

FT PARTNERS FINTECH INDUSTRY RESEARCH

January 2, 2019



Bright Health Raises \$635 million in Series D Financing Led by NEA



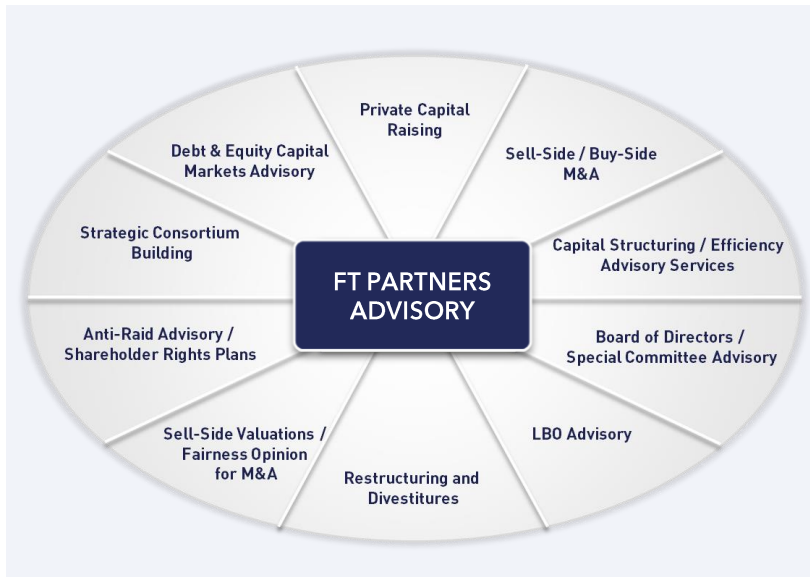
FT Partners – Focused Exclusively on FinTech

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 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"

Highly proprietary information. Unauthorized distribution without prior consent from Financial Technology Partners LP, FTP Securities LLC or FinTech Partners Limited (together "FT Partners") is strictly prohibited. The information in this report relies upon a variety of public sources, the accuracy of which cannot be guaranteed. No persons or entities should use the information in decision making without independent investigation or professional advice. This communication should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product or service, nor is it an official confirmation of any transaction, or representative of an official position or statement of Financial Technology Partners LP, FTP Securities LLC or any other related entity. FTP Securities LLC is a FINRA registered broker-dealer and FinTech Partners Limited is an FCA appointed representative. © 2019

SUBSCRIBE



Bright Health Raises \$635 million in Series D Financing

FT PARTNERS RESEARCH



Transaction Summary

Transaction Summary

- On December 17, 2019, Bright Health announced that it has closed a \$635 million oversubscribed Series D financing round led by NEA
 - Bessemer Venture Partners, Cross Creek Advisors, Declaration Partners, Flare Capital Partners, Greenspring Associates, Meritech Capital, Redpoint Ventures, and Town Hall Ventures also participated in the round
- The funds will be used to support continued aggressive growth and hiring, as well as strategic expansion across products, geographies and consumer bases
- Bright Health has now raised more than \$1 billion in total equity financing
- According to PitchBook, the latest round brings the Company's post-money valuation to \$2.2 billion

Selected Financing History

Date	Size (\$ mm)	Select Investor(s)
12/17/19	\$635	NEA; Bessemer Venture Partners; Cross Creek Advisors; Declaration Partners; Flare Capital Partners; Greenspring Associates; Meritech Capital; Redpoint Ventures; Town Hall Ventures
11/29/18	200	Declaration Partners; Meritech Capital Partners; Bessemer Venture Partners; Cross Creek Advisors; Flare Capital Partners; Greenspring Associates; Greycroft Partners; NEA; Redpoint Ventures; Town Hall Ventures
06/01/17	160	Greenspring Associates; Greycroft Partners; Redpoint Ventures; Cross Creek Advisors; NEA; Bessemer Venture Partners; Flare Capital Partners
04/06/16	80	Bessemer Venture Partners; NEA; Flare Capital Partners

Commentary

"The Series D funding marks not only a major investment in our company's future but is an affirmation from our existing investors that we have tapped into an unmet consumer demand for a better healthcare experience. Over the past four years, we have seen exceptional interest in our approach to transforming healthcare, which is reflected in our investors' continued capital support, membership growth and geographic expansion year-over-year."



Bob Sheehy
Co-Founder & CEO



"Real transformation will require disruption at every stage of the healthcare system and Bright Health designed its model with this in mind. By eliminating the friction that has traditionally existed between payers and providers, we are creating true alignment to drive down costs and improve health outcomes. This funding will bring us one step closer to creating a value-based healthcare system that streamlines the healthcare experience for the consumer."



Mike Mikan
President and Vice Chairman



"This marks NEA's fourth consecutive financing supporting Bright Health, demonstrating our unbridled enthusiastic conviction for this company. Bright Health is changing the face of healthcare in America by putting patients first; it is our great privilege to continue supporting the Company and NEA is committed to their plans for future growth."



Mohamad Makhzoumi
General Partner



Bright Health Raises \$635 million in Series D Financing

FT PARTNERS RESEARCH



Bright Health Overview

Company Overview



Co-Founder & 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 in narrow network arrangements to remove difficulty between payers and providers
 - The goal of the model is to ultimately optimize the consumer and patient experience
- As of March, Bright Health provided coverage to more than 60,000 people⁽¹⁾

Leadership



Bob Sheehy

Co-Founder & CEO

Prior to Bright: CEO of UnitedHealth Group & Executive Partner, Flare Capital



Tom Valdivia

Co-Founder & Chief Health Officer

Prior to Bright: Co-Founder of Advanced Informatics & Co-Founder of Carol Corp.



Mike Mikan

President & Vice Chairman

Prior to Bright: Chairman and CEO of Shot-Rock Capital, Interim CEO of Best Buy, VP and CFO of UnitedHealth Group

Product / Service Overview



Individual Plans

- ✓ Fully Coordinated Care
- ✓ Predictable Premiums & Out-of-Pocket Costs



Family Plans

- ✓ Preventive Care & Prescription Drug Coverage
- ✓ Curated Network of Doctors, Clinics & Hospitals



Medicare Advantage

- Bright Health plans are currently available in 22 markets in 12 states including **Alabama**, **Arizona**, **Colorado**, **Ohio**, **Tennessee**, & **New York** via its website, call center, broker partners and through government websites as well as public health insurance exchanges
- In 2020, Bright Health plans will be available in **Florida**, **Oklahoma**, **Nebraska**, **North Carolina**, and **South Carolina** to bring fully coordinated care, predictable premiums and out-of-pocket costs, and preventive care and prescription drug coverage

Care Partners



FT Partners Research – Quarterly InsurTech Insights

Q3 2019 InsurTech Insights



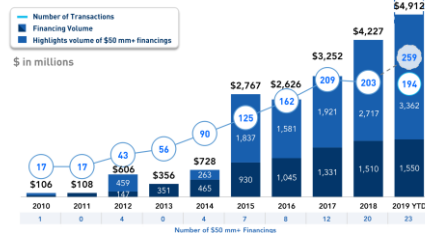
Click pictures to view report

Highlights of the report include:

- 2019 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2019 YTD
- 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

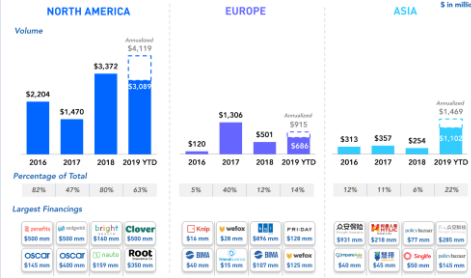
InsurTech Private Company financing volume is already at a record level in 2019 with one quarter still to go



Source: FT Partners Proprietary Transaction Database

FT PARTNERS Q3 2019 INSURTECH INSIGHTS

INSURTECH FINANCING VOLUMES BY REGION



Source: FT Partners Proprietary Transaction Database

FT PARTNERS Q3 2019 INSURTECH INSIGHTS

ALLOCATION OF INSURTECH INVESTMENTS IN Q3 2019

Selected P&C Financings			
Target	Amount (\$ in mm)	Type	
Root	\$350	Auto Insurance	
265		International Technology Development	
ELEMENT	151	AI-Assisted Underwriting	
Hippo	100	Home Insurance	
TRAKGLOBAL	50	Auto Telematics	
BriteCore	48	Software for Insurers	
kin.	47	Home Insurance	
ARCEON	37	Cyber Data & Analytics	
Zendrive	37	Auto Telematics	
BOLD	32	Commercial Insurance Software	
vouch	25	Commercial Insurance	
EVERLEADER	20	Blockchain	
Selected L&H Financings			
Target	Amount (\$ in mm)	Type	
gusto	\$200	HR, Payroll, Benefits Technology	
90		Life Insurance	
ETHOS	60	Life Insurance	
sidecar health	18	Health Insurance	
16		Healthcare Platform	
8		Health Insurance	
Selected Diversified Financings			
Target	Amount (\$ in mm)	Type	
QOMPLX	\$79	AI-Assisted Decision Making	
28		Comparison Platform	
20		Comparison Platform	
19		Comparison Platform	

Source: FT Partners Proprietary Transaction Database

FT PARTNERS Q3 2019 INSURTECH INSIGHTS

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



CoverWallet's Sale to Aon



Assurance's \$3.5 billion Sale to Prudential



InstaMed's Sale to JPMorgan Chase



Next Insurance's \$250 million Series C Financing



Change Healthcare Raises \$557 million in its IPO



Phreesia Raises \$167 million in its IPO



Waystar Acquires Recondo



Clover Health Raises \$500 million in Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Leading Advisor Across the InsurTech Landscape

Insurance Distribution

Financial Technology Partners LP
FTP Securities LLC

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



on its sale to



for total consideration of up to

\$ 3,500,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

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

Wholesale Brokerage

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as
exclusive 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

Telematics / Connected Car Solutions

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 approximately

\$ 115,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Small Business Insurance

Financial Technology Partners LP
FTP Securities LLC

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



on its Series C financing from



for total consideration of

\$ 250,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Homeowners 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

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 equity capital raise led by



for total consideration of

\$ 31,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Virtual Claims

Financial Technology Partners LP
FTP Securities LLC

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



in its Series E financing with new investors



with participation from



for total consideration of

\$ 29,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Auto Finance and Insurance Solutions

Financial Technology Partners LP
FTP Securities LLC

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



on its sale to an Affiliate of



The Only Investment Bank
Focused Exclusively on Financial Technology

Sales Automation Software

Financial Technology Partners LP
FTP Securities LLC

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



in its sale of

Zywave Insurance Solutions

to



The Only Investment Bank
Focused Exclusively on Financial Technology

Personal Lines Insurance Distribution

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



The Only Investment Bank
Focused Exclusively on Financial Technology

P&C Claims

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



The Only Investment Bank
Focused Exclusively on Financial Technology

Insurance Software

Financial Technology Partners LP
FTP Securities LLC

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



We Simplify Selling Insurance

in its sale to



The Only Investment Bank
Focused Exclusively on Financial Technology

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.**

FINANCIAL
TECHNOLOGY
PARTNERS

*The Only Investment Bank
Focused Exclusively on Financial Technology*

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



*The Only Investment Bank
Focused Exclusively on Financial Technology*

FT Partners Advises Eliza on its \$170 million Strategic Sale to HMS

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

FINANCIAL
TECHNOLOGY
PARTNERS

*The Only Investment Bank
Focused Exclusively on Financial Technology*

FT Partners Advises Assurance on its \$3.5 billion Sale

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

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



on its sale to



for total consideration of up to

\$3,500,000,000



*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

2019 Technology Deal of the Year

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+

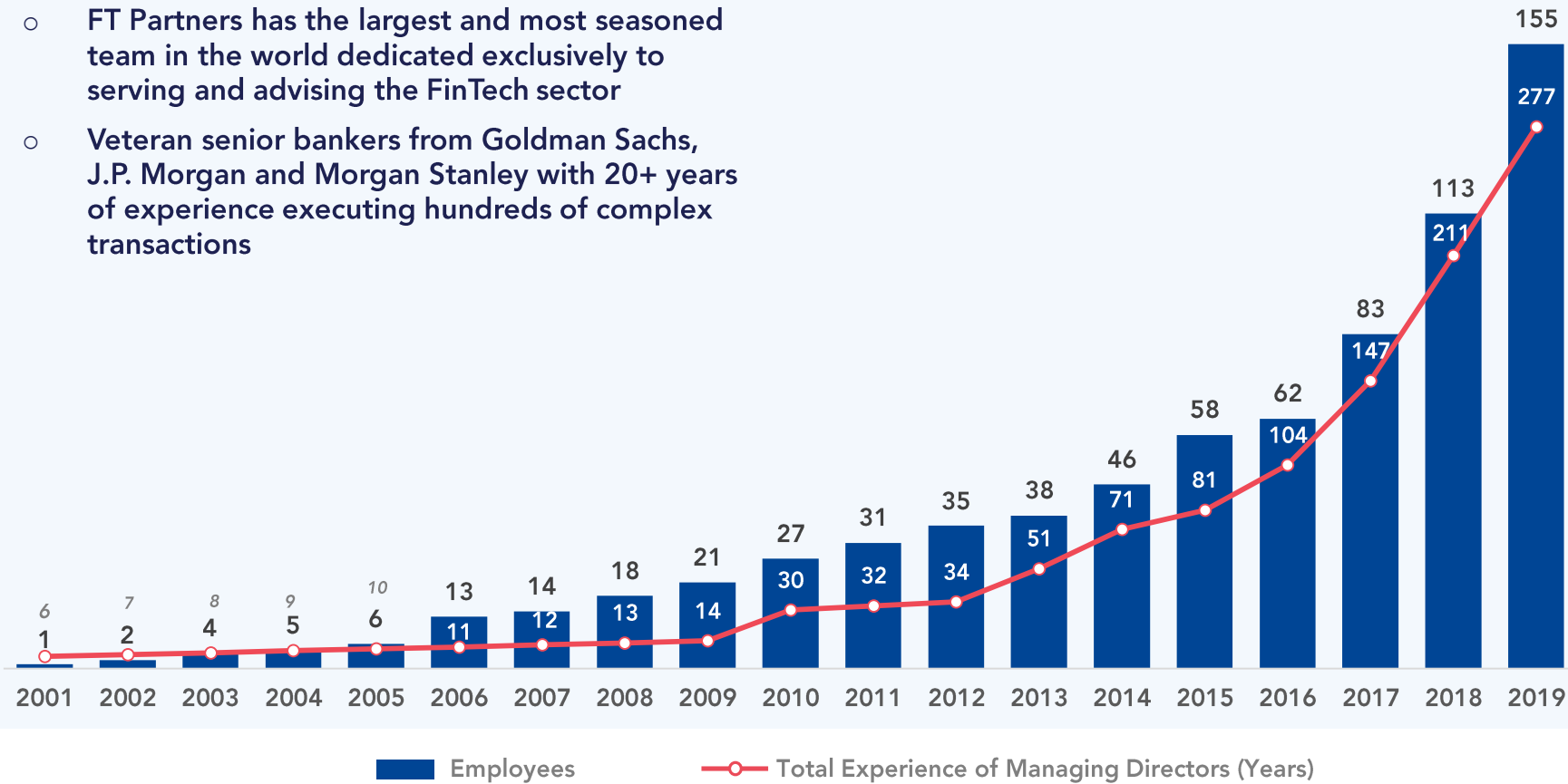
2004 Investment Bank of the Year

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 Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	24
Mohit Agnihotri Managing Director	J.P.Morgan	<ul style="list-style-type: none"> Formerly Managing Director and Global Head of Payments Investment Banking at J.P. Morgan Wharton M.B.A. 	17
Kate Crespo Managing Director	RAYMOND JAMES®	<ul style="list-style-type: none"> Formerly with Raymond James' Technology & Services investment banking 13+ years of FinTech transaction execution experience Dartmouth M.B.A. 	17
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. 	23
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 	22
Randall Little Managing Director	J.P.Morgan	<ul style="list-style-type: none"> 12 years as FIG / Capital Markets FinTech investment banker at J.P. Morgan 10 years as financial services technology consultant at Sun Microsystems and Ernst & Young NYU Stern M.B.A. (MBA w/Distinction) 	23
Andrew McLaughlin Managing Director	Deloitte.	<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	13
Amar Mehta Managing Director	J.P.Morgan	<ul style="list-style-type: none"> Formerly with J.P. Morgan's Technology (FinTech & Technology Services) team in New York 7+ years of FinTech transaction execution experience MBA from IIM-K (India), Bachelor's in Computer Engineering from NTU (Singapore) 	15
Mike Nelson Managing Director		<ul style="list-style-type: none"> Formerly head of FinTech M&A at SunTrust Robinson Humphrey Kellogg M.B.A. 	19
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 	16
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 	23
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. 	17

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



Average Experience of Managing Directors (Years)

