

Meridian Insurance Part

Series A Executive Brief: Regional Expansion and Proprietary Risk Scoring Platform

Contents

Executive Summary

The Investment Thesis

Company Overview and Traction

Market Opportunity: Idaho and Montana Expansion

The Risk Scoring Platform

Financial Performance and Unit Economics

Use of Funds and Growth Plan

Expansion Timeline

Competitive Landscape

Appendix: Assumptions and Risk Factors

Executive Summary

THE PROBLEM

Pacific Northwest contractors, manufacturers, and trades are underserved by national insurance brokers who lack regional underwriting relationships and treat small commercial accounts as commodity transactions. These businesses face rising workers compensation costs, complex contractor licensing requirements, and volatile general liability premiums, yet receive little proactive risk guidance.

THE SOLUTION

Meridian Insurance Partners is a specialist regional brokerage that pairs deep trade-vertical expertise with a proprietary risk scoring platform. Since 2019 we have grown to 12 brokers and \$4.2M in ARR serving more than 600 commercial accounts across Washington and Oregon. We are raising \$2M in Series A capital to expand into Idaho and Montana.

WHY NOW

Idaho and Montana are among the fastest-growing construction and manufacturing economies in the country. Hard insurance market conditions have made carrier relationships and data-driven risk selection more valuable than at any point in a decade. With proven unit economics and a 91% client retention rate, Meridian is positioned to capture this expansion window.



Meridian is raising a \$2.0M Series A at a \$12M pre-money valuation to fund geographic expansion into Idaho and Montana and to launch the Meridian Risk Score platform commercially. Capital deploys over 24 months across three new market offices, six broker hires, and a dedicated product and data engineering team. Projected outcome: \$11M+ ARR by end of Year 3 with a defensible data moat.

The Investment Thesis

A profitable, capital-efficient brokerage with a proprietary data asset entering two high-growth, low-competition markets.

Why This Business Wins

Meridian has already proven the hardest part of building an insurance brokerage: assembling specialist producers, winning carrier appointments, and retaining commercial clients in a relationship-driven industry. Our 12 brokers average \$350K in commission revenue each, with the senior cohort exceeding \$600K, demonstrating a repeatable producer ramp.

The Idaho and Montana commercial insurance markets are structurally attractive: rapid in-migration of contractors and manufacturers, fragmented incumbent brokerages, and minimal specialist competition in the trades verticals we dominate.

The Meridian Risk Score platform converts a decade of claims and policy data into a defensible moat. By scoring contractor risk before submission, we place accounts with the right carriers at better terms, reduce loss ratios, and earn preferential commission tiers and contingent bonuses.

Finally, the business is already near breakeven, meaning Series A capital funds growth rather than survival. This de-risks the investment relative to typical early-stage insurtech.

This de-risks the investment relative to typical early-stage insurtech.

Company Overview and Traction

Founded 2019 — built profitably without prior institutional capital

Traction at a Glance

\$4.2M

Annual Recurring Revenue

FY2024 commission and fee revenue, up from \$2.9M in FY2023.

600+

Active Commercial Accounts

Concentrated in contractors, manufacturers, and skilled trades.

91%

Client Retention Rate

Trailing-12-month logo retention, above the industry average of 84%.

12

Licensed Producers

Averaging \$350K in annual commission revenue per broker.

Who We Serve

Meridian focuses exclusively on commercial lines for Pacific Northwest contractors, manufacturers, and skilled trades. Our typical client is a general contractor, electrical or mechanical subcontractor, fabricator, or specialty manufacturer with between \$1M and \$50M in annual revenue.

Because we concentrate on a defined set of verticals, our brokers develop genuine expertise in the contracts, exposures, and loss patterns of each trade. This specialization translates into better coverage design, fewer claims surprises, and credibility with carriers.

Revenue is diversified across more than 600 accounts with no single client exceeding 3% of total commissions. Workers compensation and general liability together represent roughly 60% of revenue, with the balance in commercial auto, surety, and professional lines.

Workers compensation and general liability together represent roughly 60% of revenue, with the balance in commercial auto, surety, and professional lines.

Market Opportunity

Idaho and Montana: high-growth, low-competition expansion targets

Expansion Market Profiles

Idaho

Idaho has been among the fastest-growing states in the nation, with sustained in-migration fueling a construction boom across Boise, Coeur d'Alene, and Idaho Falls. The contractor and manufacturing base is expanding rapidly, yet specialist commercial brokerage capacity has not kept pace.

Montana

Montana economy is anchored by construction, manufacturing, energy services, and agriculture-adjacent trades. The brokerage market is highly fragmented, dominated by small independent agencies without technology platforms or specialist depth.

Market Sizing and Entry Strategy

Combined, Idaho and Montana represent an estimated \$1.4B in annual commercial property and casualty premium across our target verticals. At typical brokerage commission rates of 10 to 15%, the addressable commission pool exceeds \$150M annually.

Our entry strategy mirrors the approach that built our Washington and Oregon book: recruit one or two experienced local producers per market who bring portable client relationships and carrier credibility, support them with our risk scoring platform and back-office infrastructure.

Carrier appointments are the practical gating factor for any new market, and Meridian already holds appointments with the regional and national carriers that operate across Idaho and Montana.

Carrier appointments are the practical gating factor for any new market, and Meridian already holds appointments with the regional and national carriers that operate across Idaho and Montana.

The Risk Scoring Platform

Turning a decade of claims data into a structural advantage

Meridian Risk Score

The Meridian Risk Score is a proprietary model that evaluates a contractor or manufacturer loss exposure across dozens of variables — trade type, project mix, safety program maturity, claims history, payroll composition, and subcontractor practices — and produces a standardized score before submission to carriers.

For Meridian, the platform delivers three compounding economic benefits: superior risk selection improving loss ratios and earning higher commission tiers; faster quoting increasing broker capacity; and a client-facing risk advisory product deepening relationships and reinforcing the 91% retention rate.

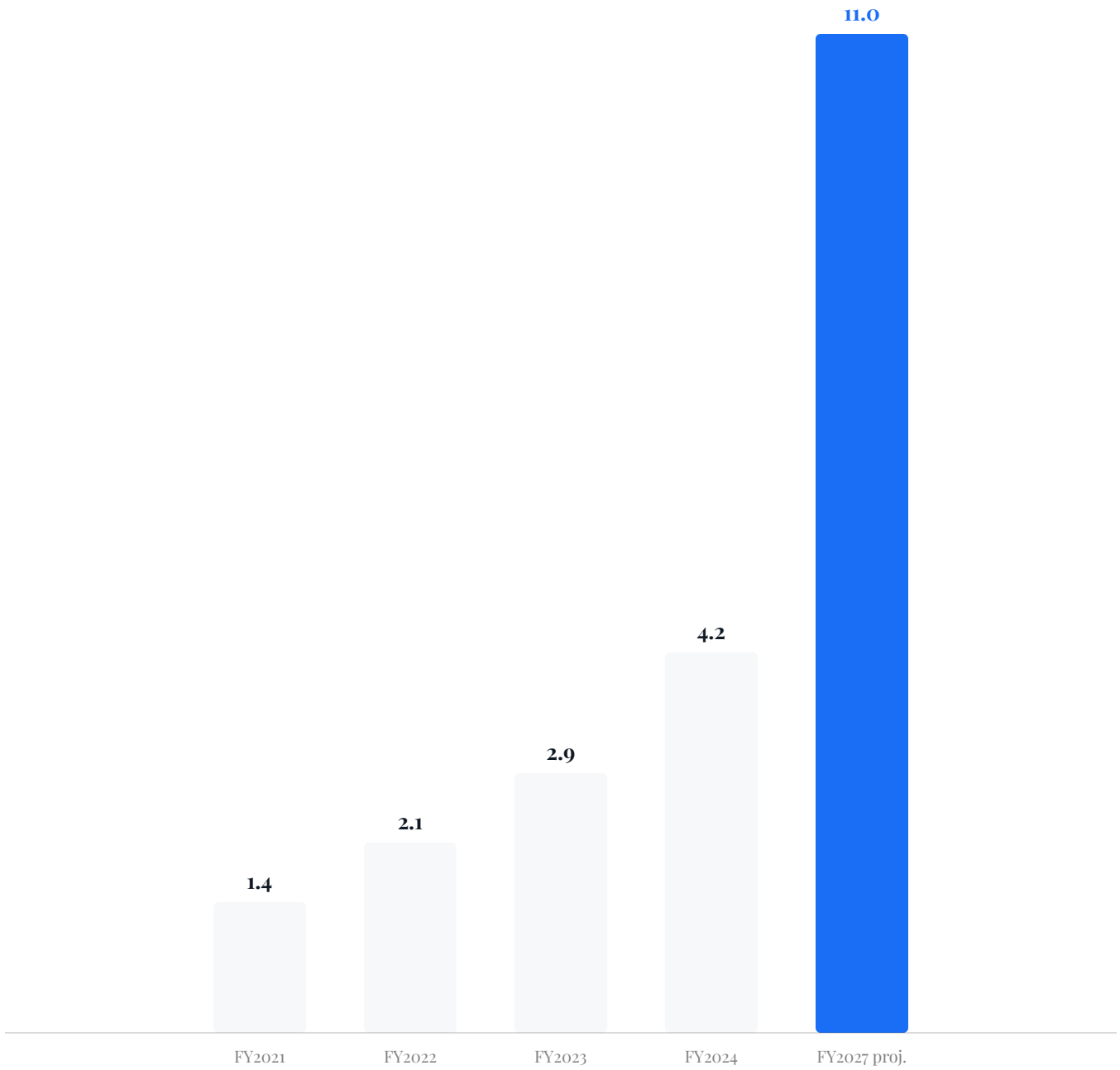
The defensibility of the platform grows with every policy bound. Each new account, renewal, and claim feeds the model, sharpening its predictive accuracy in exactly the trade verticals where Meridian concentrates.

Each new account, renewal, and claim feeds the model, sharpening its predictive accuracy in exactly the trade verticals where Meridian concentrates.

Financial Performance and Unit Economics

Capital-efficient growth, near breakeven

ARR Growth Trajectory



Source: Methodology: Projections assume successful Idaho and Montana market entry per the growth plan. Historical figures from audited management accounts.
Caption: Historical ARR reflects audited and management figures; FY2027 is projected post-Series A.

Unit Economics and Key Metrics

METRIC	CURRENT	YEAR 3 TARGET
Annual Recurring Revenue	\$4.2M	\$11.0M
Active Accounts	600+	1,500+
Licensed Producers	12	18
Revenue per Producer	\$350K	\$610K
Client Retention Rate	91%	93%
Markets Served	2 (WA, OR)	4 (WA, OR, ID, MT)

Source: Source: Management projections, February 2025.

Caption: Targets reflect the 24-month deployment plan funded by the Series A round.

Why the Economics Work

Brokerage revenue is recurring and high-margin by nature: commissions renew annually with each client policy, and Meridian 91% retention means the existing book compounds rather than churns. With near-breakeven operations today, the company does not require the round to fund ongoing losses.

Producer economics are the engine of the model. A new broker typically reaches profitability within 9 to 12 months and matures to \$400K to \$600K in annual commissions within three years, generating contribution margins well above their fully loaded cost.

As Meridian scales across four markets, fixed costs in technology, compliance, and back-office operations are spread across a larger revenue base, expanding EBITDA margins. We project the business reaches sustained profitability during the deployment period.

We project the business reaches sustained profitability during the deployment period.

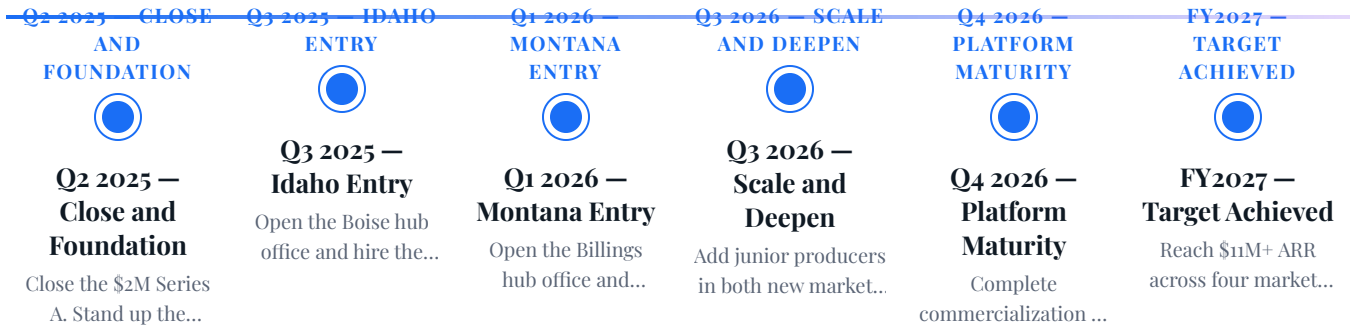
Use of Funds and Growth Plan

Where the \$2M goes

Allocation of \$2.0M Series A

CATEGORY	ALLOCATION	PURPOSE
Producer Recruitment and Ramp	\$760K (38%)	Hire and ramp 6 new brokers across Idaho and Montana.
Risk Platform Engineering	\$520K (26%)	Dedicated product and data engineering team.
Market Offices and Setup	\$320K (16%)	Establish Boise and Billings hub offices.
Marketing and Brand	\$200K (10%)	Regional brand-building and trade-association presence.
Working Capital and Reserve	\$200K (10%)	Operating buffer through the deployment period.

Expansion Timeline



Competitive Landscape

How Meridian is positioned

Competitive Positioning

National Brokers and Consolidators

Large national brokers dominate by scale but treat smaller regional commercial accounts as low-priority commodity business. They lack the local underwriting relationships and trade-specific expertise that contractors and manufacturers value.

Local Independent Agencies

The Idaho and Montana markets are populated by small independent agencies that offer local relationships but no technology platform, limited carrier breadth, and shallow specialization. Meridian outcompetes them with superior carrier access and the Meridian Risk Score.

“

Meridian sits between national brokers that lack regional depth and local agencies that lack technology — occupying a defensible middle ground built on specialist expertise plus a proprietary data moat. The risk scoring dataset compounds with every policy bound, making the advantage harder to copy each year.

Appendix: Assumptions and Risk Factors

- Financial assumptions: FY2024 ARR of \$4.2M reflects audited and management figures. Projections assume new producers reach profitability within 9 to 12 months and mature to \$400K to \$600K in annual commissions over three years.
- Market assumptions: Idaho and Montana combined commercial P and C premium across target verticals estimated at approximately \$1.4B annually. Commission pool exceeds \$150M annually.
- Key risks: A softening insurance market could compress premiums and commissions; producer recruitment may take longer than planned; platform commercialization carries execution risk.
- Round terms: Meridian is raising \$2.0M at a \$12M pre-money valuation. Capital deploys over 24 months with projected \$11M+ ARR by FY2027.