



DEGREE

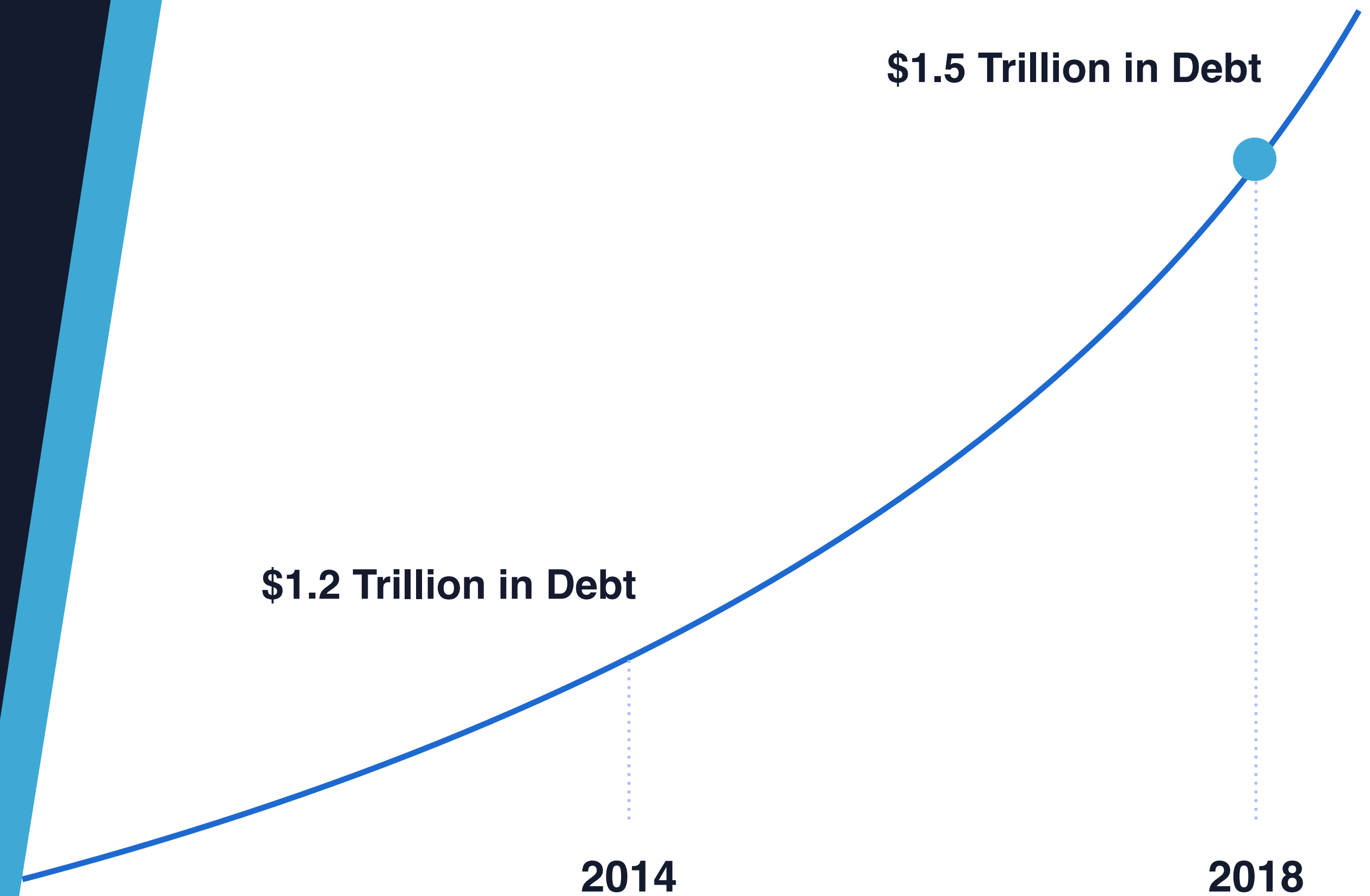
*Promoting college enrollment and completion by
guaranteeing graduates' earnings.*

The Opportunity

Higher education is the **largest uninsured investment market in the world.**

The risk and burden is now borne almost entirely by the “investors” themselves - **college students and their families.**

Today,
44 Million Americans carry student-debt
averaging **\$37,132**. And if we forgave all of it
today, we'd be right back where we started in just
15 years.



Context

Higher education leaves the average student \$35,000 in debt that will take 21 years to repay, making student debt a multigenerational challenge.

A student graduating today may well still be paying her loans when her daughter says, “Mom - I just got in! Can you co-sign my loans?”

Yet, for most college graduates it's still a good investment.



Our Objective

Degree will ensure that an individual's investment in higher education actually pays off.

We guarantee a minimum of earnings in the 5 years following graduation. If you earn less than we promised, **we make you whole.**

We are providing a safety net for *all* graduates.

Who Buys It

We sell our product directly to **colleges and universities** to guarantee salary outcomes for their entire incoming freshman class.

Colleges then use the guarantee to recruit and retain students - giving prospective students the confidence necessary to enroll and stay through to graduation.

Through the increased enrollments the program is estimated to pay for itself in 3 years and contributes to the school's bottom line in years 4 and 5.





Premiums

The purchasing college pays a **single, one-time premium** to cover every new in-coming student.

For example, we estimate a premium of \$1000-4000 per student across the full class of incoming freshmen.

The premium can be spread out over 3-4 years, or even deferred until the third or fourth year of each student cohort, when we anticipate most colleges will have recouped the “cost” of coverage through increased enrollment and retention.

Coverage levels vary **based on major**, but might look like:

\$56,000/yr for Engineering

\$44,000/yr for Business and Management or

\$34,000/yr for Education

Claims are paid lump-sum at the end of the 5-year period.





Policy and Claims

A student graduates and sends Degree Insurance two things:

- 1 Proof of graduation, which tells us their major and locks the coverage amount;
- 2 W2s and tax returns for each of the 5 full calendar years following graduation.

If they earned less than the coverage amount, **we pay them the difference.**

Importance of Taking Action

1

Downward Trend in College-Age Students Constricts the Marketplace

There is a -0.5% downward trend in college-age and college-prepared students constricting the marketplace and a drop of 12.5% coming 18 years after the Great Recession.

2

Pressure to Address Enormous College Costs

There is significant public/political pressure to address the costs of college and its impact on families today.

3

Focus on Outcomes

We can be part of the solution - without carrying the political risks associated with financing innovations dependent on the status quo.

4

Multiplier Effect

Our product comes with a 1.5-2x multiplier by increasing the colleges revenue as a result of higher enrollment and retention helping colleges improve their financial picture today.



Importance of Taking Action

1 **American Dream Insurance is accretive to a university's bottom line**

Tuition dollars are critical to any university's budget. Sustaining those dollars by encouraging enrollment, improving yield and promoting college completion is the best way to ensure vulnerable institutions survive economic challenges like COVID-19 or a looming demographic change.

2 **Achieving the mission**

Higher Education is the ladder that lifts families up to greater financial stability. Degree Insurance helps give students the boost they need to continue on to graduation, thereby better meeting the university's mission.



Recent Survey Results

1

87.6% of students said...

Offering degree insurance would positively impact their decision to enroll at a specific institution.

2

When ranking just how influential such an offering would be to their decision to enroll...

33.6% ranked Degree insurance as a 10/10 in impact.

3

When asked if they'd take a guarantee or a \$2400 scholarship...

Only 25% chose the scholarship. In fact, when offered a scholarship of \$7500 the result didn't change for 77% of respondents.



Student Feedback

1 “I love this idea! So exciting and made me believe that getting a degree really will lead to a better future.”

2 “It takes away the anxiety of not making money when you graduate.”

3 “It definitely will give graduating students peace of mind when thinking of their futures and livelihoods.”

4 “I really like that option and think it will help a lot of people that would also encourage a lot more people to sign up for college. It definitely had my attention.”



Our product is not simply good for students, universities, and us. It is good for society.

1

Increased enrollment rates

2

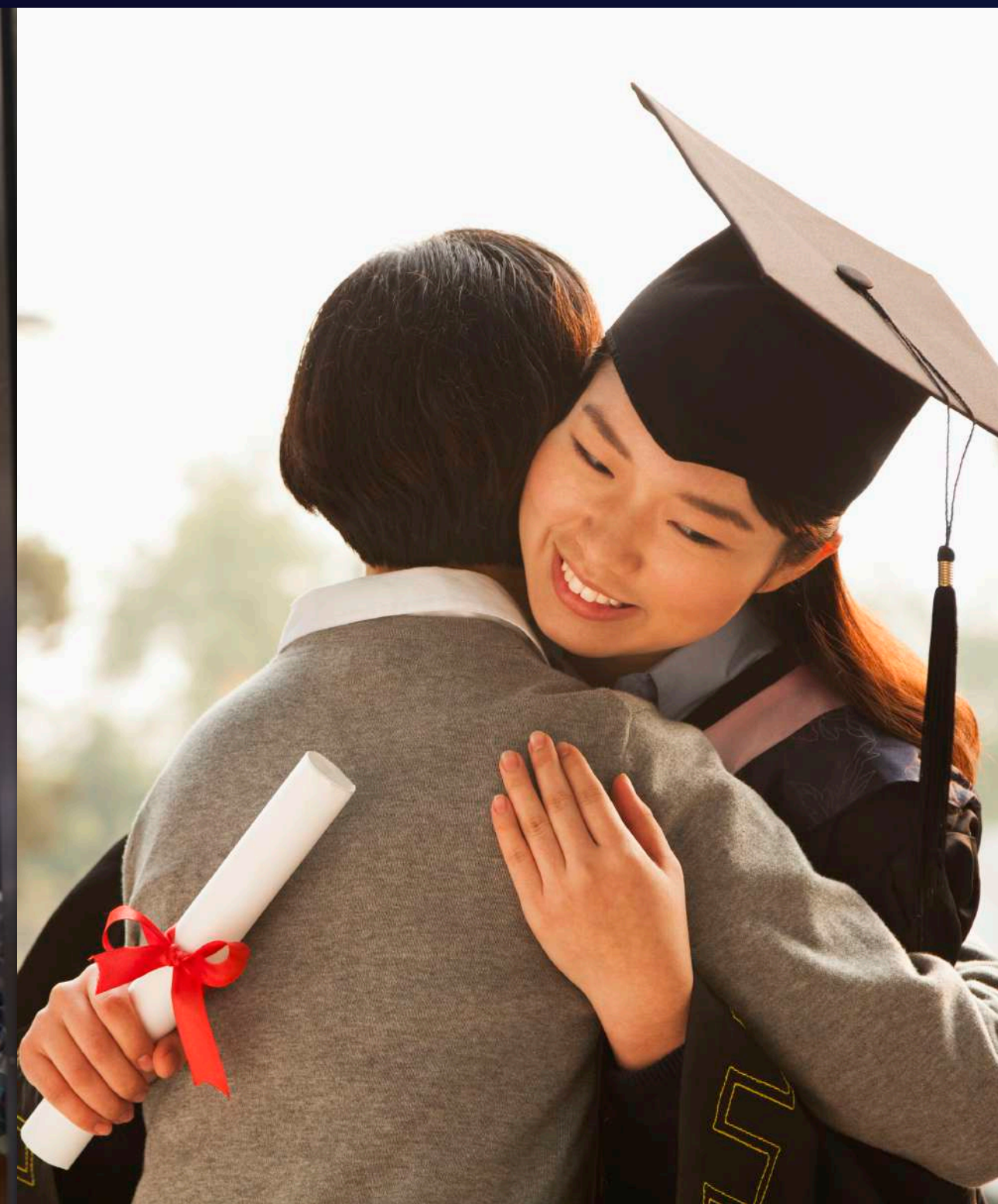
Improved graduation rates

3

Certainty in uncertain times

4

Sustaining the institutions critical
to our success as a nation





Impact on Society

Degree Insurance can help tackle educational failure and personal debt, two of the root causes of entrenched poverty. Together with Degree you can work to bring to market innovative ways to ensure higher education institutions provide economic opportunities for all Americans.





Competitive Advantage

When we live our mission and values this way, students will be drawn to what we have to offer.

- 1 Illinois is the first state to license Degree, and that means Illinois colleges are the first to be able to offer such a guarantee.
- 2 There is an opportunity for Illinois colleges to lead out with a new best-practice that ensures our students have the futures we hope for them.
- 3 When we tell students we are providing “an education of enduring worth,” part of that promise can be fulfilled by providing a safety net that supports our graduates when they need it most.



Wade Eyerly

Wade is known for innovating in heavily regulated space, pioneering the all-you-can-fly subscription airline model as founder and CEO of Surf Air. Prior to that Wade worked on then-VP Dick Cheney's staff, as an economist at the Pentagon, and as an intelligence officer for the DIA with whom he served one tour in Iraq.

He was a Pell grant recipient and has degrees from the University of Central Missouri and BYU.



Dennis Murashko

Dennis is a regulatory attorney and actuary. He has served as an advisor and general counsel to Illinois Governor. Prior to joining the administration, he was an appellate attorney at Jones Day, an experience that built on his time clerking for both the D.C. and the 10th US courts of appeals. He began his career as an actuary at a large consulting firm.

Dennis has degrees from Maryville University of Saint Louis and Northwestern University School of Law.



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