REPORT ON EXAMINATION

OF

LEMONADE INSURANCE COMPANY

AS OF

DECEMBER 31, 2018

DATE OF REPORT	JUNE 03, 2020
EXAMINER	JUSTIN MATHEW

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June 03, 2020

Honorable Linda A. Lacewell
Superintendent
New York State Department of Financial Services
Albany, New York 12257

Madam:

Pursuant to the requirements of the New York Insurance Law, and in compliance with the instructions contained in Appointment Number 31959 dated June 25, 2019, attached hereto, I have made an examination into the condition and affairs of Lemonade Insurance Company as of December 31, 2018, and submit the following report thereon.

Wherever the designation "the Company" appears herein without qualification, it should be understood to indicate Lemonade Insurance Company.

Wherever the term "Department" appears herein without qualification, it should be understood to mean the New York State Department of Financial Services.

The examination was conducted at the Company's home office located at 5 Crosby Street, New York, NY 10013.

1. SCOPE OF EXAMINATION

The Department has performed an individual examination of the Company, a multi-state insurer. This is the first financial examination of the Company after the report on organization, which was conducted as of September 02, 2016. This examination covered the period from September 03, 2016 through December 31, 2018. Transactions occurring subsequent to this period were reviewed where deemed appropriate by the examiner.

This examination was conducted in accordance with the National Association of Insurance Commissioners ("NAIC") Financial Condition Examiners Handbook, which requires that we plan and perform the examination to evaluate the financial condition and identify current and prospective risks of the Company by obtaining information about the Company including corporate governance, identifying and assessing inherent risks within the Company and evaluating system controls and procedures used to mitigate those risks. This examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with New York laws, statutory accounting principles, and annual statement instructions.

This examination report includes, but is not limited to, the following:

Company history
Management and control
Territory and plan of operation
Reinsurance
Holding company description
Financial statement presentation
Loss review and analysis
Significant subsequent events
Summary of recommendations

A review was also made to ascertain what action was taken by the Company with regard to the recommendation contained in the prior report on organization.

This report on examination is confined to financial statements and comments on those matters that involve departures from laws, regulations or rules, or that are deemed to require explanation or description.

2. DESCRIPTION OF COMPANY

Lemonade Insurance Company was incorporated under the laws of the State of New York on October 27, 2015. It became licensed on September 15, 2016 and commenced business on September 20, 2016. The Company is a wholly owned subsidiary of Lemonade, Inc. ("parent"), a Delaware public benefit corporation. Lemonade, Inc. is the parent of a holding company system comprised of the Company and the parent's other wholly owned subsidiaries, Lemonade Insurance Agency, LLC (a New York insurance agency) and Lemonade, Ltd. (an Israeli technology company).

The Company is a technology-based insurance company that uses advanced systems and software with the assistance of artificial intelligence and behavioral economics to provide insurance and handle claims for its customers. It leverages new technologies to automate and optimize insurance processes.

A. Corporate Governance

Pursuant to the Company's charter and by-laws, management of the Company is vested in a board of directors consisting of not less than seven nor more than 15 members. The board meets four times during each calendar year. At December 31, 2018, the board of directors was comprised of the following seven members:

Name and Residence	Principal Business Affiliation
James Michael Hageman West Granby, CT	Chief Claims Officer, Lemonade Insurance Company
William David Latza New York, NY	General Counsel and Secretary, Lemonade Insurance Company
John Sheldon Peters Newtonville, MA	Chief Underwriting Officer, Lemonade Insurance Company
Maya Prosor New York, NY	Chief Distribution Officer, Lemonade Insurance Company
Ty Rone Sagalow Syosset, NY	Director, Lemonade Insurance Company
Ronald John Topping Allentown, NJ	Chief Financial Officer and Treasurer, Lemonade Insurance Company

Name and Residence	Principal Business Affiliation
Shai Wininger Haifa, Israel	Chairman and Chief Technology Officer, Lemonade Insurance Company

A review of the minutes of the board of directors' meetings held during the examination period indicated that a board member attended less than 50% of the meetings for which he was eligible to attend. Members of the board have a fiduciary responsibility and must evince an ongoing interest in the affairs of the insurer. It is essential that board members attend meetings consistently and set forth their views on relevant matters so that the board may reach appropriate decisions. Individuals who fail to attend at least one-half of the regular meetings do not fulfill such criteria. It is recommended that board members who are unable or unwilling to consistently attend meetings resign or be replaced.

The Company was unable to provide all Ethical Conduct and Conflict of Interest statements signed by directors, officers and key employees for 2018. It is recommended the Company require all its directors, officers and key employees to complete an Ethical Conduct and Conflict of Interest statement on an annual basis and ensure that such statements are completed accurately, and are signed, maintained and available for inspection.

As of December 31, 2018, the principal officers of the Company were as follows:

Name	Title
Daniel Asher Schreiber	Chief Executive Officer / President
William David Latza	General Counsel / Secretary
Ronald John Topping	Chief Financial Officer / Treasurer
John Sheldon Peters	Chief Underwriting Officer

B. Territory and Plan of Operation

As of December 31, 2018, the Company was licensed to write business in the District of Columbia and the following 28 states: Arizona, Arkansas, California, Connecticut, Georgia, Illinois, Indiana, Iowa, Louisiana, Maryland, Michigan, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Virginia and Wisconsin.

As of the examination date, the Company was authorized to transact the kinds of insurance as defined in the following numbered paragraphs of Section 1113(a) of the New York Insurance Law:

Paragraph	Line of Business
4	Fire
5	Miscellaneous property
6	Water damage
7	Burglary and theft
8	Glass
9	Boiler and machinery
12	Collision
13	Personal injury liability
14	Property damage liability
20	Marine and inland marine (inland only)

Based upon the lines of business for which the Company is licensed and the Company's current capital structure, and pursuant to the requirements of Articles 13 and 41 of the New York Insurance Law, the Company is required to maintain a minimum surplus to policyholders in the amount of $3,000,000.

The following schedule shows the direct premiums written by the Company for the period under examination. The Company did not assume any business during the examination period.

Calendar Year	Direct Premiums
2016	$ 179,715
2017	$ 8,996,373
2018	$46,825,895

Growth in direct written premiums is attributable to the Company's expansion into additional markets. At year-end 2016, the Company was licensed in two states and only wrote business in one, versus the writings of business in 21 states at year-end 2018. The Company's business model includes a "Giveback Program", in which the Company donates underwriting profits to charities. After purchasing a policy, the insured has the ability to select from a list of eligible charities the one he/she would prefer to receive a portion of the Giveback. Based on the charity selection, the insured is placed into a cohort, which is a nominal group of policyholders for which the Company determines underwriting profitability. After subtracting the MGA fee, discussed below, and a share of reinsurance cost and other expenses, the Company uses the net premiums collected from each cohort to pay for claims incurred by those insureds. Any remaining funds are available for donation at the sole discretion (subject to certain financial commitments made to the Department) of the Company to the specified charity by which the cohort is defined. A policyholder can only be reassigned to a new, or different, cohort pursuant to Company guidelines and policies.

The Company uses artificial intelligence to assist with underwriting and paying claims through desktop and mobile applications. It primarily writes renters and homeowners insurance for apartments, co-ops, condos and homes. Business is produced by Lemonade Insurance Agency, LLC ("LIA"), an affiliate, via a Managing General Agency ("MGA") Agreement between the Company and LIA.

During the examination period, the Company's largest markets were Texas, California and New York. In 2018, Texas accounted for 28.7% of direct written premiums, California accounted for 26.6% and New York accounted for 15.6%.

C. Reinsurance Ceded

Aggregate Excess of Loss

Effective July 1, 2017, the Company entered into an aggregate excess of loss reinsurance agreement with multiple reinsurers, where the reinsurers shall be liable in the aggregate for 100% of the Ultimate Net Loss over and above an initial Ultimate Net Loss each cohort equal to 50% of the Gross Net Earned Premium Income each cohort, as described in the Reinsurer Limit of Liability Table below:

Reinsurer Limit of Liability Table		
	Maximum Limit	Minimum Limit
Contract Year	Ultimate Net Loss each Cohort and for all losses occurring during each Contract Year	Ultimate Net Loss each Cohort and for all losses occurring during each Contract Year
First (07/01/17 – 06/30/18)	$30,000,000	$10,000,000
Second (07/01/18 – 06/30/19)	$105,000,000	$35,000,000
Third (07/01/19 – 06/30/20)	$190,000,000	$65,000,000

The reinsurer's limit of liability for each contract year of the agreement shall adjust between the minimum limit and maximum limit values as described in the Reinsurer Limit of Liability Table based on a specified multiple of Gross Net Earned Premium Income. Also, the Company shall retain in the aggregate, each contract year, a specified additional retention.

Automatic Facultative Property Per Risk Excess of Loss

Effective February 1, 2018 and amended September 1, 2018, the Company entered into an automatic facultative property per risk excess of loss reinsurance agreement with Arch Reinsurance Company where the reinsurer shall be liable in respect of each loss, each risk, for the Ultimate Net Loss over and above an initial Ultimate Net Loss of $500,000 each loss, each risk, subject to a limit of liability to the reinsurer as follows:

1. $4,000,000 ($3,000,000 on coastal locations) each loss, each risk on accumulations of multiple HO-4 / HO-6 policies at noncombustible or better buildings.
2. $3,000,000 ($2,000,000 on coastal locations) each loss, each risk on accumulations of multiple HO-4 / HO-6 policies at frame garden apartments.
3. $2,500,000 each loss, each risk on single HO-3 policies.
4. $2,000,000 each loss, each risk on single HO-4 / HO-6 policies.

As of December 31, 2018, approximately $3,274,000, $536,000 and $1,771,000 of the Company's business was ceded to authorized, unauthorized and certified reinsurers, respectively. Since the last examination, the Company has increased its number of authorized, unauthorized and certified reinsurers to accommodate the growth of its business.

It is the Company's policy to obtain the appropriate collateral for its cessions to unauthorized reinsurers. Letters of credit obtained by the Company to take credit for cessions to unauthorized reinsurers were reviewed for compliance with Department Regulation 133. No exceptions were noted.

All significant ceded reinsurance agreements in effect as of the examination date were reviewed and found to contain the required clauses, including an insolvency clause meeting the requirements of Section 1308 of the New York Insurance Law.

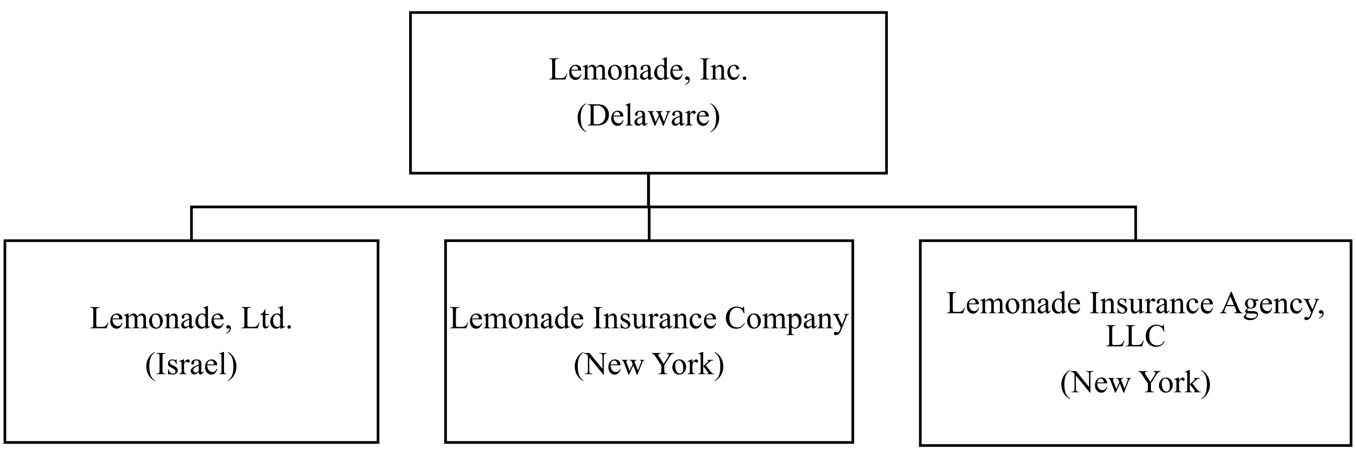
Examination review found that the Schedule F data reported by the Company in its filed annual statement accurately reflected its reinsurance transactions. Additionally, management has represented that all material ceded reinsurance agreements transfer both underwriting and timing risk as set forth in the NAIC Accounting Practices and Procedures Manual, Statement of Statutory Accounting Principles ("SSAP") No. 62R. Representations were supported by appropriate risk transfer analyses and an attestation from the Company's Chief Executive Officer and Chief Financial Officer pursuant to the NAIC annual statement instructions. Additionally, examination review indicated that the Company was not a party to any finite reinsurance agreements. All ceded reinsurance agreements were accounted for utilizing reinsurance accounting as set forth in SSAP No. 62R.

D. Holding Company System

The Company is a wholly owned subsidiary of Lemonade, Inc., a public benefit corporation incorporated in Delaware. Lemonade, Inc. is the parent of a holding company system comprised of the Company, Lemonade Insurance Agency, LLC and Lemonade, Ltd.

A review of the holding company registration statements filed with this Department indicated that such filings were complete and were filed in a timely manner pursuant to Article 15 of the New York Insurance Law and Department Regulation 52.

The following is an abridged chart of the holding company system at December 31, 2018:



Holding Company Agreements

As of December 31, 2018, the Company was party to the following agreements with other members of its holding company system:

Service Agreements

Effective September 1, 2016, the Company entered into a service agreement with its parent, Lemonade, Inc., whereby the parent agreed to perform certain services for the Company in its operations and to provide certain property equipment and facilities of the parent and its subsidiaries. The services provided by the parent included accounting, tax and auditing, underwriting, claims, reinsurance, investment, functional support services and requested services. Per the terms of the agreement, whenever the parent received and collected money for the account of the Company, the parent did not commingle such money with its own but deposited such money in an appropriate separate account in the State of New York. The agreement was amended, effective March 23, 2017, whereby the parent held such money in a fiduciary capacity. As compensation for the services and facilities provided by the parent under this agreement, the Company paid the parent a fee in an amount equal to 20% of the Company's gross premium. It is noted that to the extent that the 20% fee did not cover the actual cost of services, the Company reflected actual costs on its statutory financial statements with any subsidized cost reflected as a surplus contribution from the parent.

Effective January 1, 2018, the Company entered into a Second Amended and Restated Service Agreement with its parent whereby the parent agreed to perform certain services for the Company in its operations and to provide certain property equipment and facilities of the parent and its subsidiaries. The services to be provided by the parent include accounting, tax and auditing, underwriting, claims, reinsurance, investment, functional support services and requested services. The charges paid by the Company to the parent for the services provided represents the actual costs incurred in providing services. In 2018, the Company paid its parent a service fee of $1,136,196.

Agency Agreements

Effective September 1, 2016, the Company entered into an Agency Agreement with Lemonade Insurance Agency, LLC whereby the Company appointed LIA to act as its agent with respect to the Company's personal lines insurance policies within the states licensed. LIA provided distribution and underwriting services, including the technology to execute those services. Distribution services included marketing/attracting customers, quoting and binding policies, transactional underwriting, processing/servicing customers and billing. Per the terms of the agreement, the Company paid no commissions to LIA. During 2017, the relationship between LIA, the Company, and the parent began to change and the scope of LIA expanded. Customer and potential customer requests for products expanded beyond the current offerings of the Company, and many potential partners approached LIA for services generally associated with those of a managing general agent ("MGA"). As a result, effective January 1, 2018, the Company entered into a MGA agreement with LIA with similar services provided under the Agency Agreement executed in 2016. Under the terms of the MGA agreement, the Company paid LIA a fee of 25% of gross written premiums. Additionally, per the terms of the agreement, LIA was obligated to provide audited financial statements to the Department on an annual basis. During 2018, the Company paid LIA $11,706,474.

This MGA agreement terminated December 31, 2019 and a new agreement became effective January 1, 2020.

Tax Allocation Agreement

Effective September 1, 2016, the Company and its parent, Lemonade, Inc., entered into a Tax Allocation Agreement to file a consolidated federal income tax return under the provisions of Section 1501, et seq., of the Internal Revenue Code of 1986. Under this agreement, the Company shall compute and pay to the parent its federal income tax liability as if computed on a stand-alone basis. The parent shall then pay and file the consolidated federal income tax return. As of December 31, 2018, the Company did not report a federal income tax liability because it did not generate any income for the 2018 tax year.

All agreements subject to Section 1505 of the New York Insurance Law were filed with the Department.

E. Significant Ratios

The following operating ratios, computed as of December 31, 2018, fall within the benchmark ranges set forth in the Insurance Regulatory Information System ("IRIS") of the NAIC.

Operating Ratios	Result
Net premiums written to policyholders' surplus	175%
Adjusted liabilities to liquid assets	29%

The Company's two-year overall operating ratio of 129% falls outside of the benchmark range set forth in the IRIS of the NAIC due to high other underwriting expenses such as advertising and salaries. As a recent entrant into the market, the Company expects these expenses to remain high to be competitive in the market. Subsequent to the examination period, the Company increased its net premiums written which will presumably lead the overall operating ratio to fall within the benchmark range.

Underwriting Ratios

The underwriting ratios presented below are on an earned/incurred basis and encompass the period covered by this examination:

	Amount	Ratio
Losses and loss adjustment expenses incurred	$ 16,963,501	72.15%
Other underwriting expenses incurred	30,939,267	131.58
Net underwriting gain (loss)	(24,389,977)	(103.73)
Premiums earned	$ 23,512,791	100.00%

The Company's reported risk-based capital ("RBC") score was 423.9% at December 31, 2018**.** The RBC is a measure of the minimum amount of capital appropriate for a reporting entity to support its overall business operations in consideration of its size and risk profile. An RBC of 200% or below can result in regulatory action. There were no financial adjustments in this report that impacted the Company's RBC score.

F. Accounts and Records

Department Regulation 118, Section 89.12(e) states:

> "The Company shall submit written notification to the Superintendent of the selection of its audit committee within 30 days of the effective date of this Part and within 30 days of any change in membership of the audit

> committee. The notice shall include a description of the reason for the change."

The Company failed to inform the Department within 30 days of the selection of its audit committee and within 30 days of any change in membership of the audit committee.

It is recommended the Company submit written notification of the selection and change in membership of its audit committee within the required timeframe.

Article 2.1 of the Company's by-laws states, in part:

> "An annual meeting of shareholders for the election of directors and for such other business as may properly come before the meeting shall be held on the second Wednesday in November of each year."

The Company held its 2018 annual meeting of shareholders on the second Thursday in November. Additionally, there was no evidence of shareholder meeting minutes indicating an election of directors for 2016 and 2017.

It is recommended the Company comply with its by-laws and document the election of directors at its annual meeting of shareholders.

3. FINANCIAL STATEMENTS

A. Balance Sheet

The following shows the assets, liabilities and surplus as regards policyholders as of December 31, 2018, as reported by the Company:

Assets	Assets	Assets Not Admitted	Net Admitted Assets
Bonds	$ 3,305,456	$0	$ 3,305,456
Cash	12,348,836	0	12,348,836
Cash equivalents	10,522,120	0	10,522,120
Short-term investments	5,983,057	0	5,983,057
Investment income due and accrued	15,175	0	15,175
Deferred premiums, agents' balances and installments booked but deferred and not yet due	25,857,544	0	25,857,544
Amounts recoverable from reinsurers	592,210	0	592,210
Funds on deposit with claims administrator	147,151	0	147,151
Clearing account	(41,180)	0	(41,180)
Total assets	$58,730,369	$0	$58,730,369

Liabilities, Surplus and Other Funds

Liabilities		
Losses and loss adjustment expenses		$ 1,824,254
Other expenses (excluding taxes, licenses and fees)		89,288
Taxes, licenses and fees (excluding federal and foreign income taxes)		727,985
Unearned premiums		26,205,325
Ceded reinsurance premiums payable (net of ceding commissions)		2,321,462
Provision for reinsurance		529,053
Payable to parent, subsidiaries and affiliates		3,436,129
Accrued employee expense reports		20
Total liabilities		$35,133,516
Surplus and Other Funds		
Common capital stock	$ 3,000,000	
Gross paid in and contributed surplus	45,609,511	
Unassigned funds (surplus)	(25,012,658)	
Surplus as regards policyholders		$23,596,853
Total liabilities, surplus and other funds		$58,730,369

Note: During the examination period, the Company was not subject to audit by the Internal Revenue Service. The examiner is unaware of any potential exposure of the Company to any tax assessment and no liability has been established herein relative to such contingency.

B. Statement of Income

The net loss for the examination period as reported by the Company was $24,255,988, as detailed below:

Underwriting Income		
Premiums earned		$ 23,512,791
Deductions:		
Losses and loss adjustment expenses incurred	$16,963,501	
Other underwriting expenses incurred	30,939,267	
Total underwriting deductions		47,902,768
Net underwriting gain or (loss)		$(24,389,977)
Investment Income		
Net investment income earned	$ 361,949	
Net realized capital gain	67	
Net investment gain		362,016
Other Income		
Net gain or (loss) from agents' or premium balances charged off	$ (228,027)	
Total other income or (loss)		$ (228,027)
Net income		$(24,255,988)

C. Capital and Surplus

Surplus as regards policyholders increased $18,596,656 during the examination period September 3, 2016 through December 31, 2018, as reported by the Company, detailed as follows:

Surplus as regards policyholders, as reported by the Company as of September 02, 2016			$ 5,000,197
	Gains in Surplus	Losses in Surplus	
Net income		$24,255,988	
Change in provision for reinsurance		529,053	
Capital changes paid in	$ 2,000,000		
Surplus adjustments paid in	41,609,511		
Correction of error		227,814	
Total gains and losses	$43,609,511	$25,012,855	
Net increase in surplus			18,596,656
Surplus as regards policyholders, as reported by the Company as of December 31, 2018			$23,596,853

As of December 31, 2018, capital paid in is $3,000,000 consisting of 3,000,000 shares of $1 par value per share common stock and gross paid in and contributed surplus is $45,609,511. During the first quarter of 2017, 2,000,000 additional common shares were issued to the Company's parent and in payment $2,000,000 was transferred from paid in and contributed surplus to paid in capital. No adjustments were made to surplus as a result of this examination.

Gross paid in and contributed surplus increased by $41,609,511 during the examination period, as follows:

Year	Description		Amount
2016	Beginning gross paid in and contributed surplus		$ 4,000,000
2016	Surplus contribution	$ 2,550,485	
2017	Surplus contribution	26,059,026	
2018	Surplus contribution	13,000,000	
	Total surplus contributions		41,609,511
2018	Ending gross paid in and contributed surplus		$45,609,511

The surplus contributions during the examination period were required due to the additional operational expenses and capital requirements of the Company as it expanded into other states.

4. LOSSES AND LOSS ADJUSTMENT EXPENSES

The examination liability for the captioned items of $1,824,254 is the same as reported by the Company as of December 31, 2018. The examination analysis of the loss and loss adjustment expense reserves ("LAE") was conducted in accordance with generally accepted actuarial principles and statutory accounting principles, including SSAP No. 55.

The Department accepts the Company's net carried reserves of $1,824,254 as of December 31, 2018. Going forward, the Department recommends the following:

1) It is recommended the Company segregate LAE into Defense and Cost Containment ("DCC") and Adjusting and Other ("A&O") for compliance with the NAIC Property & Casualty Annual Statement Instructions.

2) It is recommended the Company report its A&O payments and reserves in a manner consistent with its responses to the Schedule P Interrogatories.

3) It is recommended the Company establish a procedure to report the net LAE payments in a consistent manner between the June and September Quarterly Statements.

5. SUBSEQUENT EVENTS

1) Subsequent to the examination period, the Company received capital contributions of $36,300,000 and $5,000,000 in 2019 and 2020, respectively, from its parent, Lemonade, Inc.

2) The Company continues its market expansion, and in 2019 became licensed in an additional ten states: Alabama, Colorado, Florida, Kentucky, Massachusetts, New Hampshire, South Carolina, Tennessee, Utah, and Washington.

3) On March 11, 2020, the World Health Organization declared an outbreak of a novel coronavirus ("COVID-19") pandemic. The risks and uncertainties surrounding the COVID-19 pandemic may impact

the Company's, and its competitors', operational and financial performance. The extent of the impact of the COVID-19 pandemic on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, regulatory decisions, and the impact on the financial markets. All of these developments are uncertain and cannot be predicted. The related financial impact cannot be reasonably estimated at this time.

4) In April 2020, the Department approved the Company's application to add animal insurance to its New York license.

6. COMPLIANCE WITH REPORT ON ORGANIZATION

The report on organization contained one recommendation as follows (page number refers to the prior report):

ITEM		PAGE NO.
A.	Custodian Agreement	
	It is recommended that the Company amend its custodial agreement to include all the protective covenants and provisions in order to comply with the requirements set forth in the NAIC's Financial Condition Examiners Handbook and Department guidelines.	7
	The Company has complied with this recommendation.	

7. SUMMARY OF COMMENTS AND RECOMMENDATIONS

ITEM			PAGE NO.
A.		Corporate Governance	
	i.	It is recommended that board members who are unable or unwilling to attend meetings consistently resign or be replaced.	4
	ii.	It is recommended the Company require all of its directors, officers and key employees to complete an Ethical Conduct and Conflict of Interest statement on an annual basis and ensure that such statements are completed accurately, signed, maintained and available for inspection.	4
B.		Accounts and Records	
	i.	It is recommended the Company submit written notification of the selection and change in membership of its audit committee within the required timeframe.	12
	ii.	It is recommended the Company comply with its by-laws and document the election of directors at its annual meeting of shareholders.	12
C.		Losses and Loss Adjustment Expenses	
	i.	It is recommended the Company segregate loss adjustment expenses into Defense and Cost Containment and Adjusting and Other expenses.	17
	ii.	It is recommended the Company report its Adjusting & Other payments and reserves in a manner consistent with its responses to the Schedule P Interrogatories.	17
	iii.	It is recommended the Company establish a procedure to report the net loss adjustment expense payments in a consistent manner between the June and September Quarterly Statements.	17

Respectfully submitted,

_______________/S/________________
Justin Mathew
Senior Insurance Examiner

STATE OF NEW YORK)
)ss:
COUNTY OF NEW YORK)

Justin Mathew, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

___________/S/____________
Justin Mathew

Subscribed and sworn to before me

this_________ day of __________________, 2020

APPOINTMENT NO. 31959

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

*I, **Linda A. Lacewell**, Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:*

Justin Mathew

as a proper person to examine the affairs of the

Lemonade Insurance Company

and to make a report to me in writing of the condition of said

COMPANY

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed by name
and affixed the official Seal of the Department
at the City of New York

this 25th day of June, 2019

LINDA A. LACEWELL
Superintendent of Financial Services

By: Joan P. Riddell

Joan Riddell
Deputy Bureau Chief