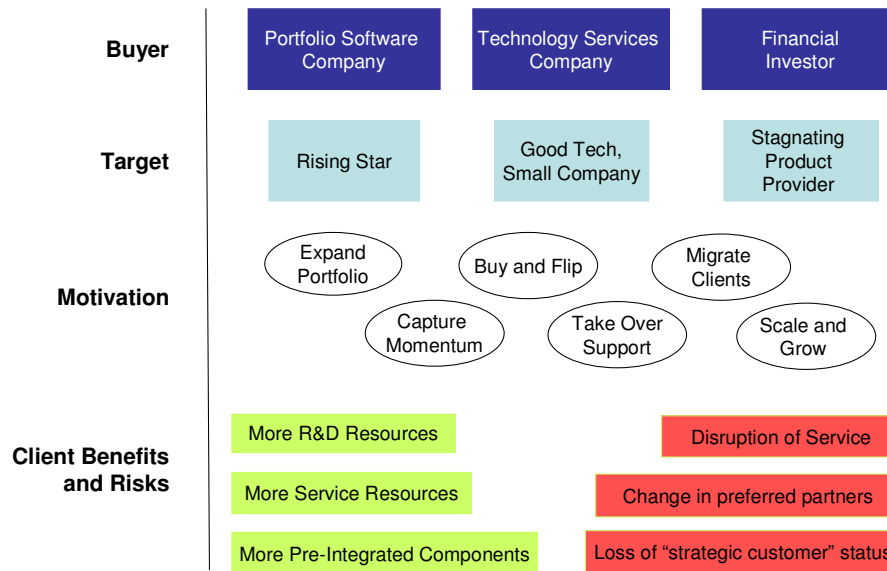


**WHAT TO EXPECT WHEN YOU'RE EXPECTING
YOUR SOFTWARE PROVIDER TO BE ACQUIRED**
Executive Brief
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Insurance Software Asset Acquisitions and Outcomes



INTRODUCTION

A new wave of M&A in the insurance software marketplace is underway. Novarica projects that more than 10 important providers of insurance core applications will change hands before the end of 2008. At the same time, insurers are turning to the vendor community to help them resolve critical business issues around time-to-market, service levels, process efficiency, and data mastery.

In conservative industry like insurance, this wave of change in the solution provider marketplace may cause anxiety and inaction, as insurers wait for the dust to settle before proceeding with strategic vendor relationships. But with a deeper understanding of the types of transactions occurring and the drivers behind them, and with the right contractual protections in place, insurers can reduce the unknowns and the risks of working with vendors in this marketplace.

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