

# FT PARTNERS FINTECH INDUSTRY RESEARCH

July 3, 2020



**Accolade Completes its IPO Raising  
Approximately \$221 million  
(NASDAQ: ACCD)**

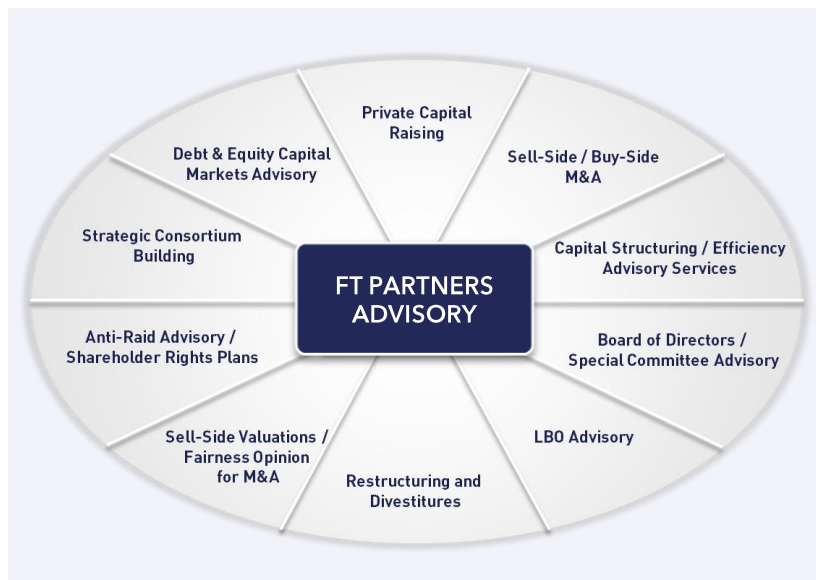
# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## 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 18 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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## IPO Overview

### Key IPO Statistics

CEO:	Rajeev Singh
Headquarters:	Seattle, Washington
Founded:	2007
Employees:	1,174
Prospectus File Date:	February 28, 2020
Ticker:	NASDAQ: ACCD
Gross Proceeds:	\$220,499,972
Shares:	10,022,726
Filing Range:	\$19 – 21
Listing Date:	July 2, 2020
Offer Price:	\$22

### Use of Proceeds

The Company plans to use net proceeds from this offering for general corporate purposes, including working capital, operating expenses, and capital expenditures, which might include the repayment of debt. A portion of the proceeds might also be used for acquisitions or strategic investments in complimentary businesses, products, services, or technologies.

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Form S-1

Accolade, Inc.



("ACCD")

Rajeev Singh  
Chief Executive Officer  
1201 Third Avenue, Suite 1700  
Seattle, WA 98101  
United States

# Accolade Completes its IPO Raising \$221 million

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## Accolade Overview

### Company Overview



**CEO:** Rajeev Singh  
**Headquarters:** Seattle, Washington  
**Founded:** 2007

- **Accolade provides personalized, tech-enabled solutions to help people understand, navigate, and utilize the healthcare system and their workplace benefits**
  - The Company's customers are primarily employers that utilize Accolade to provide employees and their families a single platform for their health, healthcare, and benefits needs
- **Accolade's platform combines open, cloud-based intelligent technology with support from Accolade Health Assistants and clinicians**
  - The Company leverages integrated capabilities, connectivity with providers and the broader ecosystem, as well as data to engage across the member population
- **Accolade aims to build trusted relationships with members and ultimately position the Company to deliver personalized recommendations and interventions**
- **The Company believes the platform can dramatically improve the membership experience, encourage better health outcomes, and lower costs for both members and customers**

### Solutions



#### Accolade Total Benefits

- Benefits engagement
- Clinical guidance



#### Accolade Total Care

- Benefits engagement
- Clinical guidance
- Provider matching



#### Accolade Total Health and Benefits

- Benefits engagement
- Clinical guidance
- Provider matching
- Care management
- Provider services
- Member services

### Selected Transaction History

Date	Size (\$ mm)	Selected Investor(s)
10/10/19	\$20	Humana.
03/30/18	50	ANDREESSEN HOROWITZ, MADRONA VENTURE GROUP, CARRICK, CROSS CREEK, MADERA TECHNOLOGY PARTNERS
08/10/16	70	ANDREESSEN HOROWITZ, MADRONA VENTURE GROUP
07/16/15	39	Independence, McKesson Ventures
12/12/13	30	CARRICK, Investing more than capital.
07/01/10	17	ACCREDITIVE, COMCAST VENTURES.
02/01/07	20	ACCREDITIVE

## Market Opportunity

- The Company estimates its total addressable market for its current solutions to be approximately **\$24 billion**
- Its market is comprised of self-insured employers, inclusive of state and local governments and unions
- The government-sponsored programs market represents an additional **\$10.7 billion** addressable market opportunity
- Accolade plans to grow its addressable market through the introduction of new offerings and expansion into longer-term adjacent opportunities

### Core Self-Insured Employer Opportunity

- According to the Centers for Medicare and Medicaid Services (CMS), in 2017 approximately **176 million individuals** in the United States, translating to more than 50% of the insured population, were enrolled in an employer-sponsored health plan, accounting for **\$1 trillion in total healthcare spend**
- According to Willis Towers Watson, the percentage of employers offering tools or services to support employee navigation of healthcare services is expected to increase from 59% to 85% in 2020
- The Company has identified approximately 300 employers with greater than 35,000 employees, 2,100 employers with 5,000 to 35,000 employees, and 19,100 employers with 500 to 5,000 employees, for a total of about 21,500 employers with 500 employees or more, of which a substantial majority are self-insured
- Accolade believes that the self-insured employer market alone represents at least an **\$11.7 billion addressable market**

### Additional Employer Sponsor Opportunities

- Fully insured employers help their employees choose the most appropriate health plan, understand the extent of their benefits, decode and manage their medical bills, find high-quality providers, make sense of and stay coordinated through prescribed care plans, and mitigate annual premium increases
- The Company is beginning to pursue opportunities with fully insured employers, most with fewer than 1,000 employees
- It's Total Benefits customers, with their population of fully insured plans, gives the Company the potential to expand in this market
- It estimates that fully insured employers represent an additional **\$1.7 billion addressable market opportunity**

### Adjacent Opportunities

- The Company's solutions address employer-sponsored plans as well as critical pain points that exist in government-sponsored programs, specifically Medicare, Medicaid, TRICARE, and those administered by Veterans Affairs
- According to CMS, there are expected to be about **146 million** members enrolled in government sponsored programs in 2020, with an average spend per year for a Medicare enrollee of **\$13,559**, almost twice as much as the employer market
- The Company's ability to leverage its platform for additional offerings that support employer and government-sponsored program members should have a multiplier effect on its total addressable market



## Key Strengths

Accolade’s competitive advantages are based on the following key strengths:

### Commitment to a differentiated member engagement model

Accolade fundamentally believes in engaging the entire member population to have a sustainable impact on health outcomes and cost. The platform is built to engage with each customer’s eligible member population, build trusted relationships with members, and leverage those relationships to deliver important healthcare interventions.

### Highly qualified and empathetic team with deep clinical experience

Accolade’s engagement model integrates “human touch” with a proprietary technology platform to encourage better outcomes for members. The care team supports members through their entire healthcare experience, accounting for its holistic member view and utilizing its data-driven processes to better understand and anticipate a member’s healthcare needs in order to proactively intervene to support members.

### Long-term strategic partner to customers

The Company is engaged by employers to solve issues around the design, coordination, and utilization of their employee benefits programs. Its proven engagement model meaningfully lowers costs, as shown by actuarial data and an Aon study. This allows Accolade to recommend new, targeted, offerings to customers, which can help further reduce their costs, and when implemented, result in additional opportunities for member engagement and expanded role as trusted partner to customers.

### Significant investment in purpose-build, scalable technology platform

Offerings are built on an open, cloud-based intelligent platform designed to deliver a highly personalized member experience. The platform is built for scale – architected to deliver repeatable results and high service levels at a sustainable cost to serve and leverages extensive data ingestion capabilities and artificial intelligence to derive predictive analytics, deliver targeted population health insights, and recommend the right care intervention for members at the right time.

### Attractive operating model supported by a PMPM recurring revenue model, providing a high degree of visibility

The Company currently has over 53 customers that collectively purchase access to solutions for more than 1.5 million members. Accolade principally generates revenue from customers on a recurring per-member-per-month (PMPM) fee basis, with contracts averaging three years in length, which provides significant revenue visibility. Its ability to deliver has led to gross dollar retention of 100% and 95% for the fiscal years ended February 28, 2018 and 2019, respectively.

### Deeply experienced management team dedicated to cultivating a mission-driven culture

Senior leadership team has extensive healthcare, technology, and business-scaling expertise from decades of leadership experience at world-class organizations. Senior management has a long track record of working together, both at Accolade and at previous firms.

# Accolade Completes its IPO Raising \$221 million

## Growth Strategies

Accolade has the following growth strategies:

### Grow Customer Base

- There is a substantial opportunity to grow the Company's customer base in its large and under-penetrated market of about 21,500 self and fully-insured employers with 500 employees or more
- The sales and marketing team draws on demand-generation strategies to reach and educate the market, increasing the opportunities to grow its customer base

### Retain and Expand Customer Relationships

- The Company achieves strong customer retention through delivering measurable outcomes to customers, enabling it to expand and deepen these relationships
- Accolade Boost and its Trusted Supplier Program help to target specific customer challenges, complement existing solutions, and provide cross-sell opportunities to drive incremental revenue

### Invest in Technology

- The Company has made investments in its technology platform to expand capabilities on how it engages with members and delivers solutions and care interventions
- By using machine learning, predictive analytics, and multimodal communication, it can generate more operating efficiencies while improving its ability to deliver better health outcomes and lower costs for members and customers

### Continue Developing New Offerings

- Accolade Total Benefits and Accolade Total Care are offerings that show how the Company constantly innovates to enhance its model
- It will be adept at identifying and deploying innovative new solutions, whether developed internally or through acquisitions, as it expands its customer base
- Its platform also allows it to efficiently add new applications on top of the existing solutions

### Expand into Adjacent Markets

- The Company sees many opportunities to enter adjacent markets, including government-sponsored health plans such as Medicare Advantage and Managed Medicaid, as well as traditional Medicare and Medicaid
- In order to successfully expand into these markets, it will leverage its existing platform and scalable solutions

### Opportunisticly Pursue Partnerships

- Through forming strategic partnerships and other relationships with third parties, the Company has been able to integrate new and complementary capabilities into its offers
- Its partners choose the Company because of its entrepreneurial and collaborative culture and dedication to continuous innovation



# Accolade Completes its IPO Raising \$221 million

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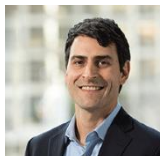
## Management Team

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**Rajeev Singh**  
Chief Executive Officer

- Rajeev joined the Company in November 2015 as CEO
  - Prior to joining Accolade, he co-founded Concur Technologies in 1993 and held various roles in the organization, including most recently president and chief operating officer until it was acquired by SAP in 2014
  - Before Concur, he held positions at Ford Motor Company and General Motors Corporation
- 



**Stephen Barnes**  
Chief Financial Officer

- Stephen Barnes has served as CFO since February 2015
  - Before joining, Mr. Barnes held positions at NRG Energy, Energy Plus Holdings, Novitas Capital, Voxware, and KPMG
- 



**Robert Cavanaugh**  
President

- Robert Cavanaugh joined Accolade in November 2015
  - From 1999 to 2015, Mr. Cavanaugh served in various roles at Concur Technologies and prior to that in the United States Army Reserve
- 



**Mike Hilton**  
Chief Product Officer

- Mike Hilton has served as Chief Product Officer since November 2015
  - Mr. Hilton co-founded Concur and served in various roles within the Company from 1993 to 2015
  - Before Concur, he served as director of development at Contact Software International, which was acquired by Symantec in 1993
-



# Accolade Completes its IPO Raising \$221 million

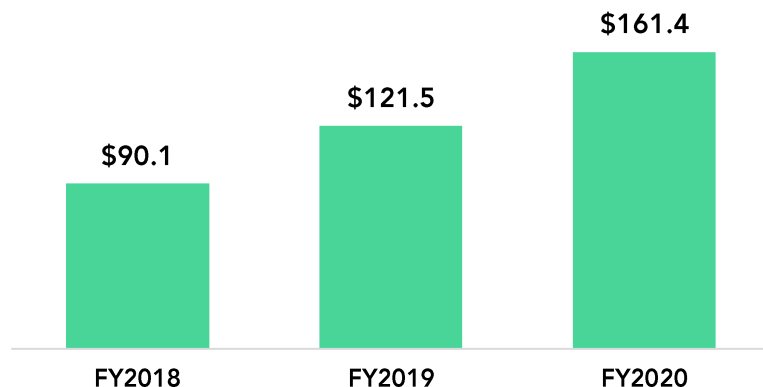
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## Key Metrics

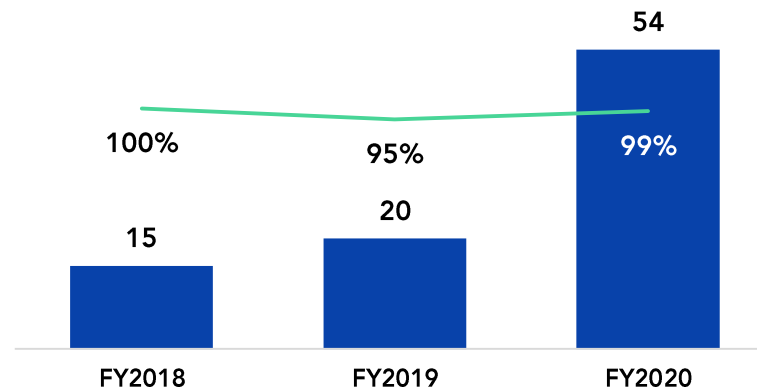
FY ends February 28

### Annual Contract Value (in millions)



Annual Contract Value ("ACV") represents the annualized value of the Company's in-force contracts as of the measurement date, including base contractual revenue and expected performance-based variable revenue

### Customer Count / Gross Dollar Retention



GDR is calculated by starting with the sum of the ACV from all employer customers, then subtracting the ACV associated with terminated employer customers during the period and dividing the result by the beginning of period ACV

## Key Statistics

### Reduction in Claims Cost

- According to a 2018 study by Aon, Accolade's primary offering reduced claims costs for:
  - An employer with more than 10,000 members by **6.5%**, or \$782 per employee per year
  - An employer with more than 100,000 members by **4.7%**, or **\$527** per employee per year

### Customers & Revenues

- Currently, Accolade has **53 customers** across industries including media, technology, financial services, transportation, energy and retail
  - These customers comprise of more than **1.5 million members**
- The Company generates revenue on a contractually recurring per-member-per-month (PMPM) fee
  - This provides it with significant revenue visibility

### Contract Length

- The Company's typical customer contract length is three years
- It has experienced gross dollar retention for its employer customers of **100%** for fiscal year ended February 28, 2018 and **95%** for fiscal year ended February 28, 2019
- Its focus on member engagement resulted in its **94%** average member satisfaction rating and a Net Promoter Score of **60**

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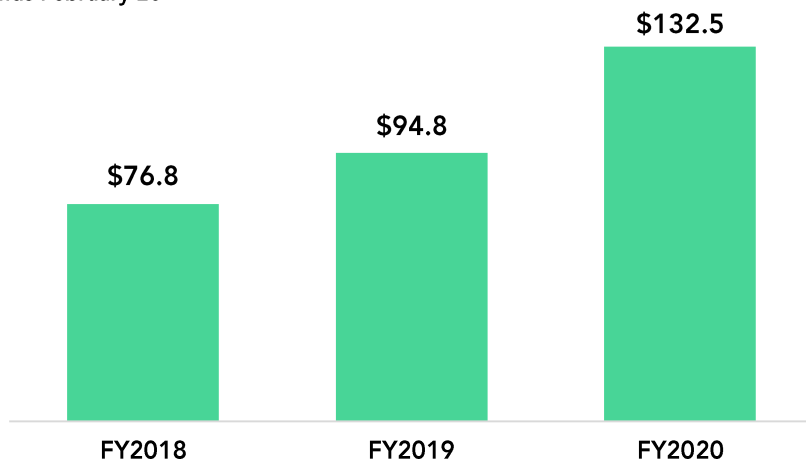
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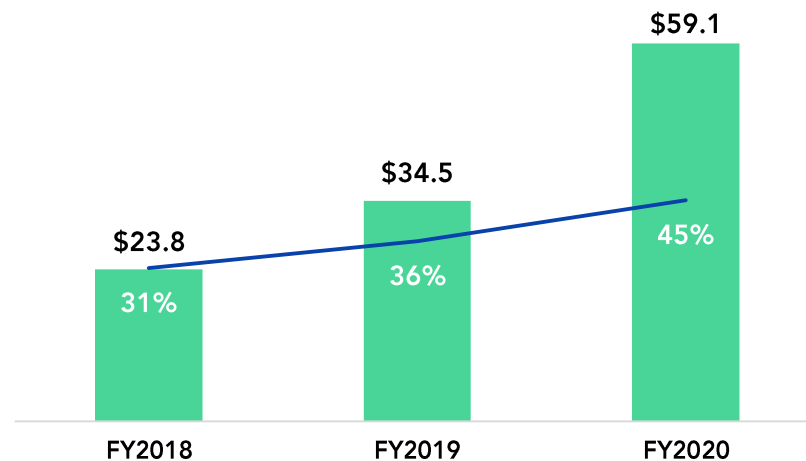
## Financial Overview

All \$ in millions  
FY ends February 28

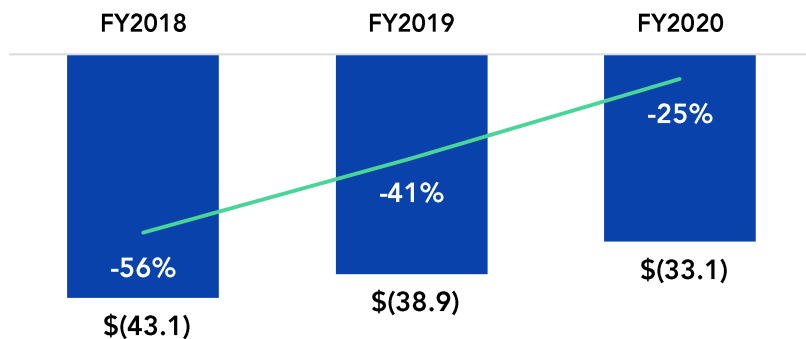
### Revenue



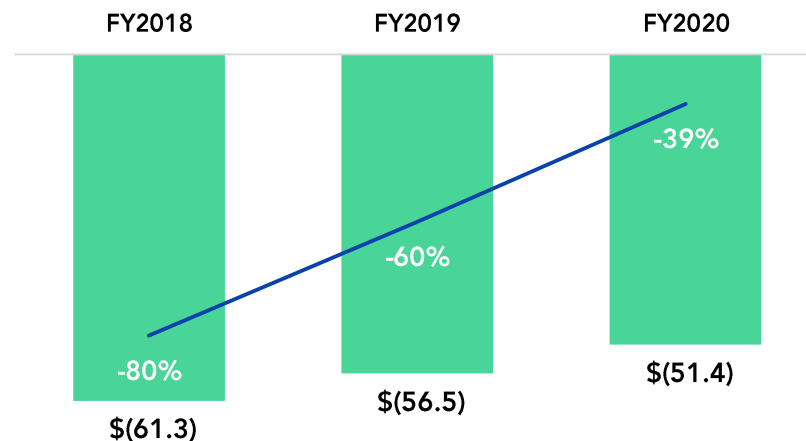
### Adjusted Gross Profit / % Margin <sup>(1)</sup>



### Adjusted EBITDA / % Margin <sup>(2)</sup>



### Net Income / % Margin



Source: Company website, prospectus

(1) Adjusted Gross Profit is a non-GAAP financial measure that we define as revenue less cost of revenue, excluding depreciation and amortization, and excluding stock-based compensation and acquisition-related costs

(2) Adjusted EBITDA is net loss adjusted to exclude interest expense (net), income tax expense (benefit), depreciation and amortization, stock-based compensation, and acquisition and integration-related costs

# Accolade Completes its IPO Raising \$221 million



## Publicly Traded Comparables

Company Name	Price 07/02/20	% MTD Change	% LTM High	Market Value (\$ mm)	Enterprise Value (\$ mm)	Multiples									Growth Rates			Margins		P / E / G CY20E
						Price / Earnings			EV / EBITDA			EV / Revenue			Revenue		EPS	EBITDA		
						LTM	CY20E	CY21E	LTM	CY20E	CY21E	LTM	CY20E	CY21E	CY20E	CY21E	LT	CY20E	CY21E	
HEALTHCARE BENEFITS ADMINISTRATION																				
ADP	\$ 150.54	1 %	83 %	\$ 64,870	\$ 65,626	32.7 x	27.8 x	24.2 x	17.8 x	19.2 x	17.4 x	4.4 x	4.6 x	4.4 x	(1)%	5 %	11 %	24 %	25 %	2.5 x
Paychex	76.59	0	85	27,592	27,728	30.4	27.3	26.0	16.4	17.7	17.2	6.8	7.1	6.9	(3)	3	6	40	40	4.5
HealthEquity	58.67	(6)	66	4,245	5,383	87.4	42.1	34.8	28.7	24.1	20.5	8.5	7.3	6.8	38	9	11	30	33	3.9
TriNet	61.71	1	80	4,175	4,271	22.6	18.2	18.2	12.9	11.4	11.9	1.1	4.4	4.6	4	(4)	na	39	39	na
Inspirity	64.30	0	44	2,493	2,499	21.9	19.0	16.4	12.0	11.2	10.3	0.6	0.6	0.5	(4)	11	15	5	5	1.3
Qualicorp	5.35	(3)	63	1,509	1,658	18.4	15.8	13.7	9.9	9.2	8.2	4.3	4.3	4.1	3	3	12	47	51	1.3
Accolade	29.70	35	na	1,386	1,448	nm	na	na	nm	na	na	10.9	na	na	na	na	na	na	na	na
Benefitfocus	11.13	(0)	39	357	535	nm	nm	nm	nm	19.1	14.5	1.8	2.1	1.9	(12)	11	na	11	13	na
Castlight Health	0.81	3	25	128	103	nm	nm	nm	nm	nm	nm	0.7	0.8	0.8	(9)	3	na	nm	nm	na
Median		0 %	65 %			26.5 x	23.1 x	21.2 x	14.6 x	17.7 x	14.5 x	4.3 x	4.4 x	4.2 x	(2)%	4 %	11 %	30 %	33 %	2.5 x
Mean		4	61			35.6	25.0	22.2	16.3	16.0	14.3	4.3	3.9	3.7	2	5	11	28	29	2.7

## Selected FT Partners Healthcare FinTech / InsurTech Research – *Click to View*



2019 InsurTech Interview Compilation



CoverWallet's Sale to Aon



InstaMed's Sale to JPMorgan Chase



Assurance's \$3.5 billion Sale to Prudential



Alan Raises ~\$54 million in Series C Financing



Cedar Raises \$102 million in Series C Financing



Flywire Acquires Simplee



Olive Raises \$51 million in Financing

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## FT Partners Advises InstaMed on its Sale to JPMorgan Chase Bank

### Overview of Transaction

- On May 15, 2019, InstaMed announced it has agreed to be acquired by JPMorgan Chase Bank, NA
- Headquartered in Philadelphia, PA, InstaMed is a leading healthcare payments network that connects providers, payers, and consumers on one platform to facilitate healthcare commerce
- Since its founding in 2004, InstaMed has offered a highly integrated experience and has grown to create a diverse solution set that meets the critical payments, engagement, and transaction processing needs of the healthcare industry
- InstaMed's secure, centralized platform alleviates a number of challenges in the healthcare payments industry, with particular focus on eliminating paper, improving the consumer financial experience, and reducing costs to collect payments

### FT Partners' Role

- FT Partners leveraged its deep domain expertise and transactional experience in the Healthcare and Payments sectors to generate a highly successful outcome for InstaMed and its shareholders
- The transaction builds on FT Partners' strong Healthcare track record following advisory roles with [Eliza](#), [Benaissance](#), [Zywave](#), [AmWINS](#), and [R1 RCM](#), among others
- This transaction also demonstrates FT Partners' continued leadership position as the "Advisor of Choice" to the most prominent FinTech companies

### Financial Technology Partners LP FTP Securities LLC

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

**InstaMed®**

*in its proposed sale to*

**JPMORGAN  
CHASE & Co.**

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## FT Partners Advises Assurance on its \$3.5 billion Sale to Prudential Financial

### Overview of Transaction

- On September 5, 2019, Prudential Financial (NYSE:PRU) announced that it has signed a definitive agreement to acquire Assurance IQ (“Assurance”)
- The acquisition includes total upfront consideration of \$2.35 billion and an additional earnout of up to \$1.15 billion in cash and equity, contingent upon the Company achieving multi-year growth objectives
- Launched in 2016, Assurance is the fastest growing direct-to-consumer InsurTech platform in history
  - Using a combination of advanced data science and human expertise, Assurance matches buyers with customized solutions spanning life, health, Medicare and auto insurance, giving them options to purchase entirely online or with the help of a technology-assisted live agent

### Significance of Transaction

- Assurance will add a large and rapidly growing direct-to-consumer channel to Prudential’s financial wellness businesses, significantly expanding the total addressable market of both companies
- Both companies will draw on respective capabilities to create a new, end-to-end engagement model geared to better serve customers
- The transaction is the largest strategic InsurTech exit in history and represents one of the fastest multi-billion dollar tech exits, as the Company was only founded in February 2016
- Assurance was funded entirely by its founders, highlighting FT Partners' ability to help under-the-radar FinTech companies achieve optimal outcomes

### FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Assurance and its board of directors
- This transaction highlights FT Partners’ deep domain expertise in the InsurTech space, and its successful track record generating highly favorable outcomes for high growth FinTech companies globally

#### Financial Technology Partners LP FTP Securities LLC

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exclusive strategic and financial advisor to*



*on its sale to*



*for total consideration of up to*

**\$3,500,000,000**



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## FT Partners Advises Next Insurance on its \$250 million Series C Financing

### Transaction Overview

- On October 7, 2019, Next Insurance announced that it has raised \$250 million in its Series C funding round from Munich Re
- Founded in 2016 and headquartered in Palo Alto, CA, Next Insurance is the leading digital insurance company for small businesses
  - Revolutionizing traditional insurance processes, Next Insurance utilizes advanced technology to offer the industry's most innovative small business insurance policies
- Munich Re is one of the world's leading providers of reinsurance, primary insurance, and insurance-related risk solutions
- In May 2018, Next Insurance announced its 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 configuration of policies

### Significance of Transaction

- The Series C round brings Next Insurance's total funding to \$381 million in just over three years, with a valuation of over \$1 billion
- The new funds will continue to help Next Insurance grow its team, develop its technology, and accelerate customer growth
- Additionally, the investment allows Munich Re to expand its footprint in the small and medium-sized business insurance market in the United States

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Next Insurance and its Board of Directors
- FT Partners also advised Next Insurance on its [\\$83 million Series B financing](#) in 2018
- This transaction underscores the long-term nature of many of FT Partners' relationships as well as our successful track record generating highly favorable outcomes for leading InsurTech companies

### Financial Technology Partners LP FTP Securities LLC

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

**NEXT**  
INSURANCE

*on its Series C financing from*

**Munich RE** 

*for total consideration of*

**\$250,000,000**

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## FT Partners Advises Eliza on its Strategic Sale

### Overview of Transaction

- On March 13, 2017, Eliza announced its strategic sale to HMS in one of the largest healthcare software deals of the year
  - HMS will acquire Eliza for a cash purchase price of \$170 million
- Headquartered in Danvers, MA and majority owned by Parthenon Capital Partners, Eliza is a leading engagement and population analytics platform integrating proprietary data assets, a deep understanding of the healthcare consumer, and omni-channel outreach technology to deliver mission-critical results for key constituents in the healthcare market
- Since its founding in 2000, Eliza has consistently been a market leader and innovator, as evidenced by more than 50 domestic and international patents and patent applications, which HMS will acquire
- HMS operates in the healthcare insurance benefit cost containment market, using innovative technology and powerful data services and analytics to cover the entire payment continuum including eligibility verification, payment accuracy, fraud prevention, cost savings, performance improvement and provider education

### Significance of Transaction

- The acquisition further expands HMS' member health and care management analytics footprint
- Eliza's engagement platform is complementary to HMS' cost containment solutions and together create a more sophisticated and integrated platform

### FT Partners' Role

- FT Partners leveraged its deep domain expertise and transactional experience in the Healthcare and Insurance Services market to generate a highly successful outcome for Eliza and its shareholders
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies

### Financial Technology Partners LP FTP Securities LLC

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

eliza

*in its sale to*

 hms

*for total cash consideration of*

**\$ 170,000,000**

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## FT Partners Advises Benaissance on its \$80 million Sale to Wex

### Overview of Transaction

- On October 15, 2015, Benaissance, LLC (“Benaissance” or the “Company”) announced it has entered into a definitive agreement to be acquired by WEX for \$80mm
- Headquartered in Omaha, NE, Benaissance is a leading provider of integrated Software-as-a-Service (SaaS) technologies and services for healthcare premium billing, payment and workflow management
  - Existing investors include Omaha-based, McCarthy Capital
- WEX is a leading, multi-channel provider of corporate payment solutions representing more than 9 million vehicles and serving a wide variety of business sectors
- The transaction is expected to close in the fourth quarter of 2015 and is subject to applicable regulatory approvals and other customary closing conditions

### Significance of Transaction

- Represents a highly-attractive outcome for both Benaissance and WEX
- Combined resources and expertise of Benaissance and WEX position the Company extraordinarily well to further its leadership in the marketplace
- Enables WEX to provide an expanded and differentiated payments solution in order to grow its addressable market opportunity and wallet share in the healthcare market
- Benaissance will be integrated with WEX’s existing Evolution1 platform creating an opportunity for potential synergies as the businesses already share a number of mutual partners and customers

### FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Benaissance and its Board of Directors
- Transaction highlights FT Partners’ continued success advising leading companies and generating highly successful outcomes in the Healthcare / Benefits IT and Services space

### 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*



*for a total consideration of*

**\$ 80,000,000**



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## FT Partners Advises Lennar on its Investment in Hippo

### Overview of Transaction

- On November 14, 2018, Lennar Corporation (“Lennar”) announced it has co-led a \$70 million minority investment in Hippo with Felicis Ventures, along with participation from all major existing shareholders
  - The investment brings the total amount of funding raised by Hippo to \$109 million
- Lennar Corporation (NYSE:LEN) is the one of the leading homebuilders in the United States
- Headquartered in Mountain View, CA, Hippo is a leading property and casualty InsurTech start-up, offering homeowners insurance as well as a number of more specialized products
- Hippo has helped cut premium costs for its customers by up to 25%, seen policy sales grow by 30% month over month, and now covers more than \$25 billion in total property value
  - Hippo is accessible to more than 50% of the US homeowner population, and that number is expected to increase to over 60% by the end of 2018

### Significance of Transaction

- With the new funding, Hippo will accelerate growth while continuing to deliver a modernized home insurance product that includes world-class customer experience on a national scale
- The transaction also offers a clear path for Lennar to continue to streamline the home buying experience for its customers

### FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Lennar
- This transaction underscores FT Partners' deep FinTech expertise and its continued success in providing buy side advisory to top-tier strategic investors

### 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*



*with participation from  
new and existing investors*

*for total consideration of*

**\$70,000,000**



*The Only Investment Bank  
Focused Exclusively on Financial Technology*

## FT Partners Advises CoverWallet on its Sale to Aon

### Overview of Transaction

- On November 20, 2019, Aon (NYSE:AON) announced that it has signed a definitive agreement to acquire CoverWallet
- Launched in 2015, CoverWallet is a leading technology company reinventing the multi-billion dollar commercial insurance market for small businesses
- Powered by deep analytics, thoughtful design, and state-of-the-art technology, the Company provides an easy way to understand, buy, and manage business insurance online
- CoverWallet offers a wide variety of commercial coverages to small businesses with numerous carrier partners nationwide
- The transaction is expected to close during the first quarter of 2020, after which the CoverWallet organization will go to market as CoverWallet, an Aon company

### Significance of Transaction

- CoverWallet will add large and rapidly growing direct-to-consumer and business-to-business channels to Aon's small commercial insurance businesses, significantly expanding the total addressable market of both companies
- The acquisition provides Aon with additional access to the fast-growing, \$200+ billion premium digital insurance market for small and medium-sized businesses, as well as the opportunity to leverage CoverWallet's platform and digital, design, technology and data science capabilities already deployed at scale
- Additionally, CoverWallet provides Aon with an experienced team and deep expertise in productizing technology in financial services

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CoverWallet and its board of directors
- This transaction highlights FT Partners' deep domain expertise in the InsurTech space, and its successful track record generating highly favorable outcomes for high growth FinTech companies globally

### Financial Technology Partners LP FTP Securities LLC

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

**coverwallet**

*on its sale to*

**AON**

FINANCIAL  
TECHNOLOGY  
PARTNERS

*The Only Investment Bank  
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FT Partners’ Recent Awards and Recognition

Bloomberg

Bloomberg

- FT Partners’ Steve McLaughlin was featured on Bloomberg / Bloomberg TV
- View the [full article](#) and watch the live [TV interview](#)



M&A Advisor Awards

- Technology Deal of the Year (2019)
- Cross Border Deal of the Year and Corporate / Strategic Deal of the Year (2018)
- Investment Banker of the Year (2017) – Steve McLaughlin, CEO & Managing Partner of FT Partners
- Investment Banking Firm of the Year (2016) – FT Partners



LendIt FinTech Industry Awards 2018:

- FT Partners wins Top Investment Bank in FinTech

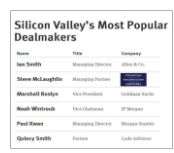
Institutional Investor



The FinTech Finance 40:

- Steve McLaughlin ranked #1 in 2017 and 2018

The Information

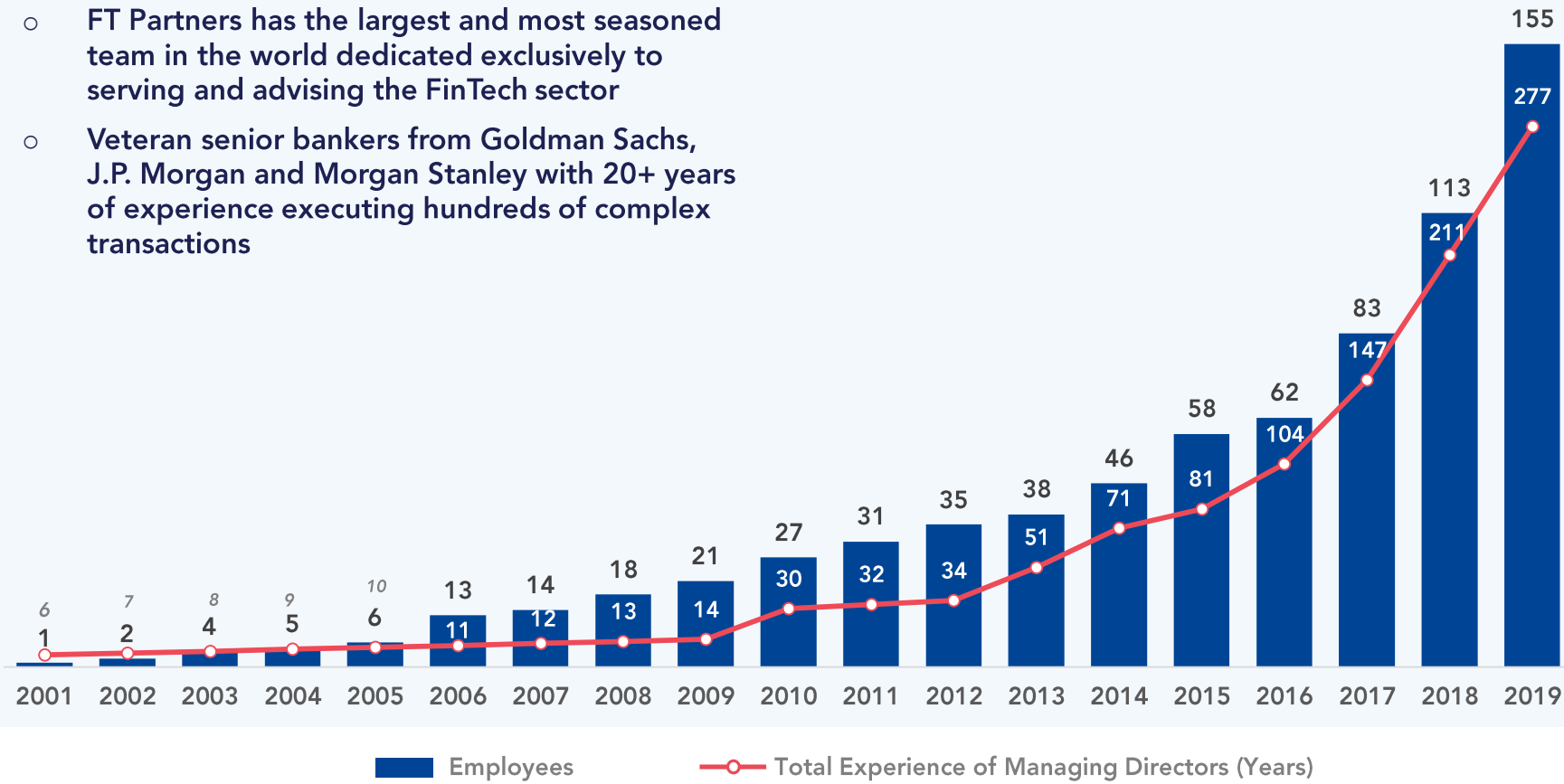


The Information's "Silicon Valley's Most Popular Dealmakers"

- Ranked as the #2 top Technology Investment Banker by The Information subscribers (2016)
- Only FinTech focused investment banking firm and banker on the list

# The Largest FinTech Advisory Practice in the World

- FT Partners has the largest and most seasoned team in the world dedicated exclusively to serving and advising the FinTech sector
- Veteran senior bankers from Goldman Sachs, J.P. Morgan and Morgan Stanley with 20+ years of experience executing hundreds of complex transactions



## 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>Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>25</b>
<b>Mohit Agnihotri</b> Managing Director	<b>J.P.Morgan</b>	<ul style="list-style-type: none"> <li>Formerly Managing Director and Global Head of Payments Investment Banking at J.P. Morgan</li> <li>Wharton M.B.A.</li> </ul>	<b>18</b>
<b>Kate Crespo</b> Managing Director	<b>RAYMOND JAMES®</b>	<ul style="list-style-type: none"> <li>Formerly with Raymond James' Technology &amp; Services investment banking</li> <li>14+ years of FinTech transaction execution experience</li> <li>Dartmouth M.B.A.</li> </ul>	<b>18</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>24</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> </ul>	<b>23</b>
<b>Randall Little</b> Managing Director	<b>J.P.Morgan</b>	<ul style="list-style-type: none"> <li>12 years as FIG / Capital Markets FinTech investment banker at J.P. Morgan</li> <li>10 years as financial services technology consultant at Sun Microsystems and Ernst &amp; Young</li> <li>NYU Stern M.B.A. (MBA w/Distinction)</li> </ul>	<b>23</b>
<b>Andrew McLaughlin</b> Managing Director	<b>Deloitte.</b>	<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>14</b>
<b>Amar Mehta</b> Managing Director	<b>J.P.Morgan</b>	<ul style="list-style-type: none"> <li>Formerly with J.P. Morgan's Technology (FinTech &amp; Technology Services) team in New York</li> <li>7+ years of FinTech transaction execution experience</li> <li>MBA from IIM-K (India), Bachelor's in Computer Engineering from NTU (Singapore)</li> </ul>	<b>15</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>20</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>17</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>24</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>18</b>