

EXAMINATION REPORT
OF
METROMILE INSURANCE COMPANY
AS OF
DECEMBER 31, 2022

TRINIDAD NAVARRO
COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION
OF
METROMILE INSURANCE COMPANY
AS OF
DECEMBER 31, 2022

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

A handwritten signature in blue ink, reading "Trinidad Navarro", is positioned above a horizontal line.

Trinidad Navarro
Insurance Commissioner

Dated this 21 day of June, 2024

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June 20, 2024

Honorable Trinidad Navarro
Commissioner of Insurance
Delaware Department of Insurance
1351 West North Street
Suite 101
Dover, Delaware 19904

Dear Commissioner:

In accordance with instructions and pursuant to statutory provisions contained in Examination Certification No. 23.022, dated June 16, 2023, an examination has been made of the affairs, financial condition and management of

METROMILE INSURANCE COMPANY

hereinafter referred to as the Company or MIC. The Company was incorporated under the laws of the State of Delaware as a stock property and casualty insurance company with its registered office located at 1209 N. Orange Street, Wilmington, Delaware 19801. The Company's administrative office is located at 3080 N. Civic Center Plaza, Scottsdale, Arizona, 85251.

SCOPE OF EXAMINATION

We have performed our multi-state examination of the Company. The last examination of the Company was conducted by the Delaware Department of Insurance (Department) as of December 31, 2020. This examination covers the period of January 1, 2021 through December 31, 2022. The New York Department of Financial Services (NY DFS) is the lead state on this examination, concurrent with the examination of Lemonade Insurance Company (LIC).

We conducted our examination in accordance with the *National Association of Insurance Commissioners (NAIC) Financial Condition Examiners Handbook* (Handbook) and generally accepted statutory insurance examination standards consistent with the Insurance Code and Regulations of the State of Delaware. The NAIC Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, pursuant to the General Corporation Law of the State of Delaware as required by 18 *Del. C.* §321, along with general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature, are not included within the examination report but separately communicated to other regulators and/or the Company.

During the course of this examination, consideration was given to work performed by the Company's external audit firm, Ernst & Young, LLP (E&Y). Certain auditor work papers of the 2022 audit of the Company have been incorporated into the work papers of the examiners and have

been utilized in determining the scope, areas of emphasis in conducting the examination and in the area of risk mitigation and substantive testing.

SUMMARY OF SIGNIFICANT FINDINGS

There are no significant findings or material changes to the financial statements as a result of this examination.

COMPANY HISTORY

The Company was originally incorporated under the laws of the State of Delaware as a stock company on July 26, 1971, as Hansco Insurance Company (Hansco). As of January 1, 1987, Hansco owned all of the outstanding shares of three insurance subsidiaries: John Hancock Property and Casualty Company of Illinois (JHP&C-Illinois), John Hancock Indemnity Company (Indemnity) and John Hancock Reinsurance Company (JHRE).

JHP&C-Illinois's name was changed to John Hancock Property and Casualty Insurance Company (JHP&C) on July 7, 1988. Indemnity and JHRE were sold in 1996 and 1998, respectively. JHP&C's only remaining business in force as of September 8, 1999, was run-off business related to the treaty reinsurance book of business assumed from JHRE prior to its sale.

On September 9, 1999, JHP&C was purchased by Coliseum Reinsurance Company (Coliseum) from John Hancock Property and Casualty Holding Company. Coliseum was formerly known as Gamma Reinsurance Company until August 23, 1989, as AXA Reinsurance Company until September 11, 2000 and as AXA Corporate Solutions Reinsurance Company until April 21, 2008.

On September 10, 1999, JHP&C's name was changed to AXA Re Property and Casualty Insurance Company. At this time, the Company's ultimate controlling party became AXA, SA (AXA).

During 2000, the Company began a new strategy to write direct personal lines and commercial lines insurance programs through select managing general agents. On November 26, 2002, the Company informed the Department of its intention to enter run-off in accordance with AXA's strategic decision to exit the United States property and casualty market. The Company implemented the exit strategy in 2003.

Effective January 1, 2004, management responsibilities of the Company were assumed by AXA Liabilities Managers under the terms of an affiliated management services agreement.

Effective January 1, 2007, the Company and Coliseum entered into a 100% Aggregate Quota Share Assumption Agreement whereby the Company's net policy liabilities were ceded to Coliseum. The agreement was entered in contemplation of efforts to sell the Company.

Effective September 21, 2010, the Company changed its name to Mosaic Insurance Company (Mosaic).

On August 18, 2016, pursuant to a stock purchase agreement, Metromile, Inc. (INC) purchased 100% of the outstanding equity interest in the Company from Coliseum. Concurrent with the purchase, the name of the Company was changed from Mosaic to Metromile Insurance Company (MIC). INC changed its name to Metromile Operating Company (MOC).

Effective July 28, 2022, Lemonade, Inc. (Lemonade), a public benefit corporation, purchased MOC and all of its subsidiaries.

Capitalization

As amended, the Company's Certificate of Incorporation authorizes the issuance of fifty thousand (50,000) shares of common stock with \$115 par value per share. As of December 31, 2022, the Company had thirty-five thousand one hundred ninety-one (35,191) common shares issued and outstanding totaling \$4,046,965. All of the outstanding common shares of the Company

are owned by MOC.

Dividends

The Company's Board of Directors (Board) has not approved, authorized or paid any stockholder dividends during the examination period.

MANAGEMENT AND CONTROL

Directors

Pursuant to the general Corporation Laws of the State of Delaware, as implemented by the Company's articles of incorporation and bylaws, all corporate powers are exercised by or under the direction of its Board. The amended and restated bylaws provide that the Company's business and affairs shall be managed by the Board. Subject to restrictions imposed by law, the articles of incorporation or the bylaws, the Board can exercise all of the powers of the Company.

The Board shall consist of no less than three (3) or more than fifteen (15) directors. The directors are elected at the annual meeting of the Company's stockholder and shall hold office until the next succeeding annual meeting and until his or her successor is elected and qualified or until his/her earlier death, resignation or removal.

As of December 31, 2022, the directors and their principal business affiliations, were as follows:

<u>Name</u>	<u>Principal Business Affiliation</u>
Dan R. Preston	MIC President
Scott D. Fischer	MIC Secretary and General Counsel
Ann-Marie Friedman	Lemonade Senior Compliance Director
Dennis P. Monaghan	Lemonade General Counsel
John S. Peters	Lemonade Chief Underwriting Officer
Maya Prosor	Lemonade Chief Business Officer
Ronald J. Topping	MIC Chief Financial Officer

Committees of the Board of Directors

As of December 31, 2022, the Company's upstream parent, Lemonade, has an Audit Committee (AC), Investment Committee and a Compensation Committee. The AC of Lemonade serves as the AC of the Company.

Article IV of the amended and restated bylaws states that the Board, by resolution adopted by a majority of the whole Board, may designate one or more committees, including an Executive and Finance Committee, each consisting of at least three directors. As of December 31, 2022, the Company had not established an Executive or Finance Committee. In addition to the Executive and Finance Committee, to the extent provided by resolution of the Board, other committees shall have and may exercise any of the powers of the Board. As of December 31, 2022, the Board had not established any other committees.

Officers

Article V of the amended and restated bylaws states that the Company's executive officers shall consist of a President, one or more Vice Presidents, a Secretary and a Treasurer, and may include one or more Assistant Secretaries and one or more Assistant Treasurers. Other officers may be appointed, all of whom shall be elected by the Board and who shall hold office until their successors are elected and qualified. The President shall serve as the Chairman of the Board if no Chairman of the Board has been chosen. He shall preside at all stockholders' meetings of the Board and shall, in general, exercise the powers and perform the duties of the Chairman of the Board. No other officers need be a director.

As of December 31, 2022, the Company's principal officers and their respective titles were as follows:

<u>Name</u>	<u>Title</u>
Dan R. Preston	President
Lindsay M. Alexovich	Treasurer
Scott D. Fischer	Secretary and General Counsel
Ronald J. Topping	Chief Financial Officer
John S. Peters	Chief Underwriting Officer
Sean Burgess	Chief Claims Officer
Jesse E. McKendry	Vice President – Insurance

Corporate Records

The recorded minutes of the Shareholder and Board were reviewed for the period under examination. The recorded minutes of the Board adequately documented its meetings and approval of Company transactions and events including approval of investment transactions in accordance with 18 *Del. C.* §1304. In addition, a review of Company files indicated that written correspondence was submitted to the Department with regards to any changes in officers and directors during the period under examination in compliance with 18 *Del. C.* §4919.

Insurance Holding Company System

As of December 31, 2022, the Company was a member of an insurance holding company system as defined under 18 *Del. C.* §5001 of the Delaware Insurance Code. The Company is a wholly-owned subsidiary of MOC.

An abbreviated organizational chart of the holding company system below, provided by management, purports that Lemonade, a Delaware public benefit corporation whose common stock is publicly-traded on the New York Stock Exchange under the ticker LMND, is the ultimate controlling entity.

Company and Domicile

Softbank Group Capital Limited [Gibraltar] { 1}
Lemonade, Inc. [Delaware] { 2 } { 3}
Lemonade Insurance Company [New York]
Lemonade Insurance Agency, LLC [New York]
Metromile, LLC [Delaware]
Metromile Operating Company [Delaware]
Metromile Insurance Company [Delaware]
Metromile Insurance Services LLC [California]

- Notes: Unless otherwise noted, ownership of each subsidiary by the immediate parent is 100%.
1. With 17.3% beneficial ownership of Lemonade's voting securities, Softbank filed a Disclaimer of Affiliation on November 14, 2022, with the NY DFS, which issued a Determination of Non-Control letter on February 3, 2023, whereby Softbank was deemed to not be in control of LIC.
 2. Numerous holders worldwide of ownership and control in aggregate of 82.7% of the voting securities, none of whom singularly or in concert with others, directly or indirectly, owns or controls 10% or more of the outstanding voting securities
 3. Considered the ultimate controlling entity of LIC and the Company

Agreements with Affiliates

General Agency Agreement

Effective April 1, 2020, the Company entered into a General Agency Agreement with Metromile Insurance Services, LLC (MIS). Under the terms of this agreement, the Company appointed MIS as its exclusive general agent with respect to insurance policies for the authorized coverages in those states in which the Company is licensed. MIS is authorized to issue policies and renewals from the effective date of this agreement until terminated. MIS is authorized and is delegated responsibility to bind authorized coverage and issue policies on behalf of the Company, collect and receive premium and cancel coverage only pursuant to a policy's terms and in accordance with applicable law. MIS does not provide any claims handling services. The Company filed this agreement with the Department during the prior examination, which was approved. This agreement was amended effective May 1, 2021. The Company filed a Form D notice for this amendment with the Department on October 4, 2021, which was approved by the Department on September 20, 2021.

Management Services Agreement

Effective July 28, 2022, the Company entered into a Management Services Agreement with Lemonade whereby Lemonade agrees to provide and make available to the Company services on behalf of the Company as necessary, including the use of all necessary personnel, and including but not limited to, coordination of activities of the Company, development of corporate plans and provisional legal counsel, accounting, investment and financial management, executive management, reinsurance assistance risk management, claims servicing, human resources management, administrative services, office leasing, internal audit services, communication and IT equipment, marketing services. The Company pays service fees based on actual costs incurred for the performance of certain services and providing facilities to the Company. Service fees are settled quarterly. The Company filed a Form D notice for this agreement with the Department on October 10, 2022, which was approved by the Department on November 14, 2022. The Company also filed this agreement with the California Department of Insurance (CA DOI).

Capital Maintenance Agreement

Effective July 28, 2022, the Company entered into a Capital Maintenance Agreement with Lemonade, which has committed to infuse paid in capital and contributed surplus to the Company that will allow the Company to maintain total adjusted capital in an amount equal to at least 300% of authorized control level (ACL) risk-based capital (RBC) as defined under Delaware law. This agreement was approved by the Department as part of the Form A filing. The Company also filed this agreement with the CA DOI.

Capital Contribution Agreement

Effective July 28, 2022, the Company entered into a Capital Contribution Agreement with Lemonade wherein Lemonade has agreed to contribute to the Company \$20 million and an additional amount up to \$20 million as required, subject to limitations specified in the Agreement, in cash or readily marketable securities to maintain the Company's Total Adjusted Capital (TAC) at 400% of the Company's ACL RBC as defined in 18 *Del. C.* §5801. This agreement was approved by the Department as part of the Form A filing. The Company also filed this agreement with the CA DOI.

Tax Sharing Agreement

Effective July 28, 2022, the Company entered into a Tax Sharing Agreement among Lemonade and its U.S. affiliates to file a consolidated federal tax return. The agreement provides that the Company's tax liability/(benefit) due to/(from) the Company would be the amount equivalent to that had the Company filed its federal tax return on a separate company basis. In addition, the agreement provides that the Company will be reimbursed by Lemonade for tax benefits relating to any net losses or any tax credits generated by the Company and utilized in filing the consolidated tax return. The federal income tax recoverable/payable, if any, in the accompanying statement of admitted assets, liabilities, capital and surplus are due to/from the Company. Intercompany tax balances are settled annually following the filing of the federal tax return. This agreement was approved by the Department on April 20, 2023. The Company also filed this agreement with the CA DOI. This agreement replaced an earlier 2021 Tax Sharing Agreement among the Company and INC and its U.S. affiliates.

Managing General Agency Agreement

Effective December 31, 2022, the Company entered into a Managing General Agency Agreement with Lemonade Insurance Agency, LLC (LIA). Under the Agreement, LIA serves as the appointed non-exclusive managing general agent for selling and servicing the Company's policies in all of the states where the Company is authorized to sell its products. LIA handles the day-to-day responsibilities of acquiring, underwriting and servicing customers, as well as investigating, adjusting and settling claims. Subject to the Company's established claims settlement policies and procedures, LIA provides claims services as required by the Company. The Company will pay or allow LIA a commission at the rate of 25% of the gross written premium of policies, less cancellations. The Company filed a Form D notice for this agreement with the Department on October 10, 2022, which was approved by the Department on November 14, 2022. The Company also filed this agreement with the CA DOI.

TERRITORY AND PLAN OF OPERATION

Territory

As of December 31, 2022, the Company was licensed in forty-nine (49) U.S. States (all except Tennessee) and the District of Columbia.

The Company's direct written premiums by state is as follows:

<u>Line</u>	<u>2020</u>	<u>Percent</u>	<u>2022</u>	<u>Percent</u>
California	\$ 58,735,752	58.38%	\$ 60,083,210	54.72%
Washington	11,628,227	11.56%	14,682,062	13.37%
New Jersey	9,292,461	9.23%	10,369,102	9.44%
Oregon	7,051,061	7.01%	7,614,211	6.93%
Arizona	4,750,553	4.72%	6,951,381	6.33%
Illinois	4,405,756	4.38%	4,493,676	4.09%
Virginia	1,789,394	1.78%	3,135,047	2.86%
Pennsylvania	<u>2,959,722</u>	<u>2.94%</u>	<u>2,471,171</u>	<u>2.26%</u>
Total	<u>\$100,612,926</u>	<u>100.00%</u>	<u>\$109,799,860</u>	<u>100.00%</u>

Plan of Operation

The Company offers pay-per-mile auto insurance and is licensed for other property and casualty insurance. The monthly bill varies based on how many miles a policyholder drives. The Company also provides customers with a smart driving app. The insurance product offered marries engineering and data science to deliver mobile technology, automotive telematics and data-driven applications to make a car's data accessible and useful to modern drivers, including street sweeping alerts, trip stats, decoded check-engine lights and car location.

The Company is currently writing personal auto insurance. The maximum policy limit offered by the Company is \$250,000 per individual and \$500,000 per occurrence for bodily injury with \$100,000 for property damage. The company also offers the minimum required financial responsibility limits in each state plus additional options of \$25,000/\$50,000, \$50,000/\$100,000 and \$100,000/\$300,000. The new vehicle cost is also capped at \$100,000 except where prohibited by state.

The Company's business is sold through a wholly-owned Managing General Agent, MIS. Sales are either completed online or by phone. For those sales completed by phone, the Company's policies are sold by licensed agents affiliated with MIS. The Company currently offers its products in only eight states.

The Company's direct written premiums by line of business is as follows:

<u>Line</u>	<u>2020</u>	<u>Percent</u>	<u>2022</u>	<u>Percent</u>
Private Passenger Auto No Fault	\$ 4,518,279	4.49%	\$ 5,110,448	4.66%
Other Private Passenger Auto Liability	59,284,400	58.92%	63,820,635	58.12%
Private Passenger Auto Physical Damage	<u>36,810,247</u>	<u>36.59%</u>	<u>40,868,777</u>	<u>37.22%</u>
Total	<u>\$100,612,926</u>	<u>100.00%</u>	<u>\$109,799,860</u>	<u>100.00%</u>

REINSURANCE

The Company reported the following distribution of written premiums for the year ended December 31, 2022:

Direct written premiums	\$109,799,860
Reinsurance assumed from affiliates	-
Reinsurance assumed from non-affiliates	<u>106,114</u>
Total gross (direct and assumed)	<u>\$109,905,974</u>
Reinsurance ceded to affiliates	\$ 0
Reinsurance ceded to non-affiliates	<u>33,697,915</u>
Total ceded	<u>\$ 33,697,915</u>
Net written premiums	<u>\$ 76,208,059</u>

The Company retained 69.34% of its gross business in 2022.

Assumed Reinsurance

The Company assumed a small amount of auto insurance business from Home State County Mutual Insurance Company of Texas.

Ceded Reinsurance

Effective January 1, 2022, the Company entered into a 30% quota share reinsurance agreement as follows:

<u>Reinsurer (Domestication)</u>	<u>Participation</u>	<u>2022 Premiums (in 000s)</u>
Swiss Reinsurance America Corporation (NY)	25%	\$28,033
Mapfre Re Compania de Reaseguros SA (Spain)	<u>5%</u>	<u>5,612</u>
Total	<u>30%</u>	<u>\$33,645</u>

The Company also cedes 50% of its assumed business to Hannover Reuck SE (a Germany authorized insurer), via a quota share reinsurance agreement, which amounted to \$0.053 million in 2022.

FINANCIAL STATEMENTS

The following financial statements, as reported and filed by the Company with the Department, are reflected in the following:

- Statement of Assets as of December 31, 2022
- Statement of Liabilities, Surplus and Other Funds as of December 31, 2022
- Statement of Income for the year ended December 31, 2022
- Reconciliation of Capital and Surplus for the Period from the Prior Examination as of December 31, 2020 to December 31, 2022

Statement of Assets
As Of December 31, 2022

	<u>Ledger Assets</u>	<u>Non-admitted Assets</u>	<u>Net Admitted Assets</u>	<u>Note</u>
Bonds	\$ 29,076,051	\$ -	\$ 29,076,051	
Cash, cash equivalents and short-term investments	70,818,367	-	70,818,367	
Investment income due and accrued	183,711	-	183,711	
Uncollected premiums in course of collection	962,095	-	962,095	
Deferred premiums booked but not yet due	12,993,034	-	12,993,034	
Amounts recoverable from reinsurers	5,530,267	-	5,530,267	
Receivable from parent, subsidiaries and affiliates	15,006,998	-	15,006,998	
Aggregate write-ins for other than invested assets	<u>7,327,749</u>	<u>7,327,749</u>	<u>-</u>	
Total Assets	<u>\$ 141,898,272</u>	<u>\$ 7,327,749</u>	<u>\$ 134,570,523</u>	

Statement of Liabilities, Surplus and Other Funds
As Of December 31, 2022

		<u>Note</u>
Losses	\$ 58,395,111	1
Reinsurance payable on paid loss and loss adjustment expenses	386	
Loss adjustment expenses	17,377,457	1
Other expenses	397,687	
Taxes, licenses and fees (excluding federal income taxes)	313,004	
Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$55,558)	13,439,878	
Advance premiums	10,789	
Ceded reinsurance premiums payable (net of ceding commissions)	6,121,774	
Funds held by company under reinsurance treaties	38,138	
Total liabilities	<u>\$ 96,094,224</u>	
Common capital stock	\$ 4,046,965	
Gross paid in and contributed surplus	193,239,636	
Unassigned funds (surplus)	(158,810,302)	
Surplus as regards policyholders	<u>\$ 38,476,299</u>	
Total liabilities & surplus	<u><u>\$ 134,570,523</u></u>	

Statement of Income
For The Year Ended December 31, 2022

Underwriting Income

Premiums earned	\$ 78,494,582
Deductions	
Losses incurred	\$ 73,871,990
Loss adjustment expenses incurred	16,113,055
Other underwriting expenses incurred	3,652,387
Total underwriting deductions	<u>\$ 93,637,432</u>
Net underwriting gain (loss)	<u>\$ (15,142,850)</u>

Investment Income

Net investment income earned	\$ 692,496
Net realized capital gains (losses) less capital gains tax of \$0	(3,888)
Net investment gain (loss)	<u>\$ 688,608</u>

Other Income

Net gain (loss) from agents' or premium balances charged off (amount recovered \$0, amount charged off \$0)	\$ -
Finance and service charges not included in premium	-
Aggregate write-ins for miscellaneous income	45,457
Total other income	<u>\$ 45,457</u>
Net income before dividends to policyholders; after capital gains tax and before all other federal and foreign income taxes	<u>\$ (14,408,785)</u>
Dividends to policyholders	<u>-</u>
Net income; after dividends to policyholders; after capital gains tax and before all other federal and foreign income taxes	(14,408,785)
Federal and foreign income taxes incurred	<u>-</u>
Net Income	<u><u>\$ (14,408,785)</u></u>

Reconciliation of Capital and Surplus
For the Period from the Prior Examination
December 31, 2020, to December 31, 2022

	Common Capital Stock	Gross Paid-in and Contributed Surplus	Unassigned Surplus		Total
12/31/2020	\$ 4,046,965	\$ 163,239,636	\$(144,833,651)		\$ 22,452,950
12/31/2021	-	-	(825,074)	(1)	(825,074)
12/31/2021	-	-	1,010,719	(2)	1,010,719
12/31/2021	-	10,000,000	-	(3)	10,000,000
12/31/2022	-	-	(14,408,785)	(1)	(14,408,785)
12/31/2022	-	-	246,489	(2)	246,489
12/31/2022	-	20,000,000	-	(3)	20,000,000
	<u>\$ 4,046,965</u>	<u>\$ 193,239,636</u>	<u>\$(158,810,302)</u>		<u>\$ 38,476,299</u>

- (1) Net Income
(2) Represents the compilation of change in unrealized capital gains/(losses), change in net unrealized foreign exchange capital gain, change in net deferred income tax, change in non-admitted assets, change in provision for reinsurance, aggregate write-ins for gains and losses in surplus
(3) Capital contributions
(4) Dividends to stockholders

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION

There were no changes to the financial statements as a result of this examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

Note 1

Losses	\$58,395,111
Loss Adjustment Expenses	\$17,377,457

The examination liabilities for the aforementioned captioned items are the same as those balances reported by the Company as of December 31, 2022. The examination analysis of Loss and Loss Adjustment Expense reserves was conducted in accordance with Actuarial Principles and Standards of Practice and Statutory Accounting Principles, including NAIC *Accounting Practices and Procedures Manual, SSAP No. 55 – Unpaid Claims, Losses and Loss Adjustment Expenses*.

SUBSEQUENT EVENTS

Capital Contributions

The Company received \$5,000,000 in capital contributions from its parent during the second quarter of 2023.

Ceded Reinsurance

The Company began ceding business to affiliate Lemonade Re SPC (Cayman Islands), an unauthorized reinsurer, in 2023.

SUMMARY OF RECOMMENDATIONS

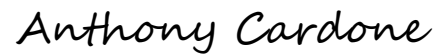
There are no recommendations as a result of this examination.

The assistance and cooperation of the Company's external audit firm, E&Y, and the Company's management and staff was appreciated and is acknowledged.

Respectfully submitted,



Andrew Chiodini, CFE
Examiner In-Charge
State of Delaware



Anthony Cardone, CPA, CFE
Supervising Examiner
State of Delaware

Metromile Insurance Company

I, Andrew Chiodini, hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 23.022.

A handwritten signature in black ink, reading "Andrew E. Chiodini". The signature is written in a cursive style with a horizontal line under the name.

Andrew Chiodini, CFE