

## INTER-ATLANTIC STONYBROOK INSURTECH VENTURES II, LP

IA Capital Group, Inc. (“IA Capital”) is targeting up to **\$100,000,000** in commitments for **Inter-Atlantic Stonybrook Insurtech Ventures II, LP** – an insurtech-focused venture capital fund with industry standard terms.

The Fund’s primary objective is capital appreciation with a secondary objective of providing strategic benefits to its insurance company limited partners. The strategic benefits shall include introductions to promising companies, plus communications and reporting. IA Capital customizes its strategic efforts based on the specific requests of each individual limited partner.

## IA CAPITAL GROUP OVERVIEW

IA Capital is a New York-based investment firm dedicated to making **venture capital** investments in **insurtech** and **fintech** companies. With a consistent strategy since 1998, IA Capital has overseen the investment of over \$600 million through the Inter-Atlantic private equity funds, investment vehicles and direct investments.

## EXTENSIVE INSURTECH INVESTMENT EXPERIENCE

IA Capital’s team has a **20-year track record** managing fintech and insurtech funds. While many venture capitalists are generalists, IA Capital executes a **laser-focused strategy** on fintech and insurtech. The firm has the longest track record and deepest experience in **insurance** and **insurance technology** among all venture capital firms.

## SUPERIOR TRACK RECORD

IA Capital’s predecessor funds have together generated gross **IRR of 22.9% (net IRR of 13.8%)** and a **1.9x multiple** on net invested capital since 2000. According to PitchBook®, each of the predecessor funds have significantly exceeded peer venture fund averages in their respective vintages. IA Capital’s fully-exited vintage 2000 fund **ranks #1** among 133 similar-sized funds.

## INSURANCE TECHNOLOGY INDUSTRY FOCUS

Areas of focus within the insurance technology sector include: **distribution, product, underwriting, claims, customer engagement, risk & policy management, and adjacent fintech sectors.**

## INVESTMENT STRATEGY

The Fund will focus on making **venture** investments with an average expected five year holding period. Portfolio companies will principally be based in North America (U.S., Canada, Bermuda) with up to 25% of capital commitments permitted in companies based in Europe and/or Israel. Investments typically will be **significant minority ownership** with strong shareholder protections and exit rights. IA Capital prefers to act as the **lead investor** with responsibility for negotiating investment terms & conducting due diligence.

## INVESTMENT COMMITTEE



**Andy Lerner**  
Managing Partner



**Rick Viton**  
Partner



**Matt Perlman**  
Partner

## Key Considerations

- **Most experienced** venture capital firm focused primarily on insurtech
- **Number one performing fund manager globally** amongst 133 similar sized funds (2000 vintage), according to Pitchbook
- IA Capital funds have generated a **gross IRR of 22.9% (net IRR of 13.8%)** and **1.9x multiple** of net invested capital
- Management team with a **20-year track record** of investing in **fintech** and **insurtech** companies
- Partner with **15 value-added insurance company limited partners** including Prudential, RLI, and Federated Insurance
- **Combined experience of 75+ years** in insurance and financial services venture capital and investment banking
- Led insurtech investments with **15+ different strategic VC arms from large insurance companies** co-investing
- Deal flow sourced primarily through: (i) proprietary relationships, (ii) ongoing networking, (iii) industry reputation, and (iv) dialogue with limited partners.

## INTER-ATLANTIC STONYBROOK INSURTECH VENTURES II

### First Close Investors



### First Close Update

- \$30M first close in June 2020
- Targeted Fund Size: \$100M
- Final Close Date: May 2021
- Targeted Investments: High-quality series A/B/C insurtechs and related fintechs
- Industry leaders in insurance are being invited to join as LPs











### Summary of Principal Terms

- **Industry focus:** All areas of insurtech with up to 25% in capital commitments permitted to related fintech sectors
- **Geographic focus:** Primarily North America with up to 25% in capital commitments permitted in companies based in Europe and/or Israel
- **Typical VC structure and terms:** 2% fees / 20% carried interest

## INVESTMENT TRENDS

- Emergence of alternative distribution paradigms (digital brokerage, embedded insurance, etc.)
- Accelerated adoption of real-time remote underwriting and claims solutions
- New insurance products and risk categories (cyber, weather/climate, etc.)
- Trends accelerated by COVID:
  - B2C companies using technology to interact with customers
  - B2B companies with mission-critical solutions finding sales cycles accelerating
  - Emergence of digital sales and services gaining traction at the expense of in-person interactions

## SELECT INSURTECH INVESTMENTS

	Capital Invested	Business Overview
 Flyreel	\$4.0M	Artificial intelligence and workforce automation software providing efficiency and accuracy to property and casualty insurance underwriting and claims
 SMARTVID.IO	\$2.5M	Risk reduction platform that leverages AI to reduce project delivery risk in the areas of safety, quality and productivity
 Matic	\$5.0M	Licensed insurance agency that sells insurance primarily through B2B2C partnerships with companies in the mortgage lending, servicing and homebuying industries
 nextcapital	\$4.0M	B2B2C digital advice platform designed to offer a holistic service built around the investor through enterprise partnerships
 tomorrow	\$3.5M	Mobile app that combines legal, financial and insurance services to organize family finances and make decisions for the future
 Clearcover	\$6.4M	Offers personal lines insurance products via its technology-focused channel distribution, API-driven partner integrations and mobile-first customer engagement
 AUTHENTIC4D	\$3.0M	Bodily injury claim evaluation and visualization services for insurance companies
 SURE	\$2.0M	Mobile-first insurance broker that allows consumers to purchase traditional and on-demand/episodic insurance policies
 Powered by snapsheet	\$3.5M	Provides software-based virtual auto insurance claims processing solutions to the industry's leading carriers
 smartasset™	\$2.8M	Personal finance advice platform that provides consumers with easy-to-use financial calculators and tools