

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 29, 2024

SCC - CLERK OF COURT  
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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

2024 APR 29 A 9:17

v.

CASE NO. INS-2024-00047

CORNERSTONE NATIONAL INSURANCE COMPANY,  
Defendant

IMPAIRMENT ORDER

Cornerstone National Insurance Company ("Cornerstone" or "Defendant"), a Missouri-domiciled insurance company licensed to transact the business of insurance in the Commonwealth of Virginia, is required by § 38.2-1028 of the Code of Virginia ("Code") to maintain minimum capital of \$1 million and a minimum surplus of \$3 million.

Section 38.2-1036 of the Code provides that if the State Corporation Commission ("Commission") finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in Virginia while the impairment of the insurer's surplus exists.

The Annual Statement of Cornerstone, as of December 31, 2023, filed with the Commission's Bureau of Insurance, indicates capital of \$2,500,000 and a surplus of \$2,473,018. The minimum statutory surplus of \$3 million required by § 38.2-1028 of the Code, together with Cornerstone's current reported surplus of \$2,473,018, results in a total impairment of surplus of \$526,982.

Accordingly, IT IS ORDERED THAT:

(1) Within ninety (90) days of the date of this Impairment Order, the Defendant shall eliminate the impairment in its surplus, restore the same to at least \$3 million, and advise the Commission of the accomplishment thereof by affidavit of the Defendant's president or other authorized officer.

(2) The Defendant shall issue no new contracts or policies of insurance in Virginia while the impairment of the Defendant's surplus exists and until further order of the Commission.

A COPY hereof shall be sent by the Clerk of the Commission to: Jacob Robbins Black, Cornerstone National Insurance Company, 19 S Sixth Street, Columbia, Missouri 65201; CT Corporation System, Registered Agent for Cornerstone National Insurance Company, 4701 Cox Road, Suite 285, Glen Allen, Virginia 23060; and a copy shall be delivered to the Commission's Office of General Counsel in care of Senior Counsel Dan Bumpus and the Bureau of Insurance in care of Deputy Commissioner Douglas C. Stolte.