15	collective health	\$38	Cloud based employer sponsored employee healthcare and benefits
06/28/12	practice fusion	34	Cloud based EHR, practice management software including billing, reporting and scheduling
07/14/10	ZocDoc	15	Online booking of doctors appointment

### Selected Healthcare / HCIT Exits

Announce Date	Target	Acquirer	Amt (\$ in mm)
08/06/14	Ringadoc	practice fusion	NA

Source: Company website, Pitchbook.

# Overview of FT Partners

## FT Partners is the Leader in Financial Technology Investment Banking

**FT Partners has advised on some of the most prominent transactions in the healthcare and insurance IT sectors**

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
Capital Markets & IPO Advisor to

 **ACCRETIVE HEALTH**  
results providers trust

in its

**\$138,000,000**

**Initial Public Offering**

valuing the equity at approximately

**\$ 1,200,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

- Offers end-to-end Revenue Cycle Management, Quality and Care Coordination and Physician Advisory Services
- Differentiated solutions span the entire healthcare revenue cycle
- Infused management model integrates people, processes and technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
Capital Markets & IPO Advisor to

**Performant**

in its

**\$93,000,000**

**Initial Public Offering**

valuing the equity at approximately

**\$ 453,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

- Performs outsourced healthcare Payment Integrity and Recovery Services
- Medicare Recovery Audit Contractor ("RAC") for Region A (Northeast)
- Recovered ~\$482 mm in improper Medicare payments in 2012

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as lead  
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**



The Only Investment Bank  
Focused Exclusively on Financial Technology

- Largest wholesale broker in the U.S. by premiums placed <sup>(1)</sup>
- Group Benefits division develops, distributes and administers benefits products through 7 individual operating companies
- Division services approximately 843,000 member lives among 10,000 employer groups

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its role as  
exclusive Strategic and Financial advisor to

**ZYWAVE**

in its sale of

**Zywave Insurance Solutions**  
to

 **AURORA**  
CAPITAL GROUP



The Only Investment Bank  
Focused Exclusively on Financial Technology

- Provides technology-enabled content and communication, agency automation and business intelligence tools
- Serves the employee benefits and P&C insurance distribution industry
- Software and products are used by more than 2,600 agencies

# Overview of FT Partners

## FT Partners is the Leader in Financial Technology Investment Banking

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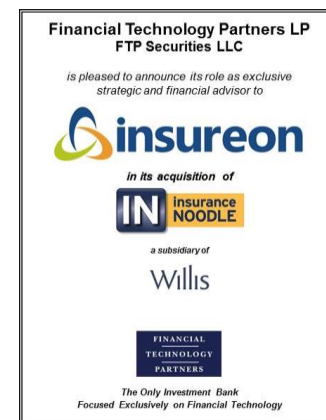
- Leading technology and service provider to life and annuity industry carriers, distributors and producers
- Combination provides “one-stop” access to virtually everything a financial professional needs to market, sell and process diversified insurance products



- Largest independent warranty provider for consumer electronics and major appliances
- Serves customers directly through its website and through a large network of online and in-store retailers
- Largest venture capital transaction of 2012<sup>(1)</sup>



- Provider of finance and insurance (“F&I”) solutions to the automobile industry
- Blue chip client base including:
  - Five of the world’s leading auto OEMs
  - Two of the world’s largest motorcycle manufacturers
  - The nation’s largest new and used vehicle retailers



- Premier online insurance brokerage platform focused on serving small- and micro- businesses
- Transaction provides significant footprint for Insureon in the independent and captive agent market
- Positions combined business to even better serve small business owners in need of commercial insurance

(1) Source: PricewaterhouseCoopers, National Venture Capital Association, Thomson Reuters.

# Overview of FT Partners

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

*FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition*



M&A Advisor Awards

- |      |  |
|------|--|
| 2014 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100mm</li> </ul>  |
| 2012 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100 mm</li> </ul>   |
| 2011 | <ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ Deal of the Decade</li> <li>■ <i>10 Deal of the Year Nominations Across 9 Categories</i></li> </ul>  |
| 2010 | <ul style="list-style-type: none"> <li>■ <b>Upper Middle Market Deal of the Year, Above \$500 mm</b></li> <li>■ IT Services Deal of the Year, Below \$500mm</li> <li>■ Cross-Border Deal of the Year, Below \$500mm</li> </ul>   |
| 2007 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ Business to Business Services Deal of the Year</li> <li>■ Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>■ Financial Services Deal of the Year, Above \$100mm</li> </ul> |



- |           |   |
|-----------|---|
| 2006-2008 | <ul style="list-style-type: none"> <li>■ Steve McLaughlin consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology</li> </ul> |
|-----------|---|



Middle Market Financing Awards

- |      |  |
|------|--|
| 2008 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Information Technology Deal of the Year</b></li> <li>■ <b>Financial Services Deal of the Year</b></li> </ul> |
| 2006 | <ul style="list-style-type: none"> <li>■ <b>Financing Professional of the Year – Steve McLaughlin</b></li> <li>■ <i>Financing Deal of the Year - Equity</i></li> <li>■ <i>Financing Deal of the Year - Debt</i></li> </ul>           |

Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.