

Minutes of the meeting held at *Dentons* on the 06/09/2018

Date: Thursday 6 September 2018

Location: Dentons, One Fleet Place, London, EC4M 7WS

Time: 15:00 - 17:00

Attendees:

1. Will Thorne, Innovation Leader, The Channel Syndicate, Chair (FDP)
2. Paolo Cuomo, Co-Founder InsTech London & Principal, Boston Consulting Group
3. Freddy Macnamara, Founder & CEO, Cuvva
4. Steven Mendel, CEO & Co-Founder, Bought By Many (attending 1520 to 1640)
5. Trevor Maynard, Head of Innovation, Commercial, Lloyds
6. Gordon Baker, Future Sectors, Business Growth Directorate, BEIS
7. Phoebe Hugh, CEO & Co-Founder, Brolly
8. Matthew Cullen, Assistant Director, Head of Strategy, Data & Analytics at the Association of British Insurers
9. Blair Turnball, MD Digital & Retail, UK & International, Aviva
10. Euan McCarthy, Policy Advisor, Pensions, Markets & Insurtech, HMT
11. Peta Kilian, Market Operations & Innovation, Lloyds Market Association, *interim*
12. Martin Mankabady, Partner at Dentons, *guest*
13. Pollyanna Deane, Partner at Simmons & Simmons, *guest*
14. Greg Michel, Fintech Lead, Tech Nation
15. Meera Last, Project Manager, Tech Nation

Apologies:

1. Thomas Price, Head of Fintech, Banking and Credit Team, HMT (FDP)
2. Louis Barson, Head of Future Sectors, Business Growth Directorate, BEIS
3. Daniel Poxton, Insurance and Pensions, HMT
4. Alan Stewart, Insurance and Markets Team, HMT
5. Tom Shirley, Deputy Director, BEIS
6. Chris Sharpe, CEO, Kinsu
7. Tom Powell, Business Executive, CBL
8. Philip Brown, Head of Policy, LV= (FDP)
9. Vivek Banga, Chief Digital Officer at Arthur J. Gallagher & Co. Chair: BIBA's cross-industry Innovation Working Group

1. Introduction
 - 1.1. Will Thorne (WT) opened the meeting by thanking everyone for attending, and thanking Martin Mankabady (MM) for hosting.
 - 1.2. WT proposed a roundtable of introductions. Attendees introduced themselves.
 - 1.3. WT commented that we have made good, tangible progress in some areas, and less progress in others, although we should acknowledge that availability during the summer can be limited. WT asked the group if we can work on injecting more velocity into our work, to make sure we are getting the best out of this working group. It could be appropriate to crowdsource ideas, for example, reaching out to our extended networks to understand where the market need is.
2. Onboarding Working Group
 - 2.1. WT started by asking MM and Pollyanna Deane (PD) to give an update on the status and purpose of the documents.
 - 2.2. MM began by highlighting the desire to draft reasonable, balanced first drafts of key documents that a start-up would use to engage incumbents in discussions. It has taken into account operational and commercial perspectives, as it has been through the iterations, and we wanted to create drafts that could be used off-the-shelf with little alteration. This toolkit includes, but is not limited to, an NDA, an AR agreement, a TOBA and an MGA.
 - 2.3. MM continued by stating that the plan is to roll out this toolkit in full.
 - 2.4. PD continued by stating that the intention was to create drafts that were useful to start-ups, so they could be empowered when entering into a partnership conversation with an incumbent. PD continues by stating that she has been discussing with MM and that they have a meeting in plan to make further changes. PD also noted that she will send this copy to Meera Last (ML) and Matt Cullen (MC).
 - 2.5. WT asked the group how they planned to bring these documents into mainstream or standardised use.
 - 2.6. ML replied by stating that the group were pursuing endorsement from a variety of sources, including incumbents, the ABI, BIBA and venture capital firms.
 - 2.7. ML asked PD if she had any progress on speaking with insurtechs in her network. PD responded in the negative.
 - 2.8. Phoebe Hugh (PH) commented that it would be valuable to have feedback from insurtechs that may want to use the suite in the future. The group agreed. PH took the action to share with the Insurtech Association when the drafts are ready for review.

- 2.9. WT and PH discussed the need for an event or town hall showcase to request comment. It was decided that this was an unnecessary expense and a more informal request for comment may work better.
- 2.10. The Group discussed the origins of the documents and therefore how this Group should look to position them. MC commented that making too much of the hardships insurtechs have faced in partnership discussions may make it harder to secure incumbent support for these documents.
- 2.11. The Group acknowledged this point.
- 2.12. Freddy Mcnamara (FM) went on to say that the intention is not to load the discussion in one direction, but to acknowledge that there are roadblocks on the way to securing a partnership with an incumbent, including potential legal costs. This is a way of enabling start-ups to enter the arena.
- 2.13. PH asked if the intention is to make these documents the market standard.
- 2.14. WT said that yes, that is the intention.
- 2.15. Trevor Maynard (TM) asked if there's a way the other members can socialise these documents, to make sure we achieve the goal of socialising the documents in the right way.
- 2.16. Blair Turnbull (BT) asked if the endorsements are necessary.
- 2.17. FM and PH both make the point that the incumbent endorsement is necessary for the insurtechs to have confidence in the purpose and effectiveness of these documents.
- 2.18. MC made the point that, despite going out to incumbents and requesting comment, he is yet to receive a single comment.
- 2.19. TM asked the group if this implies something negative - or that there isn't a need for these documents in the eyes of the incumbent community, or at least that it would be challenging to get their endorsement.
- 2.20. PH said that what gives these documents weight, in the minds of insurtechs, would be who is approved by and who has used it.
- 2.21. TM said then, don't we have convening power here, to get these approved by a variety of bodies.
- 2.22. Simon Pearse (SP) added that, in terms of adoption and possible testing, it could be something the FCA would be interested in helping and supporting. He went on to say that personally he'd like to see the FCA getting behind more practical help with

partnerships, getting them to the place where they are enterprise ready. It could be something we distribute or recommend to the sandbox, for instance.

- 2.23. WT thanked SP for this, and indicated that the group did ask Anna Wallace of the FCA at the last FDP meeting. If we could progress this possibility that would be great.
- 2.24. PH agreed, and added that one of the huge hurdles is the FCA process - perhaps guidance for that could form part of the wider toolkit.
- 2.25. MC agreed to get the ABI's legal team to look at the documents. However, he added, it might be a challenge to get comment from legal and procurement teams at insurance companies.
- 2.26. PH asked the group if we can look to getting an opinion from individual firm's legal teams.
- 2.27. WT replied by stating that SCOR are looking into it. Furthermore, Hiscox have the documents.
- 2.28. WT asked TM if we could use the Lloyd's Lab to promote the toolkit.
- 2.29. TM said yes, depending on the timings, we could introduce here.
- 2.30. MC also agreed to put it to the ABI's general counsel group.

3. Support

- 3.1. ML gave the update on Daniel Pender's (DP) behalf. The group have created a temporary webpage that requires populating, depending on the resources that the community would find useful.
- 3.2. Paolo Cuomo (PC) commented on the idea of having the news & events section on the toolkit. He said he can't see this being effective unless it's kept up to date consistently. The same can be said of the investor and start-up directory - it requires resource to be maintained.
- 3.3. FM commented that perhaps a google document, a read-only, would be a better way of storing this information.
- 3.4. ML and Greg Michel (GM) agreed that Tech Nation would be a good place to host this document.
- 3.5. Gordon Baker (GB) commented that it would be useful to have a guide to interactions with commercial and government resources, if possible.

- 3.6. ML and GM agreed to understand what we can and can't do from a Tech Nation perspective - we can host resources on our site.
- 3.7. ML asked the rest of the group to update on the state of conversations with the PRA.
- 3.8. TM commented that they (the PRA) are keen to open up conversations, especially in light of the reflections made in their conversations with DP.
- 3.9. MC suggested that it's good we have launched contact and that we should be maintaining the relationship until we can bring something fruitful to the table.
- 3.10. TM agreed, making the point that, in the future, it could be about more than Solvency II requirements. It could be about new business models.

4. International Working Group

- 4.1. PC started by updating the group on the sponsorship that we have secured. A large incumbent has agreed a sum of money to sponsor an event, that we need to put together in partnership with DIT. The purpose would be to promote the UK as a secondary market, and improve that narrative of the UK being one of the best places for foreign insurtechs.
- 4.2. GB mentioned the event on the 21st September that Alex Milne (DIT, not present). They are flying in to get exposure to people in the market here.
- 4.3. PC said that this is the style of event he'd like to run, but with insurtechs that need the assistance.
- 4.4. WT said that the original idea was to bring US insurtechs, specifically, here. We could, he said, pick unknown insurtechs. The overall idea was the use the money to create an inwards trade mission, but does DIT have concerns around the number and frequency of events.
- 4.5. PC said that we want a "dummies" guide to engaging with the UK, and this work slightly straddles the various workstreams. We are not going to plan something just for them bespoke - we need to build on the DIT model.
- 4.6. MM said Dentons could certainly help with introductions in the US and make connections.
- 4.7. ML added that Alex Milne is keen for the Insurtech Board to contribute to the wording of DIT's insurtech pitch, eg. how we look to promote ourselves overseas, particularly at conferences.
- 4.8. WT asked GB how long the average event would take to plan.

- 4.9. Around one month, GB replied.
 - 4.10. PC committed to talking through with Alex Milne.
 - 4.11. BT mentioned the work done in Israel, how they put on a tours that they roll out over a week, for insurers, investors & start-ups to get to know the nation. Do we need to be thinking about the selling aspect, in light of Brexit, he asked.
 - 4.12. PC said that my challenge, at the end of the day, is that we don't need to sell the UK.
 - 4.13. BT responded by saying it can't hurt to do this. Plus if we can be engaging with insurtechs that have slipped through the cracks, or that don't know where to start, that would be a positive.
 - 4.14. GB asked if the US is definitely the right location.
 - 4.15. WT responded by saying the reason we picked the US is because 40% of dealflow in this country comes from the US.
 - 4.16. PC asked the group - let's go back to that then, do we think this is just about facilitating meetings/partnerships, or do we think we're having to sell the UK and London as a whole.
 - 4.17. MM responded that he thinks it might be both. The group concur.
 - 4.18. GB mentioned the ITC event in Vegas. Alex Milne has got eight UK insurtechs on the books, he's primarily selling the rest of the UK to the US.
 - 4.19. BT commented that it would be good if there was some way we can get the tour, not dissimilar to some events held in Australia and Europe.
 - 4.20. GB concurred, and added that it would be better if we had a physical event rather than just a website.
 - 4.21. PC asked if the group knew of a City of London representative to get them involved. GM replied in the affirmative. Said he would look into discussing with her.
 - 4.22. WT thanked all and closed the discussion by stating that the promised budget is reserved, so if we don't get it committed, we could lose it.
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5. Investor
 - 5.1. WT started by stating that the intention is to run an event similar to the FDP investor day. They invited 21 VCs and an open callout for start-ups to sign up for presentation

slots. He went on to say that we'd hope to invite a similar selection of the VCs and use a similar method for booking the start-ups.

- 5.2. GM mentioned that these events were a good way to find companies under the radar since one of the companies that presented at this event went on to become a member of the Tech Nation Fintech programme cohort.
 - 5.3. PC asked the group how much demand there is for an insurtech style event, given that the balance between fintech and insurtech isn't equal - would we get the same serendipity as that?
 - 5.4. SP commented that around 10% of the latest sandbox were insurtechs, but that he hopes to see more.
 - 5.5. PD made the point that 50% of her firm's funds were insurtechs, this year.
6. Alternative Insurtech Group
- 6.1. WT started the discussion by asking the group if they are aware of a new initiative with an insurtech-only membership.
 - 6.2. MC commented that yes, he was aware. They came to the ABI, he said, and had some proposals which the ABI wasn't open to.
 - 6.3. GB said his impression of the group was that it would partly function as a discussion group for insurtech-only concerns.
 - 6.4. FM asked what this new group was trying to achieve.
 - 6.5. MC explained that they proposed to lobby the PRA to get insurers to cover capital requirements for insurtechs.
 - 6.6. PH said she has a copy of their white paper and list of stated aims.
 - 6.7. MC stated that he thought it was valuable to meet them, and that he and the ABI are always open to hearing ideas, but only if they are workable.
 - 6.8. PC asked if there's anything this group can do to support their aims.
 - 6.9. WT said yes, I'm sure there is, it would be valuable to have a discussion open. WT asked PH if she could open the conversation and pass on our willingness to help with any issues they want resolved.
 - 6.10. WT then went on to say that it would be valuable to discuss membership and time requirements. We'll take that as an indication that you can no longer make it - and we

can negotiate. We will have Claire Lebeqc joining in November, but before she does, we have Peta Kilian (PK) present.

- 6.11. WT and PH led a discussion on this group's personal purpose and outline.
- 6.12. GM reiterated to the whole group where the Board sits, emphasising its position as one of the efforts endorsed by the government to support the sector, and Tech Nation's role as secretariat.
- 6.13. PH and PC made the point that currently, they felt the branding wasn't clear and communicable enough, and expressed the wish that Tech Nation make this brand more consistent. Tech Nation's representatives are asked to explore this possibility further.

Actions Live:

- PH to engage with the Insurtech Group on the standards;
- PH & WT propose a touch base in two week's time;
- MC to engage with the ABI's legal counsel to check their thoughts;
- ML and GM to explore branding options within Tech Nation, so the group can build their brand more effectively - using as a placeholder "Tech Nation, backed by HM Treasury"