

Arkansas Insurance Department NEWS RELEASE

*Allen Kerr
Insurance Commissioner*



FOR IMMEDIATE RELEASE

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InsurTech Auto Insurer 30th New Company of 2017 *Root Insurance provides mobile-based individual rates*

LITTLE ROCK – Arkansas Insurance Commissioner Allen Kerr today released the following statement announcing that he has granted his 30th Certificate of Authority of 2017 to a new InsurTech company to begin selling private-passenger auto insurance to Arkansans through its app-based platform:

“We are proud to welcome another InsurTech company to Arkansas. Root is a company that can help the insurance industry catch up with the tech curve, which will help Arkansas drivers see lower premiums based on their own good driving habits. The Arkansas Insurance Department will seek out more companies embracing technology as part of our new business recruitment efforts for 2018.”

Kerr granted authority to Columbus, Ohio-based Root Insurance Company to sell property and casualty (excluding workers compensation) products in Arkansas. It is a private passenger auto insurance company that began operations in June 2016. Root is wholly owned by IBOD, Inc. and is currently licensed in 18 states. The company’s policies are reinsured by Munich Re [A.M. Best rated A+(superior)], Maiden Re [A.M. Best rated A(excellent)], and Odyssey Re [A.M. Best rated A(excellent)].

Root utilizes telematics data, provided by consumers through its smartphone application to more accurately price insurance coverage. Customers will use the application to scan their driver’s license which Root uses to gather data, including their driving history and other demographic information. The application will turn the customer’s phone into a telematics device, gathering additional data about the customer’s driving habits by measuring driving speeds, acceleration and breaking patterns, changing lanes and other activities related to automobile accidents. The use of the cell phone is only to gather enough data to determine the premium.

This is the 30th new company Kerr has granted authority to in 2017 and 65th since becoming Commissioner in 2015.

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>.