

## **Frequently Asked Questions About Cornerstone National Insurance Company (“Cornerstone”)**

### **1. What is Cornerstone’s status? Who is in Charge? Where do I get update?**

- a. **What is Cornerstone’s Status?** Cornerstone is in court-supervised receivership. On December 23, 2025, the Circuit Court of Cole County, Missouri (“Court”) (Case No. 25AC-CC08521) entered its Order of Rehabilitation and Liquidation (the “Receivership Order”) against Cornerstone. The receivership will proceed as follows:
  - i. Effective immediately, Cornerstone is placed under seizure pursuant to § 375.1164, RSMo through December 31, 2025.
  - ii. Effective January 1, 2026, through February 28, 2026, Cornerstone shall be placed into rehabilitation.
  - iii. Effective March 1, 2026, Cornerstone shall be placed into liquidation.
- b. **Who is in Charge?** The Court appointed Angela L. Nelson, Director of the Missouri Department of Commerce and Insurance (“DCI”) as receiver of the company (“Receiver”) to oversee the seizure, rehabilitation, and liquidation of Cornerstone subject to the supervision of the Court. Cornerstone’s former management no longer controls the company.
- c. **What is the receivership process?**
  - i. Creditors will receive by mail a notice of the liquidation and proof of claim deadline.
  - ii. All litigation involving Cornerstone or its insureds is stayed until at least December 31, 2026.
  - iii. Creditors will have the opportunity to submit claims.
  - iv. Policy and premium refund information will be sent to state Guaranty Associations for review and payment according to state Guaranty Association statutes.
  - v. The Receiver will marshal Cornerstone’s assets and wind down its operation.
  - vi. Claims will be paid according to Missouri’s priority distribution statute subject to Court approval.
- d. **Updates.** For updates, go to: <https://insurance.mo.gov/companies/companies-receivership>.

### **2. What happens to Cornerstone policies? Will I receive a premium refund if my policy is cancelled early?**

- a. **Current Policy Status and Termination of Policies.**

Active policies will continue during rehabilitation (January 1-February 28, 2026) unless the policies terminate according to policy terms or are cancelled. Policyholders wishing to keep coverage during rehabilitation must continue to pay premiums.

**TERMINATION OF POLICIES.** By operation of law ALL Cornerstone policies will terminate no later than March 31, 2026. Policyholders and agents are strongly encouraged to plan accordingly to timely transition coverage to another insurer. Failure to act could result in loss of insurance and denial of your insurance claim.

**b. Explanation of Guaranty Associations and Premium Refunds.**

The Receiver will work with Cornerstone's third-party administrator to send information to state insurance Guaranty Associations which will pay premium refunds according to the state Guaranty Association statutes. Coverage for premium refunds under the state Guaranty Association statutes varies by state. A comparison of state guaranty fund laws by provisions, including "Covered Claims" and "Unearned Premium" information, may be accessed at: <https://www.ncigf.org/industry/comparison-of-guaranty-fund-laws-by-provision/>.

The Receiver does not determine guaranty association coverage issues. Instead, the applicable guaranty association fund will make that determination. If the guaranty association determines a policyholder is owed an unearned premium refund, the guaranty association will mail the policyholder a check for that refund by mail. Policyholders may also submit a Proof of Claim with the Receiver for a premium refund beginning on March 1, 2026.

**c. Proof of Claim Process for Premium Refunds.**

Policyholders are not required to file a Proof of Claim for an unearned premium refund. However, if you believe your claim for an unearned premium refund is outside of or exceeds guaranty association coverage, to preserve a claim against the Cornerstone estate for such refund, you must file a timely Proof of Claim with the Receiver. A comparison of state guaranty fund laws by provisions, including "Covered Claims" and "Unearned Premium" information, may be accessed at <https://www.ncigf.org/industry/comparison-of-guaranty-fund-laws-by-provision/>.

The deadline to file a Proof of Claim is December 31, 2026. If you fail to timely file a properly completed Proof of Claim you might not qualify for certain coverages and you might be disqualified from participating in a higher priority class or from receiving distributions of assets that eventually become available for your class of claims. Beginning on March 1, 2026, you may submit a Proof of Claim online or download or request a paper Proof of Claim form. The process for submitting a proof of claim is detailed below.

### **3. Information Regarding Policy Claims**

#### **a. Transition to Guaranty Associations**

The Court has determined that Cornerstone is insolvent. The Receiver will work with Cornerstone's third-party administrator to transition open policy claims to the state insurance Guaranty Associations. The Guaranty Associations will review and pay policy claims according to the state Guaranty Association statutes.

Guaranty associations were created by state law to provide protection to policyholders and claimants in the event of a member insurer's liquidation. The state law which created each guaranty association or fund has limitations and other eligibility requirements, including certain limitations on the amount of coverage available or the types of policyholders or claims covered. The Receiver cannot determine the amount of guaranty association or fund coverage available to a policyholder or claimant. Instead, that determination will be made by the applicable guaranty association or fund. A list of the state guaranty associations can be found at: <https://www.ncigf.org/resources/links-and-contacts>. Additional information about the guaranty associations can be found at <https://www.ncigf.org/resources/insolvencies-an-overview/>.

#### **b. Hardship and Emergency Situations**

Policy payments will be delayed during the period of transition of the policy claims to the Guaranty Associations. If you have an emergency claim situation or other hardship arising from your policy claim, please contact 816-983-8025 or e-mail [Cornerstone@huschblackwell.com](mailto:Cornerstone@huschblackwell.com).

#### **c. Deadline for Policy Claims and Explanation of Proof of Claim Requirements.**

*The deadline for any policy claim to be submitted is December 31, 2026. Any claim submitted after that date may be denied or treated as a late claim.*

If your policy claim is outside of or in excess of guaranty association coverage, you may file a Proof of Claim with the Receiver. Please refer to information in this document regarding the Proof of Claim deadline and procedures.

### **4. What happens to any litigation involving Cornerstone or its insureds?**

All litigation is stayed under the Court's Receivership Order until at least December 31, 2026. If the litigation involves a Cornerstone insured, the state Guaranty Association will evaluate and, subject to Guaranty Association statutes, assume defense of the litigation.

### **5. Information for Agents**

#### **a. Commissions and Unearned Commissions.**

Agent claims against Cornerstone for commission payments are a Class 5 claim under § 375.1218(5), RSMo. It is too early to determine if the Cornerstone Estate will have sufficient assets to pay Class 5 claims or a percentage of any distribution to Class 5 claimants. Any distribution will be subject to Court review and approval.

An agent or agency may owe unearned commissions to Cornerstone, including in relation to automatic termination of such policies due to the receivership. Agents are responsible for returning unearned commissions to Cornerstone promptly.

**b. Plan Now to Change Coverage**

**All Cornerstone policies will terminate no later than March 31, 2026. Policyholders and agents are strongly encouraged to plan accordingly to timely transition coverage to another insurer. Failure to act could result in loss of insurance and denial of your insurance claim.**

**6. What is the Proof of Claim deadline and process?**

Effective March 1, 2026, creditors will be able to submit a Proof of Claim against Cornerstone online, or by downloading or requesting a paper Proof of Claim Form. The online portal to submit a claim will go live on March 1, 2026. The website link will be available at <https://insurance.mo.gov/companies/companies-receivership>.

**The deadline to file a Proof of Claim with the Receiver is December 31, 2026.**