

FT PARTNERS FINTECH INDUSTRY RESEARCH

April 2, 2018

INSURTECH CEO INTERVIEW:



with CEO Assaf Wand

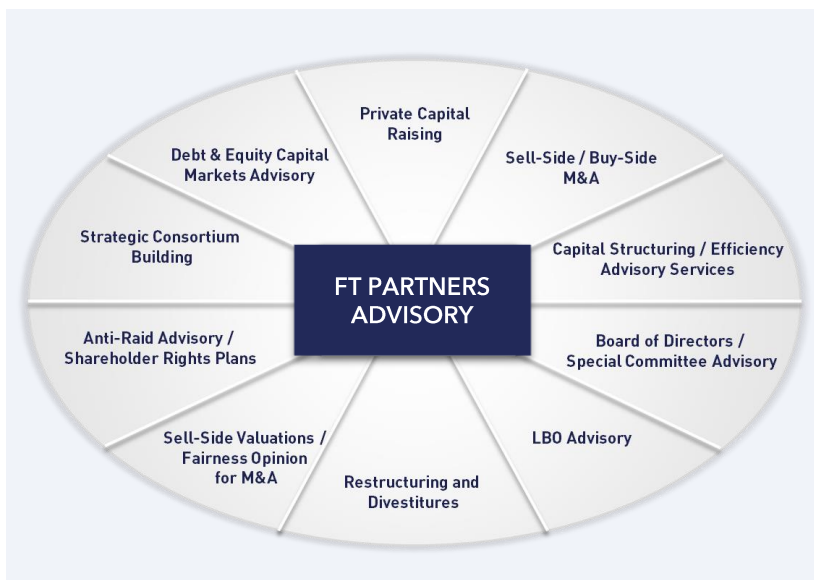
Home Insurance MGA



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

A collage of various research reports and infographics from FT Partners. The central focus is a dark blue box labeled "FINTECH RESEARCH & INSIGHTS". Surrounding this box are several report covers, including "Financial Technology Partners January 2018", "Transaction Security: At the Nexus of E-Commerce, Payment Method, Structure, Cost and Fraud", "Are the Robots Taking Over? The Emergence of Automated Digital Wealth Management Solutions", "FT Partners' FinTech Market Expertise", "Financial Technology Partners LP FTP Securities LLC", and "Apple Pay Comprehensive Overview and Implications".

- 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

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Hippo Overview

Company Overview



Co-Founder & CEO: Assaf Wand

Headquarters: Mountain View, CA

Founded: 2015

- Hippo is a managing general agent that provides home insurance products and services in the United States
- The company provides a modern, online platform that enables homeowners to quickly obtain customized home insurance coverage
- Hippo’s policies are backed by Spinnaker Insurance Company, TOPA Insurance Company and Munich Re

Selected Financing History

Date	Size (\$ mm)	Selected Investor(s)
01/22/18	\$25	Comcast Ventures; Fifth Wall Ventures; Undisclosed Investors
12/14/16	14	Horizons Ventures; RPM Ventures; Propel Venture Partners; GGV Capital; Pipeline VC; Undisclosed Investors

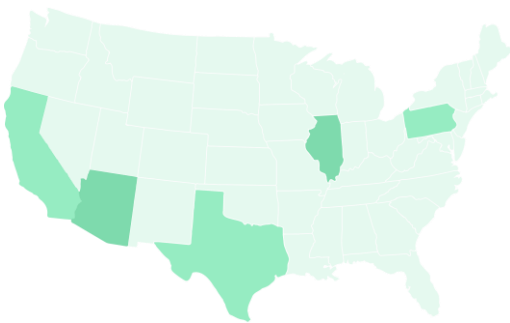
Products & Services Overview

In addition to traditional property & liability coverage, Hippo offers coverage for:

- Home Office
- Appliances & Major Systems
- Home Rebuilding
- Water Backup
- Service Line
- Domestic Workers
- Ordinance or Law
- Replacement Costs

Hippo also provides policyholders with smart home technology to proactively prevent home damage.

Geographic Presence



Hippo is officially licensed and operating in California, Arizona, Texas, Illinois and Pennsylvania



Assaf Wand

Co-Founder & Chief
Executive Officer

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

Firstly, I come from an insurance family. My dad was in insurance as a broker and manager all his life. Secondly, when I was working at McKinsey & Company in NYC as a consultant I worked on several insurance projects and always found the industry very interesting and ripe for change. Ultimately, I've had my eye on opportunities in the industry for more than 10 years.

Each year I evaluated three key industry competencies to see if it was the right time to dive in, including:

1. Availability of scalable technology to develop a full insurance technology stack. This is basically the ability to build your own policy management system, data system, claim system, etc. without dependency on third parties
2. Access to outside data, particularly for newcomers, in an easily obtainable format
3. Consumer willingness to buy insurance online

In 2015, as all of these elements lined up and I met my Co-founder, Eyal Navon - I knew it was the perfect time to define an insurance offering. Since this wasn't my first venture, I was particularly excited about the chance to work on a significant problem within a big market (home insurance is a \$100 billion market).

I'm still excited daily by our ability to build something from the ground up, which will help to change the way insurance products are obtained and work.



Interview with Assaf Wand (cont.)



Exclusive CEO Interview – Assaf Wand

What does Hippo do and who is your target market?

Hippo developed the first modern home insurance product in the U.S., which supports and covers your current lifestyle and home. By updating home insurance coverage and the sales process, Hippo provides clients with savings of up to 25%, enhanced coverage on items that customers care about and unparalleled customer service.

We are focused on all the touch points with our customers which starts by giving them the best onboarding experience and efficient binding upfront (in as little as four minutes).

Our customers also benefit from our ongoing efforts to support overall home health – with welcome and anniversary gifts including IoT devices aimed at water leak detection and emergency kits.

During the claims phase we offer all our clients a dedicated claims concierge as a single point of contact to escort them through the entire claims process, with an empathetic and efficient hand.

Hippo's condo and home insurance products are an ideal fit for both current homeowners and new home buyers. Our market is specific to our geographic footprint, which is steadily growing with monthly new market launches. We're on track to offer coverage to more than half of U.S. homeowners by the end of the year, which gives us a lot of new opportunities in the coming months.

How is Hippo differentiated from other insurers, both incumbents and recent startups?

Hippo stands out as a true blend of insurance and technology. Startups tend to focus on technology, while incumbents usually focus on insurance. At the heart of it, customers need both – a highly technical and frictionless experience, and a high level of confidence in their provider's financial stability to protect them at the time of a claim.

While developing Hippo, we refined the customer application process to save customers time. Aggregating data from multiple trusted sources, municipal building records, aerial photography and smart home devices, we backfile information during online questionnaire to expedite the quote and onboarding experience.



Interview with Assaf Wand (cont.)



Exclusive CEO Interview – Assaf Wand

How is Hippo differentiated from other insurers, both incumbents and recent startups? (cont.)

All Hippo policies are backed by two of the world's leading reinsurers, holding nearly \$200 billion in assets, so homeowners can feel secure no matter what challenges their property's may face in the future. Hippo offers the benefits of tech innovation with the security of the largest financial institutions.

Additionally, we are focused on proactive insurance as the next generation for home insurance. Insurance is a static product now, a snapshot of risk at the day the property was evaluated. But risk is a living creature and keeps changing, so we want to both help prevent and monitor risk on an ongoing basis. Helping clients prepare for potential issues, instead of having to deal with repairs and claims in the future will be the next step for home insurance providers.

Why did you choose to set up as a managing general agent (MGA)?

At Hippo we define ourselves as a VIC, virtual insurance carrier which is similar to an MGA, managing general agent – with a few key differences.

We perform nearly all of the functions of a traditional insurance company including but not limited to, product creation, customer acquisition, policy management system, underwriting, policy fulfillment, and all customer engagement and interactions. Unlike most MGAs we are active in the claims process, including the assignment of our specialized claims concierges to assure the customer claims process is smooth, transparent and efficient.

We made the choice to set Hippo up as a VIC to leverage our capital for topline growth, national expansion and customer acquisition. We felt that forming Hippo as a carrier wouldn't be the best use of our capital.



Interview with Assaf Wand (cont.)



Exclusive CEO Interview – Assaf Wand

How has Hippo improved the insurance buying experience for consumers?

Hippo has drastically simplified the entire home insurance process, end-to-end.

Our use of verifiable third-party data, friendly UX, plain English coverage descriptors, real-time quoting and binding at Hippo are all obvious consumer benefits. But, it's honestly our ability to maintain considerable underwriting integrity that has changed the way consumers buy home insurance. Hippo has achieved this by utilizing data to eliminate the need for difficult upfront questions from heavily burdened customers, resulting in a frictionless process that produces 60-second quotes fully bound policies in four minutes.

You chose to build your own proprietary core systems instead of licensing an existing product. Why did you feel this was necessary, and what advantages has this approach provided?

We initially worked with industry leader in policy management and realized after several months that their offering wasn't a good match for us. Ultimately, to become a leader in the industry, we needed to own the full tech stack and customize it for our needs.

Since the capabilities in the market are subpar, we set out to develop our own policy management system. Our system is nimble, scalable and can keep up with our rapid geographical expansion.

At Hippo, we believe policy management systems need to be living, breathing, dynamic systems as opposed to a static, single use solutions. We'll always be tailoring and reshaping our systems to meet the needs of all our key stakeholders (including employees, customers and partners).



Interview with Assaf Wand (cont.)



Exclusive CEO Interview – Assaf Wand

What advice would you give to other entrepreneurs starting new insurance ventures?

I'd advise entrepreneurs looking into insurance ventures to take a deep dive into the silo they are considering pursuing. Product silos, such as home insurance, are massive, complex markets.

Entrepreneurs need to know that they will probably need to control the entire process and all the customer touch-points. While compliance and addressable markets are quantifiable, I'd also suggest doing the upfront work to test and refine these practices upfront before digging in.

You recently raised another \$25 million. What can you share about your future growth plans?

The infusion of our Series B investment funding will continue to support several expansion and development initiatives underway, including the recent opening of our insurance headquarters in Austin, Texas – which serves as the hub for Hippo's claims advocate concierges, insurance and sales teams.

We plan to build our brand and partnership channels, which have shown some great traction through initial engagements and tests to become known as the Gecko for home insurance.

Since our launch in California in April 2017, the company has expanded to Texas, Illinois, Pennsylvania, and Arizona. Hippo will continue expanding its reach to additional states throughout the year and is aiming to reach 60 percent of the U.S. population by the end of 2018.

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

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



Root Raises \$51 million in Financing



PrecisionHawk Raises \$75 million in Financing



InsurTech CEO Interview: BriteCore



InsurTech CEO Interview: Understory



InsurTech CEO Interview: Coalition

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FT Partners Research – 2017 InsurTech Almanac

2017 InsurTech Almanac

JANUARY 2018

FT PARTNERS FINTECH INDUSTRY RESEARCH



2017 InsurTech Almanac

FINANCIAL
TECHNOLOGY
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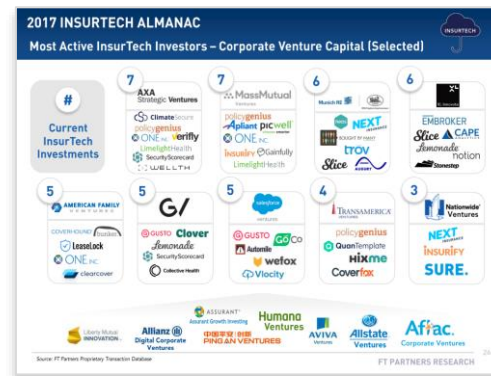
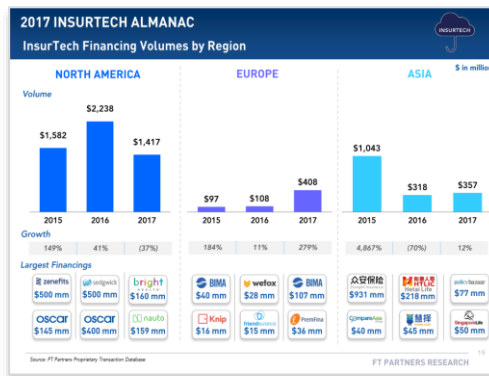
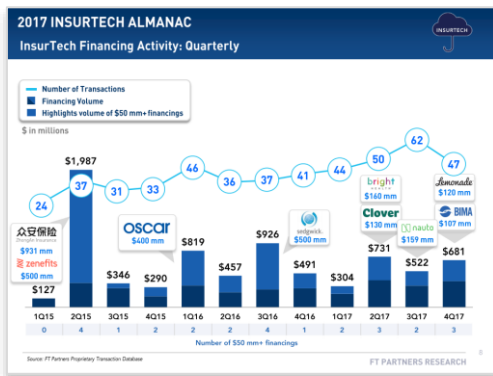
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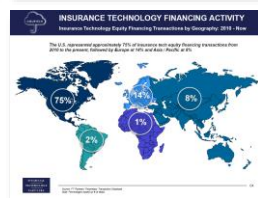
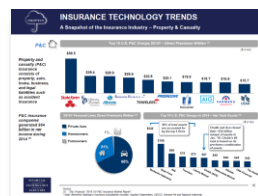
Highlights of the report include:

- 2017 and historical InsurTech financing and M&A volume and deal count statistics
- Largest InsurTech financings and M&A transactions in 2017
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Other industry, capital raising and M&A trends in InsurTech



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



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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



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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
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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



in its sale to

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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



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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



on its sale to an Affiliate of



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Agency Management / Marketing Technology

Financial Technology Partners LP
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in its sale of

Zywave Insurance Solutions

to



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Life & Annuity Technology Solutions

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FTP Securities LLC

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sole strategic and financial advisor to



in its financing led by



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MANAGEMENT COMPANY

for total consideration of

\$ 15,000,000



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SaaS / Claims for Property & Contents

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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