

FT PARTNERS FINTECH INDUSTRY RESEARCH

May 26, 2020



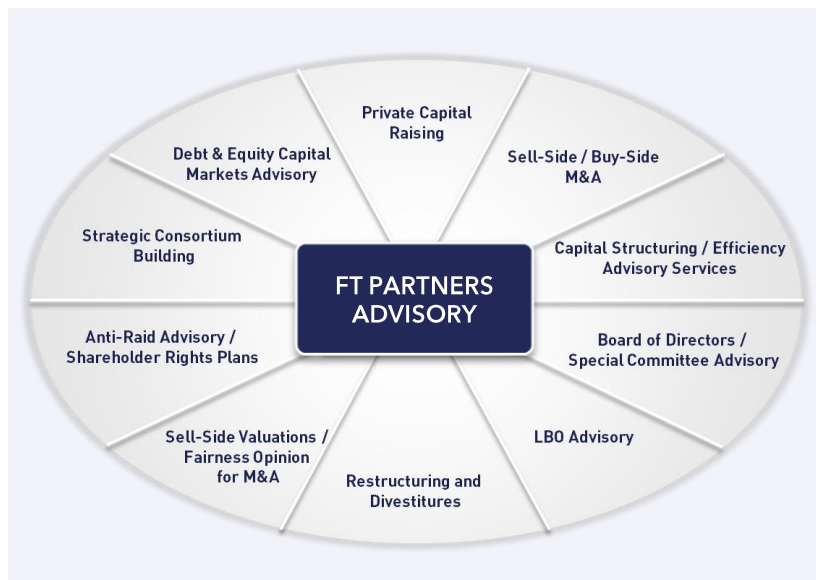
Coalition Raises \$90 million in Series C Financing Led by Valor Equity Partners

VALOR
EQUITY
PARTNERS

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

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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Coalition Raises \$90 million in Series C Financing



Transaction Summary

Transaction Summary

- On May 20, 2020, Coalition, a leading cyber insurance and security company, announced that it has raised \$90 million in Series C financing led by Valor Equity Partners
 - New investors Felicis Ventures and Greyhound Capital as well as all of the Company's existing investors also participated in the round
 - This is the largest ever cyber insurance funding round
 - The financing brings the Company's total funding to ~\$140 million
- Funds will be used to target three key areas: cybersecurity access, international expansion, and new products
- Coalition's customer base passed 25,000, increasing 600% from the prior year, making it one of the largest providers of cyber insurance and security in the United States

Selected Financing History

Announce Date	Selected Investor(s)	Amount (\$ in mm)
05/20/20	Valor Equity Partners; Felicis Ventures; Greyhound Capital	\$90
05/09/19	Greenoaks Capital Partners; Hillhouse Capital Group; Ribbit Capital	40
02/28/18	Ribbit Capital; Valor Equity Partners; Vy Capital	10

Transaction Commentary

"Cybersecurity isn't a technology problem, it's a risk management problem. Traditional cybersecurity technology such as firewalls and antivirus were designed to protect networks, not businesses. Coalition protects an entire business by offering cybersecurity-as-a-service without any additional hardware or software, security and incident response services, and comprehensive insurance cover of up to \$15 million."



Joshua Motta
Co-Founder and CEO



"We view Coalition as a category-defining company that is fundamentally changing the way organizations engage with insurance. Coalition is one of the fastest growing insurance technology companies despite raising a fraction of the capital of its peers."



Antonio Gracias
Founder and CEO



"The future of cyber insurance is in integrated solutions to protect against cyber incidents across all asset types. Coalition is uniquely positioned to challenge the status quo of insurance by unraveling the complexity of modeling and pricing cyber as a peril."



Sundeep Peechu
Managing Director



Coalition Raises \$90 million in Series C Financing



Coalition Overview

Company Overview



Co-Founder & CEO:	Joshua Motta
Headquarters:	San Francisco, CA
Founded:	2017

- Coalition provides small to mid-size businesses with up to \$15 million of comprehensive cyber and technology error and omissions insurance and a full suite of cybersecurity products
- Coalition partners with affinity programs, broker platforms, hosting providers, and eCommerce / SaaS platforms to provide its cyber insurance and risk management solutions
- Coalition's products and services are currently available in all 50 states and the District of Columbia
- As a managing general agent (MGA), Coalition's insurance coverage products are underwritten by A+ / A rated insurers Swiss Re Corporate Solutions and Argo Group

Management Overview



Joshua Motta
Co-Founder & CEO



Doug Ireland
Head of Finance



Shawn Ram
Head of Insurance



Wilson Zhao
Head of Special Projects

Products & Services

Insurance Coverage

3rd Party Liability Coverages

- Network & Information Security Liability
- Regulatory Defense & Penalties
- Multimedia Content Liability
- PCI Fines & Assessments
- Technology Errors & Omissions
- Bodily Injury & Property Damage

1st Party Liability Coverages

- Bodily Injury & Property Damage
- Pollution
- Computer Replacement
- Fund Transfer Fraud
- Service Fraud
- Digital Asset Restoration
- Business Interruption & Extra Expenses
- Cyber Extortion
- Breach Response
- Crisis Management & Public Relations

All policies include:



Worldwide Coverage



Cyber Terrorism Coverage



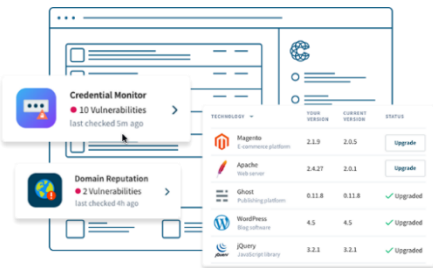
IoT Device Coverage



Social Media Coverage

Cybersecurity Platform

Coalition offers a full suite of security apps for its insurance customers



- Credential Monitor
- Ransomware Prevention
- Patch Manager
- Threat Monitor
- DDoS Mitigation
- HackerOne Response

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Selected FT Partners InsurTech Research – *Click to View*



CoverWallet's Sale to Aon



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



Next Insurance's \$250 million Series C Financing



Assurance's \$3.5 billion Sale to Prudential



Bestow Raises \$50 million in Series B Financing



Policygenius Raises \$100 million in Series D Financing



Alan Raises \$54 million in Series C Financing



Bought By Many Raises \$97 million in Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

New FT Partners Research – Quarterly InsurTech Insights

Q1 2020 InsurTech Insights



Click pictures to view report

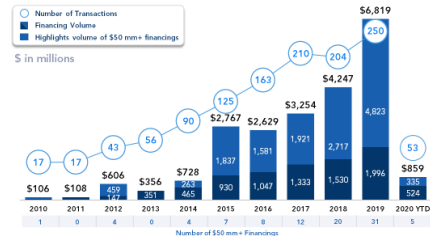
Highlights of the report include:

- Q1 2020 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2020 YTD
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

Q1 2020 INSURTECH INSIGHTS

InsurTech Financing Activity: Annually

Financing deal count in Q1 2020 was generally in-line with past quarters, while overall dollar volume was the lowest since Q2 2018

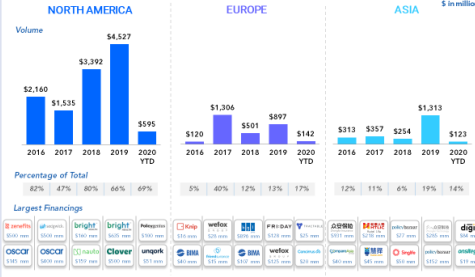


Source: FT Partners Proprietary Transaction Database

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Q1 2020 INSURTECH INSIGHTS

InsurTech Financing Volumes by Region



Source: FT Partners Proprietary Transaction Database

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Q1 2020 INSURTECH INSIGHTS

Allocation of InsurTech Investments – P&C, Life, Health, Diversified (cont.)


















Selected P&C Financings			Selected Diversified Financings		
Target	Amount (\$ in mm)	Type	Target	Amount (\$ in mm)	Type
Clearcover	\$50	Auto Insurance	Policygenius	\$100	Diversified Insurance Comparison Platform
zebra	39	Online Agency	digit	\$84	Diversified Insurance Comparison Platform
atbay	34	Cyber Insurance Provider	unqork	\$1	Enterprise Application Development
CORVUS	32	Commercial Insurance	INSTANDA	20	Diversified Insurance Underwriting Platform
gabi	27	Cyber & Home Insurance Comparison Tool	socotra	15	Insurance Core Technology Platform
TRACTABLE	25	All for Claims	15	Diversified Insurance Tech Solutions	
Insurify	23	Cyber & Home Insurance Quotes	Selected Health Financings		
Concursus	20	Managed Analytics	Target	Amount (\$ in mm)	Type
Selected Life Financings			JUSTWORKS	\$50	HR, Payroll, Benefits Technology
Target	Amount (\$ in mm)	Type	HealthJag	30	Benefits Platform
Ladder	\$38	Digital Life Insurance	zipari	23	Health Insurance Consumer Experience Platform
PolicyMe	3	Life Insurance Comparison Platform	ANAGRAM	9	Out-Of-Network Health Insurance Benefits
mutuumtu	1	Digital Life Insurance	GoHealth	5	Health Insurance Provider

Source: FT Partners Proprietary Transaction Database

FT PARTNERS RESEARCH

Selected Large Strategic InsurTech M&A Transactions

FT Partners has advised on 2 of the top 3 largest InsurTech exits, including Assurance's \$3.5 billion sale to Prudential and SquareTrade's \$1.4 billion sale to Allstate


Announce Date		Target	Acquirer	Exit Value (\$ mm)
Sep '19	FT Partners Advised	 ASSURANCE	 Prudential	\$3,500 ⁽¹⁾
Aug '19		 IPIPELINE <small>INSURANCE ACCELERATED</small>	 ROPER	1,625
Nov '16	FT Partners Advised	 square trade	 Allstate	1,400
Mar '19		 TRANZACT	WillisTowers Watson 	1,400 ⁽²⁾
May '11		 esurance	 Allstate	1,010
Oct '13		 THE CLIMATE CORPORATION	MONSANTO 	930
July '17		 StateNational	MARKEL®	919
Sep '13		 Homesite <small>HOME INSURANCE</small>	 AMERICAN FAMILY INSURANCE	660
Aug '18		 InfoArmor	 Allstate	525
Apr '11		 Explore <small>a Solera company</small>	Solera	520
Mar '17		 SB Simply Business	TRAVELERS 	490
Oct '18		 QuoteWizard®	 lendingtree	370
Aug '17		 Sequel	 Verisk	321
Oct '17		CYENCE	 GUIDEWIRE	275

(1) Value represents an upfront price of \$2.35 bn and an earnout of up to \$1.15 bn

(2) Value represents an upfront price of \$1.2 bn and a \$200 mm earnout

Selected Fastest Multi-Billion Dollar Strategic Tech Exits

FT Partners advised Assurance on its \$3.5 billion sale to Prudential, which represents one of the fastest multi-billion dollar tech exits in history




















Target	Acquirer	Exit Date	Founding Date	Months to Exit	VC Funding (\$ mm)	Exit Value (\$ mm)
 PLAID		Jan '20	May '13	80	\$309	\$5,300
		Nov '19	Oct '12	85	38	4,000
		Sep '19	Feb '16	43	Zero	3,500 ⁽¹⁾
		Jun '19	Jan '12	89	281	2,600
		Apr '18	Nov '13	53	444	1,200
		May '17	Sep '11	68	286	3,400
		Sep '16	Apr '14	29	570	3,300
		May '16	Oct '13	31	19	1,000
		Nov '14	May '09	66	Zero	2,500
		Oct '14	Jan '09	69	61	22,000
		Jul '14	Jul '12	24	91	2,000
		Feb '14	May '10	45	145	3,200
		Jun '13	May '07	73	67	1,200
		Aug '12	Oct '10	22	58	1,000
		Jul '12	Sep '08	46	143	1,200
		Nov '06	Feb '05	21	12	1,700
		Oct '05	Aug '03	26	20	2,600

Source: BizJournals, CB Insights, PitchBook

(1) Value represents an upfront price of \$2.35 bn and an earnout of up to \$1.15 bn

Significant Experience Advising Large Financing Rounds and “Unicorns”

FT Partners has a history of advising on some of the largest financing transactions in the FinTech space, and representing numerous FinTech “Unicorns” above \$1 billion valuations

Company	Amount Raised
 GreenSky™	\$1,560,000,000*
 stone ^{co.}	1,545,000,000*
 XavidaXchange	956,000,000*
 MERCURY®	420,000,000
 MARQETA	355,000,000*
 NEXT INSURANCE	333,000,000*
 Remitly	289,000,000*
 Liquidnet	250,000,000
 square trade ^{protection plans}	238,000,000
 checkout.com	230,000,000
 better.com	160,000,000
 nmi	150,000,000
 ADDEPAR	140,000,000
 Kabbage	135,000,000
 BlueVine	102,500,000
 MoneyLion	100,000,000
 POYNT	100,000,000
 CHROMERIVER	100,000,000
 Fawry	100,000,000

Selected Prominent Investors in FT Partners Led Rounds



* Total includes multiple financing rounds

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

*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



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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 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



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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
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coverwallet

on its sale to

AON

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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

A small chart titled "Silicon Valley's Most Popular Dealmakers" showing a list of names and their titles. The names listed are: Steve McLaughlin, Michael Bishop, Rick Wirtz, Paul Rosen, and Quincy Smith. Their titles are: Managing Director, Vice President, Vice Chairman, Managing Director, and Partner, respectively.

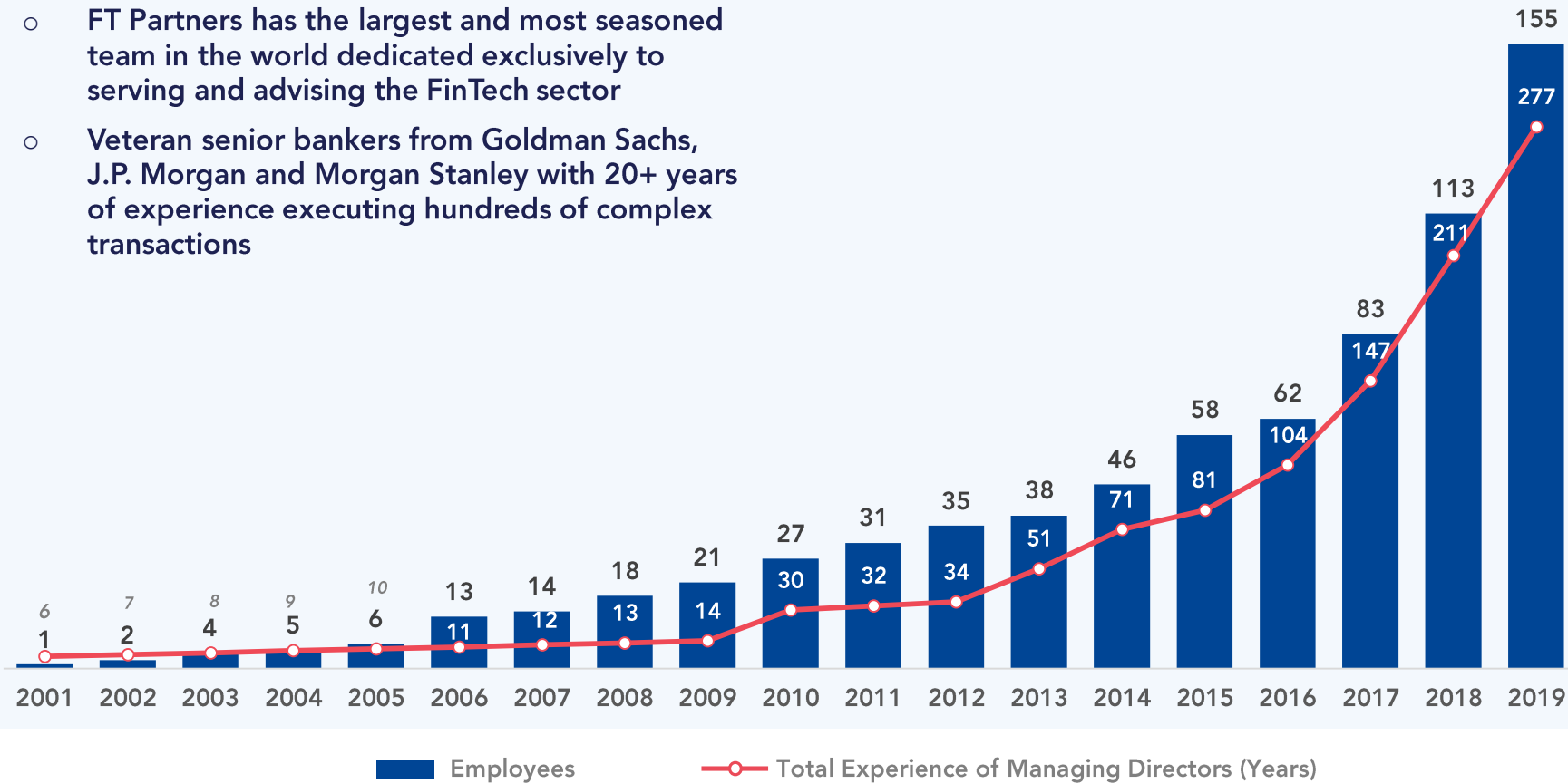
Silicon Valley's Most Popular Dealmakers		
Name	Title	Company
Steve McLaughlin	Managing Director	FT Partners
Michael Bishop	Vice President	Goldman Sachs
Rick Wirtz	Vice Chairman	JP Morgan
Paul Rosen	Managing Director	Wells Fargo
Quincy Smith	Partner	Credit Suisse

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



Average Experience of Managing Directors (Years)



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. 	25
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. 	18
Kate Crespo Managing Director	RAYMOND JAMES®	<ul style="list-style-type: none"> Formerly with Raymond James' Technology & Services investment banking 14+ years of FinTech transaction execution experience Dartmouth M.B.A. 	18
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. 	24
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 	23
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 	14
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. 	20
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 	17
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 	24
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. 	18