

No. **2025-9640**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 12/3/2025

Subject Considered:

Cornerstone National Insurance Company
P.O. Box 6040
Columbia, MO 65205-6040

Consent Order
TDI Enforcement File No. 36520

General remarks and official action taken:

Cornerstone National Insurance Company (Cornerstone) has failed to maintain its minimum capital stock and surplus requirements and failed to maintain the minimum business requirements for an insurer under the Texas Insurance Code. This order permanently suspends Cornerstone's certificate of authority to operate as a casualty insurance company in Texas until the commissioner finds that Cornerstone is able to meet and maintain certain conditions and requirements described in this order.

Waiver

Cornerstone acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Cornerstone waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

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Findings of Fact

1. Cornerstone is a foreign casualty insurer holding a casualty certificate of authority to operate in Texas since 2005. Cornerstone is domiciled in Missouri.

Failure to Meet Minimum Capital and Surplus Requirements

2. Texas law requires an insurance company to have capital stock in an amount of at least \$2.5 million and surplus in an amount of at least \$2.5 million. At incorporation, these amounts must be in cash. To engage in the kinds of insurance business for which a company has been authorized, it must have at least the minimum amount of capital required for a newly incorporated company. After issuance of the company's certificate of authority, the form of the capital is limited to U.S. currency, specified bonds, and specified notes secured by first mortgages.
3. In Cornerstone's Amended Annual Financial Statement as of December 31, 2024, Cornerstone reported total capital and surplus amounts of \$2,342,458.
4. In Cornerstone's most recent Quarterly Statement as of June 30, 2025, Cornerstone reported total capital and surplus amounts of \$1,908,244.

Failure to Meet Minimum Insurance Business Requirements

5. Texas law requires an insurer to maintain at all times not less than 100 policyholders or certificate holders, nor less than \$200,000 of insurance that the insurer has written or acquired through reinsurance contracts.
6. Cornerstone has reported no direct written premium in Texas since the submission of its 2024 Annual Statement.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 801.051–801.054, 801.101–801.102, 861.101–861.102, 861.257, and 861.701–861.703.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, and TEX. INS. CODE §§ 36.104 and 82.055.

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3. Cornerstone has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Cornerstone violated TEX. INS. CODE §§ 822.203, 822.054, and 861.251 by failing to maintain minimum amounts of capital stock and surplus.
5. Cornerstone violated TEX. INS. CODE § 821.003 by failing to maintain at all times not less than 100 policyholders or certificate holders nor less than \$200,000 of insurance that the insurer has written or acquired through reinsurance contracts.

Order

It is ordered that Cornerstone National Insurance Company's authority to operate as a casualty insurer in Texas is now permanently suspended. This suspension remains in place until the commissioner approves lifting the suspension based upon finding that Cornerstone National Insurance Company:

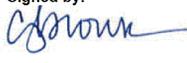
- a. meets and is able to maintain the minimum capital stock and surplus requirements specified in TEX. INS. CODE §§ 822.054, 822.203, and 822.204;
- b. has submitted a business plan to the commissioner containing supporting documentation to demonstrate its ability to comply with TEX. INS. CODE § 821.003; and
- c. demonstrates its competence, fitness, and reputation to comply with all statutory and regulatory requirements to lawfully operate as a casualty insurer in Texas.

It is further ordered that Cornerstone National Insurance Company may not file an application with the department seeking the commissioner's approval to lift this suspension until three years from the date of this order or later.

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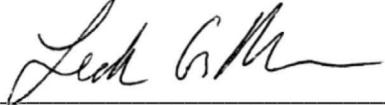
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Any application seeking to lift this suspension and its supporting documentation must be sent electronically to financialanalysis@tdi.texas.gov.

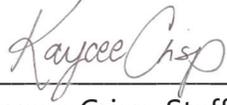
Signed by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Kaycee Crisp, Staff Attorney
Enforcement

Affidavit

STATE OF Missouri §
§
COUNTY OF Boone §

Before me, the undersigned authority, personally appeared Scott Forrest, who being by me duly sworn, deposed as follows:

"My name is Scott Forrest. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of General Counsel and am the authorized representative of Cornerstone National Insurance Company. I am duly authorized by said organization to execute this statement.

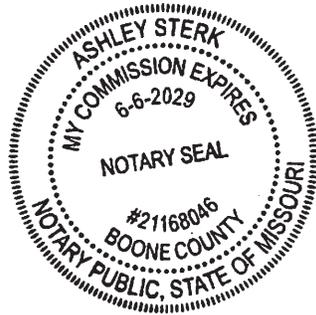
Cornerstone National Insurance Company has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

Scott Forrest

Affiant

SWORN TO AND SUBSCRIBED before me on October 31, 2025

(NOTARY SEAL)



Ashley Sterk
Signature of Notary Public

Ashley Sterk
Printed Name of Notary Public