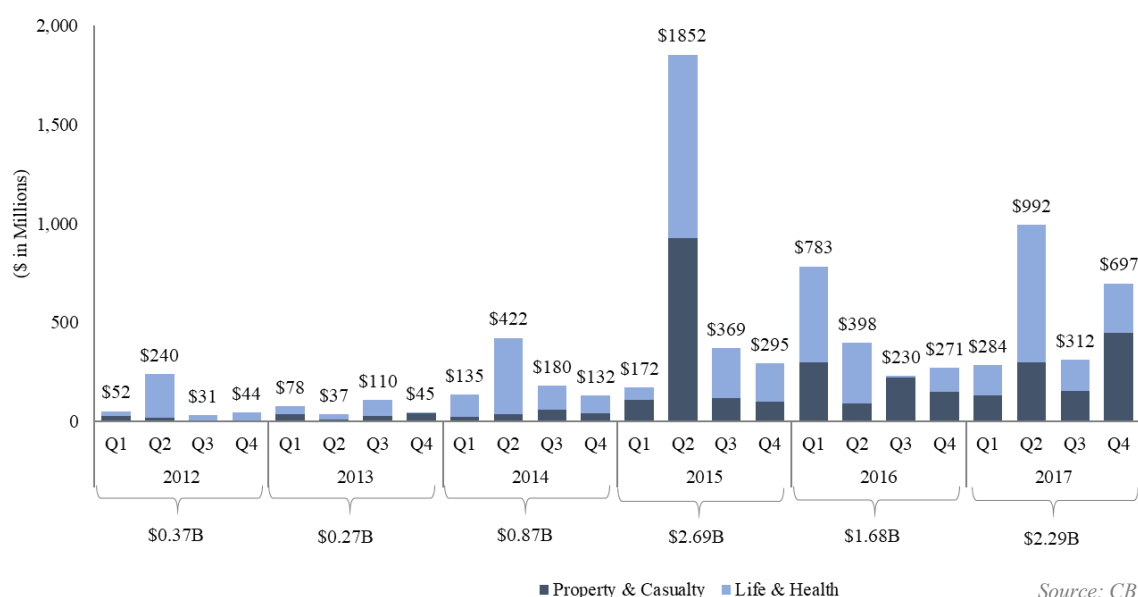


INSURTECH INDUSTRY STATUS REPORT

Q4 2017 UPDATE

As expected, 2017 served as another year of strong investment into the InsurTech space by both financial investors and (re)insurers. **InsurTech funding volume increased 36% year-over-year in 2017**, demonstrating that technology driven innovation remained a core focus area for (re)insurance companies and investors heading into 2018. Insurance companies in Life and Health (L&H), Property and Casualty (P&C), and reinsurance (as well as PE and VC funds) are investing strategically in an effort to leverage digital technologies and enhance business performance and customer engagement. Many insurers are minority investors in market intelligence and providers for corporate venture capital (CVC) funds focused on the InsurTech space, and we expect this symbiotic relationship to continue. Contrary to other industries, insurers appear to be interacting positively with InsurTech disruptors, recognizing these new players as potential partners rather than competitors.

QUARTERLY INSURTECH FUNDING VOLUME (2012-2017 ALL STAGES)



Source: CB Insights, Deloitte

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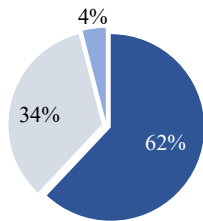
FIRM OVERVIEW:

Carleton McKenna & Co. is a boutique, independent investment banking firm providing M&A Advisory, Capital Raising, and Valuation Advisory services. Our experienced professionals maintain a client-focused and entrepreneurial outlook which enables us to be creative for our clients, unencumbered by the bureaucracies inherent in larger investment banks. Our professionals have over three decades of experience partnering with companies led by strong, entrepreneurial management teams.

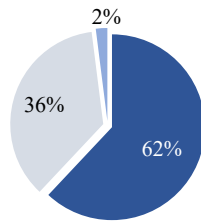
Using this expertise, Carleton McKenna & Co. specializes in providing sell-side and buy-side M&A Advisory services to small- to mid-cap clients which have closely-held businesses, portfolio companies of financial sponsor firms, and divisions or subsidiaries of public companies.

Carleton McKenna & Co. has deep experience in the niche manufacturing, software, specialty chemicals and materials, business services, consumer products and healthcare markets.

P&C INSURTECH TRANSACTIONS BY SUBSECTOR

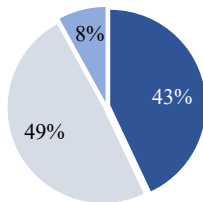


Cumulative
Q1 2012 - Q4 2017
Transactions: 370

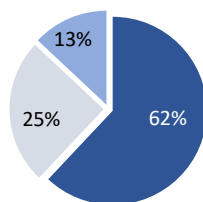


Q4 2017
Transactions: 45

L&H INSURTECH TRANSACTIONS BY SUBSECTOR



Cumulative
Q1 2012 - Q4 2017
Transactions: 337



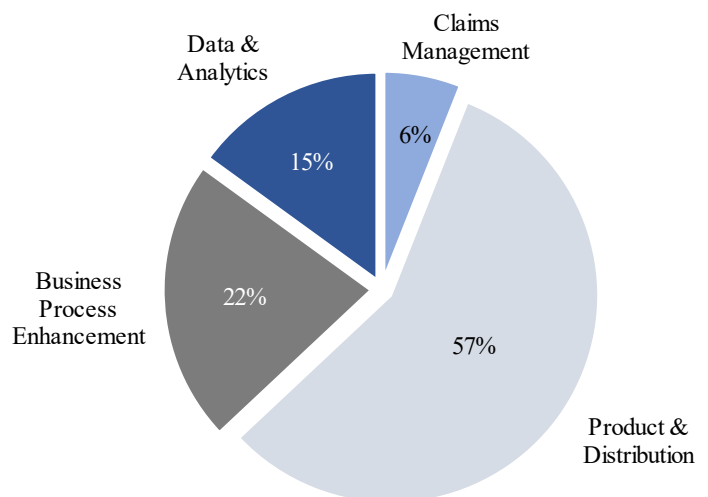
Q4 2017
Transactions: 8

Source: CB Insights

INSURTECH COMPANIES BY SUBSECTOR

Subsector	# of Companies	Funding Volume to Date (Billions)*
Claims Management	25	\$0.20
Product & Distribution	256	\$5.90
Business Process Enhancement	100	\$2.40
Data & Analytics	70	\$0.50

*As of Q4 2017



Source: CB Insights

- ## INSURTECH INVESTMENT HIGHLIGHTS
- ◆ InsurTech funding volume of \$697 million in Q4 2017.
 - ◆ 53 total transactions in Q4 2017 represents second most transactions completed in any quarter to date.
 - ◆ Seven \$30+ million investments contributed to the fourth highest funding volume recorded in any quarter to date; investors making more concentrated and later stage bets in selected maturing companies.
 - ◆ 35 private technology investments by (re)insurers in Q4 2017 represents most recorded in any prior quarter.
 - ◆ 120 private technology investments by (re)insurers in 2017 is the highest annual total recorded to date.
 - ◆ (Re)insurers, directly and through corporate venture arms, are expanding their focus to invest in a broad range of technologies with potential applications to their core (re)insurance businesses.