

Arkansas Insurance Department

NEWS RELEASE

*Allen Kerr
Insurance Commissioner*



FOR IMMEDIATE RELEASE

December 19, 2017

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Lemonade To Be Sold In Arkansas

App-based rental insurer provides 'Giveback' to nonprofits

LITTLE ROCK – Arkansas Insurance Commissioner Allen Kerr today released the following statement announcing that he has granted a Certificate of Authority to Lemonade Insurance Company, a New York-based company which provides renters insurance through a mobile app:

“The Arkansas Insurance Department is happy to welcome its first Insurtech company to Arkansas. Lemonade is a company focused on using technology, artificial intelligence, and bots to innovate the insurance industry while promoting nonprofit giving through its annual ‘Giveback’ program of underwriting profits. I am proud to welcome Lemonade to the renters’ market in Arkansas.”

Kerr granted authority to Lemonade to sell property, casualty, and marine products in Arkansas with an initial limit to renters insurance. The company is a New York-domiciled property and casualty insurance company offering renters and home insurance policies created in 2016 and is a wholly owned subsidiary of Lemonade, Inc., a Delaware Corporation.

Lemonade’s business model uses artificial intelligence and behavioral economics to communicate through a mobile platform with its customers. The company uses software, called bots, to deliver insurance through its app and at lemonade.com. Consumers also file claims with the bot, which can pay claims instantly and without human intervention.

Lemonade is also a Certified B-Corp, where underwriting profits are contributed to nonprofits. The Company receives a flat 20% fee, treating premiums as belonging to the policyholders. Lemonade returns “unclaimed money” during its annual Giveback. Giveback is a feature of Lemonade in which undistributed profits each year are donated to causes that customers elect. Lemonade is currently writing business in five other states and seeking to expand operations.

This is the 28th new company Kerr has granted authority to in 2017. Since becoming Commissioner in 2015, Kerr has welcomed 63 new companies to Arkansas.

For more information on the Arkansas Insurance Department, please visit <http://insurance.arkansas.gov>, follow us on Twitter at <http://twitter.com/ARInsuranceDept> and Facebook at <http://www.facebook.com/ArkansasInsuranceDepartment>.