

FT PARTNERS FINTECH INDUSTRY RESEARCH

June 1, 2018

INSURTECH CEO INTERVIEW:



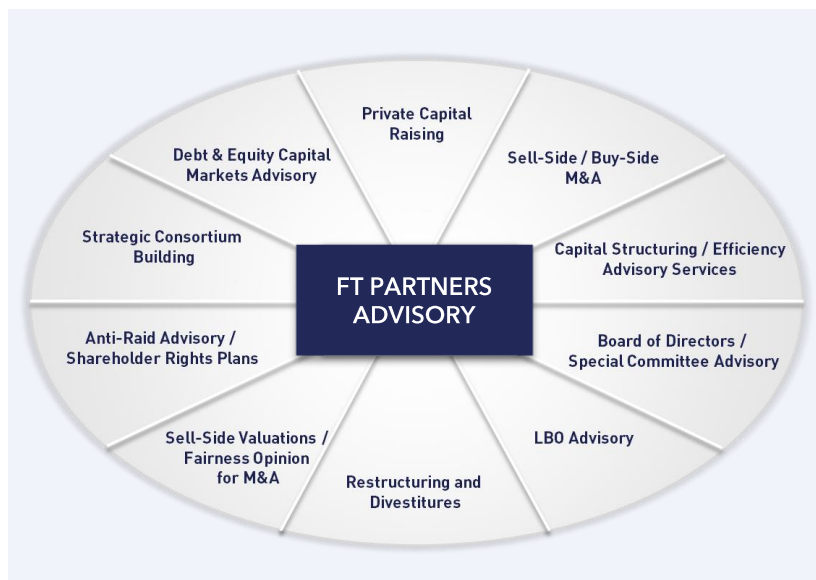
with CEO Kevin Dunn

Benefits & HR Services

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 15 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"

Steve McLaughlin: Founder & CEO

Tel: 415.992.8880

steve.mclaughlin@ftpartners.com

SUBSCRIBE



Decisely Overview



Company Overview



CEO:	Kevin Dunn
Headquarters:	Alpharetta, GA
Founded:	2015

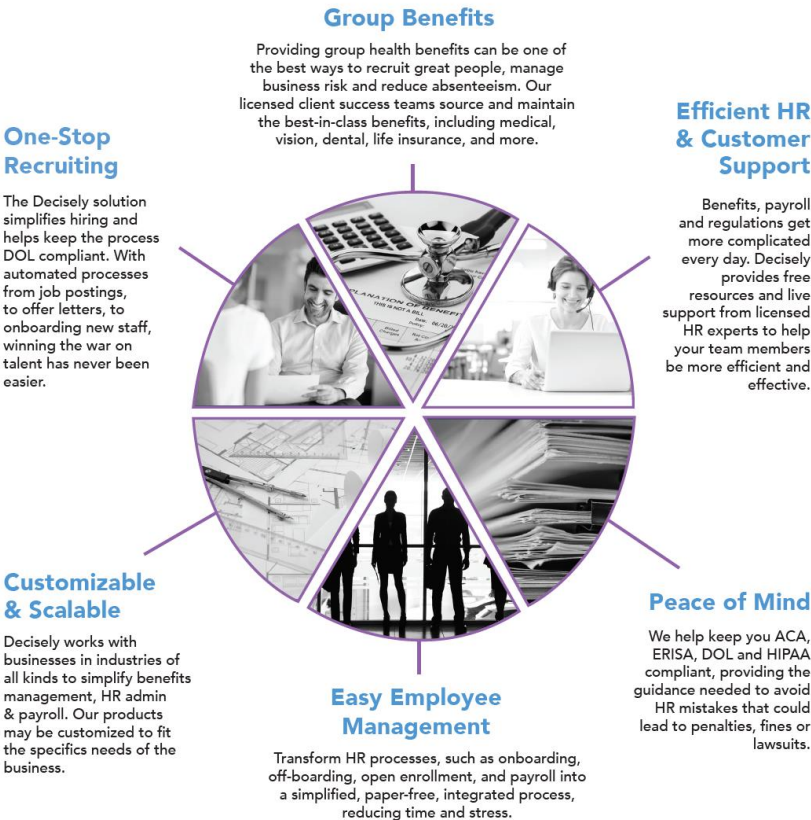
- Decisely is a benefits brokerage and HR services firm specializing in integrated technology solutions for small businesses
- Decisely partners with brokers, franchises and associations to help them better serve their small business clients
- Decisely provides a turnkey platform offering healthcare benefits, recruiting, HR admin, compliance and payroll functionalities

Selected Financing History

Date	Size (\$ mm)	Selected Investor(s)
03/30/17	\$60	Sightway Capital; Oak Hill Capital Partners

Products & Services Overview

Decisely delivers a painless benefits / HR experience from start to finish



Interview with Kevin Dunn



Kevin Dunn

Co-Founder & Chief
Executive Officer

What is your background and what motivated you to start Decisely?

I have over twenty years of experience in e-commerce and online product and service distribution, including not only building the award-winning Delta.com, but developing and implementing the strategy and marketing for Mercer Health and Benefits' private exchange technology. We started Decisely because small businesses have carried the burden of multiple, disparate human resources vendors for too long. Decisely has built a modern, integrated all-in-one solution that is also broker-friendly. The small business segment has typically been underserved or more difficult to service profitably. Decisely was built by brokers, for brokers to be a partner and help brokers serve this business segment effectively, efficiently and profitably.

Who does Decisely serve, and what problem do you solve for them?

Our market is small business, with a sweet spot in the 2-100 employee segment. We partner with brokers, franchises and associations to help them solve their small business challenges, which may include serving these businesses profitably, helping to develop new revenue streams for P&C brokers by helping them develop employee benefit programs, and developing Association Health Plans for brokers' franchise and trade association clients without joint-liability concerns.

You've broadened the conventional definition of a client-broker relationship by incorporating a proprietary software platform. What capabilities does your platform provide clients?

We have found that small businesses are unique compared to other broker clients; often they have a need for products and services outside of benefits. The Decisely platform has been developed to meet client needs from recruit to retire. Our services include recruiting and talent assessment, onboarding, payroll integration, benefits sourcing and administration, document management, student loan forgiveness and refinancing, 401(k) and individual retirement solutions and offboarding. Clients may use any or all of these integrated services for more efficient business administration and the cloud-based system allows us to integrate with our clients' other vendors to provide a seamless flow of information which helps create significant time savings.



Exclusive CEO Interview – Kevin Dunn

How does clients' use of your platform facilitate Decisely's work with them?

Small business clients and broker partners find that the Decisely platform is extremely easy to use; with an integrated service offering from recruit to retire, clients are able to manage most of their HR and benefits administration functions from one platform. The difference from other providers, and key to Decisely success, however, is the client support. Every client receives direct access to a core team of client support, from relationship manager to client service coordinator, for the life of the relationship; clients can count on the support of a Decisely team dedicated to their success at managing their benefits and HR functions effectively and efficiently.

Small businesses can also choose to directly license HR software, independent of their broker relationship. What are you finding about businesses' preferences for an integrated relationship vs. keeping a separation between technology and brokerage services?

While small businesses can, indeed, license HR software separately from their broker relationship, the key to managing business records efficiently is integration in a single platform. When Decisely clients are able to recruit, onboard and enroll their new team members from a single platform, they eliminate the double entry associated with multiple platforms. We have learned that the most important commodity to a small business person is time – when we can give them some time back, they can spend it more effectively, managing the tasks that help them generate revenue.

Tell us about your business model and how Decisely gets paid for the services it provides to clients?

Decisely is a benefits brokerage and is compensated in the same way as other brokerage firms, through commissions from the insurance carriers. Use of the Decisely platform is, for the most part, free and comes with the benefits programs. There are also optional software-as-a-service modules available on our platform such as recruiting and applicant tracking, for which we charge an additional fee.



Exclusive CEO Interview – Kevin Dunn

Instead of trying to acquire customers directly in competition with other benefits brokers, you've chosen to partner with larger brokers. What's your pitch to brokers and how do you work together with them?

Brokers have a variety of challenges regarding their small business portfolio, but it generally comes down to making the economics work: profitably servicing small businesses within their center of influence. No one platform has addressed the needs of brokers across the small business employee benefits market in all four quadrants: general agent/carrier management, agency and client management, benefits administration solutions and implementation, and the HR functions of a human capital management system. Decisely has created this integrated solution for the brokerage industry, to help them deliver to their clients profitably. Additionally, Decisely has provided an option to return clients to partner brokers at a predetermined growth level. We have always found the B2B2C model more efficient and productive to all constituents.

How receptive have larger brokers been, and what can you share about partnerships you already have in place?

We have established a number of high-profile partnerships with clients around the US, from the largest national brokerage houses to superregionals to smaller brokers seeking to improve their margins. These brokers work with us in a number of different ways, but all have the same goal of improving their overall profitability and EBITDA. We manage their small business clients as long as they are small and offer to return the clients to them when they reach an agreed-upon size, generally in excess of 100 employees, so the clients have access to broker services more appropriate to mid-to large size businesses, and the broker benefits from the relationship with a larger company.



Exclusive CEO Interview – Kevin Dunn

You've also been working directly with franchise operators and associations. How do those relationships work, and how have they helped increase overall availability of health insurance and other benefits?

Providing association and franchise members access to group health benefits is one of my proudest moments at Decisely. Hand in hand with our broker partners, we work with these organizations to establish trusts and source benefits for members, while keeping at arm's length from the corporate parent. This helps them serve their franchisees or members with access to more affordable, better group health benefits, and help recruit and retain their key team members. The results are telling: among one of our early AHP clients, 35% of franchise owners were able to offer group health benefits to their employees for the first time. The average per-employee savings amounted to \$1,000 per year, which is a substantial savings for an hourly employee. Among those franchise employees who had previously offered group benefits, an additional 35% were able to augment with additional benefits such as dental, vision, life or disability. Finally, because we are able to source benefits against a larger population, the benefits are better; we've heard of employees who are in grateful tears because of access to better care and services.

Decisely could also license its software independent of benefits brokerage, but you've chosen not to do that. Why did you make that decision?

The Decisely platform has been developed to work in harmony – together, the people, process and technology deliver a highly efficient product to clients and to partners. At some point, we expect we will take the "music" apart and offer the software to new bands of brokers and carriers; after all, we work with franchisors and franchisees routinely and know how that business model works.



Exclusive CEO Interview – Kevin Dunn

You announced \$60 million of funding last year. Tell us about your investors and why you secured so much funding to launch the business?

The \$60 million in funding from Sightway Capital, a Two Sigma company, and Oak Hill Capital Partners, is being used to make benefit insurance, HR and employee administration and management simple and painless for small business. Decisely continues to build out its platform, augment with new services and vendor partnerships and make its solution as integrated and simple as needed for small businesses, to help them become more effective and efficient with their time and money. Decisely has also acquired books of business. We have found that some brokers want to sell their unprofitable small book or dump their current small business vendor for competitive reasons and asked Decisely to now service and return clients back to the broker when they become mid-sized business opportunities.

What advice would you offer to other InsurTech entrepreneurs?

First, the back-office is the most important part of a broker's business. You have to be a broker to appreciate it and understand the complexity involved with carriers and small business employee customer service. Second, be in it for the long-haul... it takes ten years to be an overnight success.

Selected FT Partners InsurTech Research – *Click to View*



SquareTrade's \$1.4 billion Sale to Allstate



Automatic's \$115 million Sale to SiriusXM



Goji's \$15 million Financing Round Led by HSCM Bermuda



Q1 2018 InsurTech Quarterly Insights



InsurTech CEO Interview: Cape Analytics



InsurTech CEO Interview: Hippo



InsurTech CEO Interview: BriteCore



InsurTech CEO Interview: Understory

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners Research – Q1 2018 InsurTech Insights

Q1 2018 InsurTech Insights



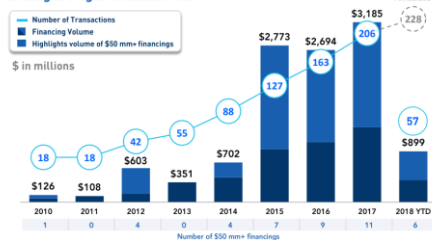
Click pictures to view report

Highlights of the report include:

- Q1 2018 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions so far in 2018
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech

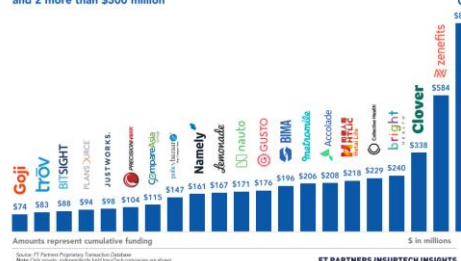
INSURTECH FINANCING ACTIVITY: ANNUALLY

InsurTech Private Company financing volume and number of transactions rose to a record level in 2017, but 2018 is already tracking at a higher annualized rate



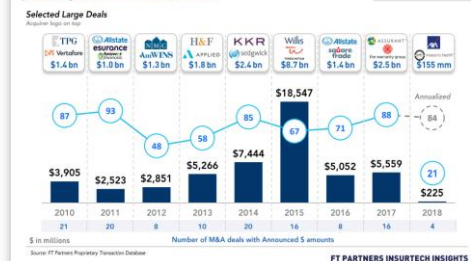
CUMULATIVE FINANCING OF PRIVATE INSURTECH COMPANIES

16 InsurTech ventures have now each raised \$100 million or more in cumulative financing, of which 8 have raised more than \$200 million and 2 more than \$500 million



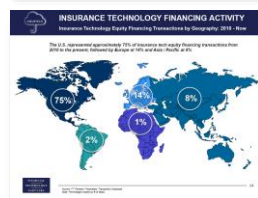
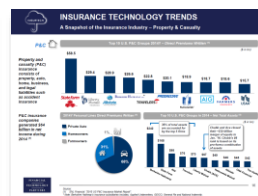
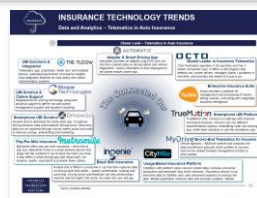
INSURTECH M&A ACTIVITY

Announced M&A volume is off to a relatively slow start in 2018; however, the number of transactions remains in line with previous years on an annualized basis



FT Partners Research – InsurTech Industry Report

Prepare for the InsurTech Wave: Overview of Key InsurTech Trends



FT Partners' 269-page report provides an in-depth look at the major waves of innovation and disruption that are beginning to radically alter the insurance industry.

Additional highlights of the report include:

- An analysis of specific trends across: Insurance Distribution, Sales, Marketing and Engagement, Data and Analytics and Insurance Administration
- The responses of incumbents to date including the innovations, investments, partnerships and acquisitions being made to stay ahead of the game
- Proprietary InsurTech financing and M&A statistics and a comprehensive list of transactions in the space
- A detailed industry landscape of InsurTech providers as well as other innovative, tangential companies and profiles of 54 companies operating in the InsurTech ecosystem

Leading Advisor Across the InsurTech Landscape

Consumer Protection Plans

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



for total consideration of

\$ 1,400,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Telematics / Connected Car Solutions

Financial Technology Partners LP
FTP Securities LLC

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



AUTOMATIC

in its sale to



for total consideration of approximately

\$ 115,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Online Small Business Insurance

Financial Technology Partners LP
FTP Securities LLC

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



in its equity capital raise led by



for total consideration of

\$ 31,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Sales Automation Technology & Platform

Financial Technology Partners LP
FTP Securities LLC

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



**INSURANCE
TECHNOLOGIES**

in its sale to

MOELIS CAPITAL PARTNERS



The Only Investment Bank
Focused Exclusively on Financial Technology

Largest Wholesale Brokerage in U.S.

Financial Technology Partners LP
FTP Securities LLC

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



in its growth recapitalization by



NEW MOUNTAIN CAPITAL LLC

valued at approximately

\$ 1,300,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Auto Finance and Insurance Solutions

Financial Technology Partners LP
FTP Securities LLC

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

SAFE-GUARD

on its sale to an Affiliate of



The Only Investment Bank
Focused Exclusively on Financial Technology

Agency Management / Marketing Technology

Financial Technology Partners LP
FTP Securities LLC

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

ZYWAVE

in its sale of

Zywave Insurance Solutions

to



The Only Investment Bank
Focused Exclusively on Financial Technology

Life & Annuity Technology Solutions

Financial Technology Partners LP
FTP Securities LLC

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



We Simplify Selling Insurance

in its sale to

iPipeline



The Only Investment Bank
Focused Exclusively on Financial Technology

Online Personal Lines Insurance Agency

Financial Technology Partners LP
FTP Securities LLC

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

Goji

in its financing led by



**HSCM BERMUDA
MANAGEMENT COMPANY**

for total consideration of

\$ 15,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

SaaS / Claims for Property & Contents

Financial Technology Partners LP
FTP Securities LLC

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

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in its sale to



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Focused Exclusively on Financial Technology

Award-Winning Investment Banking Franchise Focused on Superior Client Results

Institutional Investor
Institutional Investor
Annual Ranking

2017
2015 - 2016
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"

I The Information

2016

- Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year – 2017
- Investment Banking Firm of the Year – 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year – 2015
- Technology Deal of the Year – 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm – 2014
- Dealmaker of the Year – 2012
- Professional Services Deal of the Year, Above \$100 mm – 2012
- Boutique Investment Bank of the Year – 2011
- Deal of the Decade – 2011
- Upper Middle Market Deal of the Year, Above \$500 mm – 2010
- IT Services Deal of the Year, Below \$500 mm – 2010
- Cross-Border Deal of the Year, Below \$500 mm – 2010
- Dealmaker of the Year – Steve McLaughlin – 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm – 2007
- Financial Services Deal of the Year, Above \$100 mm – 2007
- Investment Bank of the Year – 2004



Middle Market
Financing Awards

2006 - 2008

- Equity Financing Dealmaker of the Year – Steve McLaughlin – 2008
- Information Technology Deal of the Year – 2008
- Financial Services Deal of the Year – 2008
- Financing Professional of the Year – Steve McLaughlin – 2006

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	23
Paul VanderMarck <i>Managing Director</i>		<ul style="list-style-type: none"> Former Chief Product Officer at Risk Management Solutions, a global technology business in the catastrophic risk space 25+ years of experience as an InsurTech operating executive Experienced advisor and investor in the InsurTech space 	26
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
Andrew McLaughlin <i>Managing Director</i>		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12