

CSE Insurance Group Acquisition Case Study

September 2021



STONYBROOK CAPITAL

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Sale of CSE Insurance Group to Porch Group, Inc. (NASDAQ: PRCH)

Stonybrook Capital served as the exclusive advisor to CSE's management

September 2021



Acquired by



Stonybrook Capital served as the exclusive advisor to CSE's management

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Transaction Overview

- CSE Insurance Group ("CSE") is a California-based personal lines carrier focused on property and auto business
 - Founded in 1949 in San Francisco
 - \$159m of GWP & \$81m of statutory surplus as of 12/31/20
- Porch Group (NASDAQ: PRCH) is a vertical software platform for the home that provides software and services to more than 17,000 home services companies
 - Porch Group ("PRCH") began trading on the NASDAQ in December 2020
 - This is Porch's second P&C transaction within the InsurTech space this year, following their acquisition of Homeowners of America, which was completed in April
- This transaction provides Porch an additional platform for growth and accelerates the entry into the California insurance market

Stonybrook Capital's Role

- Stonybrook Capital served as the exclusive advisor to the SPV formed by CSE's management (the "Client")
- The transaction marks another successful transaction for Stonybrook in the (re)insurance space – exemplifying Stonybrook's expertise over the entire insurance industry as a whole
- The transactions builds on Stonybrook's expertise in the M&A market and follows successful M&A transactions including [Xchange](#), [Cypress](#) and [Northeast Coverages](#)
- Stonybrook's roles in the transaction included:
 - Creation of marketing materials that were distributed to potential partners
 - Targeted marketing effort to achieve the best terms for the Client
 - Management of the due diligence process alongside the Client
 - Participation in the negotiation of terms and execution with the Client

The Leading Specialist Focused on the Insurance Industry

STONYBROOKCAPITAL

Traditional Investment Banks

Reinsurance Brokers

Exclusive Focus on Insurance

Middle Market Expertise

Active and Informed

Emphasis on Client Service

Industry Relationships

Senior Level Attention

Services

Background

Clients

M&A Advisory	Capital Raising
Ventures	Fund Placement
Valuation	Strategic Advisory
Divesting Assets	Market Finding

Notable Stonybrook Transactions

September 2021



Acquired by
Porch Group

Exclusive advisor to CSE's management

June 2021



\$20,000,000
Capital Raise

May 2021



Acquired by
RESOLUTION UNDERWRITING

Exclusive buy-side financial advisor

December 2020



Acquired by
MILESTONE PARTNERS

Exclusive sell-side financial advisor

December 2020



Acquisition transaction
Ambac

Exclusive sell-side financial advisor

November 2020



Program Agreement
APPLIED UNDERWRITERS

October 2020



Acquired by
SPORTSCOOPER

Exclusive buy-side financial advisor

May 2020



Acquired by
Weston INSURANCE

Exclusive sell-side financial advisor

March 2020



Acquired by
canopus

Exclusive sell-side financial advisor

February 2020



\$45,000,000
Capital Raise

February 2020



Acquired the assets of
eWeatherRisk

Exclusive sell-side financial advisor

August 2019



\$30,000,000
Capital Raise

July 2019



Announced Sale of Sandell Re
R&Q

Exclusive sell-side financial advisor

May 2019



\$20,000,000
Capital Raise

March 2019



Triangle Surety Agency, Inc.
Capital raise amount undisclosed

February 2019



\$10,000,000
Capital Raise

December 2018



\$125,000,000
Capital Raise

October 2018



Sale of Boston Indemnity Company

Exclusive sell-side financial advisor

July 2018



\$12,500,000
Capital Raise

December 2017



\$50,000,000
Capital Raise

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