

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## KINGSTONE COMPANIES, INC.

**Form: 8-K**

**Date Filed: 2019-05-02**

Corporate Issuer CIK: 33992

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report April 29, 2019  
(Date of earliest event reported)

KINGSTONE COMPANIES, INC.  
(Exact Name of Registrant as Specified in Charter)

Delaware (State or Other Jurisdiction of Incorporation)	0-1665 (Commission File No.)	36-2476480 (IRS Employer Identification Number)
15 Joys Lane, Kingston, NY (Address of Principal Executive Offices)		12401 (Zip Code)

Registrant's telephone number, including area code: (845) 802-7900

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02      Results of Operations and Financial Condition.**

On April 29, 2019, Kingstone Companies, Inc. (the "Company") issued a press release (the "Press Release") announcing that Kingstone Insurance Company ("KICO"), the Company's principal operating subsidiary, estimates catastrophe losses in the first quarter of 2019 and the resulting impact on the Company's quarterly combined ratio. A copy of the Press Release is furnished as Exhibit 99.1 hereto.

The information furnished with this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 7.01      Regulation FD Disclosure.**

On April 29, 2019, the Company also announced in the Press Release that there has been a reorganization in KICO's Claims Department, which includes the hiring of Bill O'Brien as Chief Claims Officer, and that claims case reserves have been strengthened. The Company provided further updated guidance on the full year expected combined ratio excluding catastrophe losses.

The information furnished with this item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act, or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01      Financial Statements and Exhibits.**

(d) Exhibits:

99.1 Press release, dated April 29, 2019, issued by Kingstone Companies, Inc.



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**KINGSTONE COMPANIES, INC.**

Dated: May 1, 2019

By: /s/ Dale A. Thatcher

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Dale A. Thatcher

President & CEO

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**FOR IMMEDIATE RELEASE**

**Kingstone Announces 2019 First Quarter Catastrophe Losses and Reorganization of Claims Department**

**Kingston, NY — April 29, 2019** – Kingstone Companies, Inc. (Nasdaq: KINS) (the “Company” or “Kingstone”), a multi-line regional property and casualty insurance holding company, and parent of Kingstone Insurance Company (“KICO”) today makes two announcements:

**Catastrophe Losses in Q1**-KICO estimates ultimate net losses from multiple winter catastrophe events of approximately \$5 million pre-tax, resulting in a 17 point impact on the quarterly combined ratio. No catastrophe reinsurance recovery is expected as no single event reached the KICO retention of \$5 million. The catastrophe events are estimated to have a \$0.37 after-tax impact on net income per share for the quarter. Relative to the prior year, net losses from winter cat events are higher than those recorded in 2018 due to the reduction in the quota share rate from 20% to 10% in July 2018.

**Claims Department Reorganization**-“Following multiple quarters of disappointing results from our Claims Department, KICO engaged a consultant to do a comprehensive review of our claims operations”, said Dale Thatcher, Kingstone CEO. “The final report concluded that there was much room for improvement in claims handling through adopting and implementing a number of industry best practices including the need to acquire more skilled and experienced staff. The process began with our hiring of a former colleague of mine, Bill O’Brien, as our new Chief Claims Officer as announced earlier this month. The result of the review gives rise for the need to strengthen our claims case reserves by approximately \$2.5 million and our IBNR reserves by an additional \$2.5 million for a total reserve charge of \$5.0 million. The overall impact of this reserve strengthening is 17 points on the quarterly combined ratio. Although this will reduce our quarterly earnings and book value per share by approximately \$0.37, it will substantially strengthen our balance sheet and position us well for the future.”

**Updated Guidance**

As a result of the two charges noted above, Kingstone now expects to end the full year with a combined ratio excluding catastrophe losses of 88% to 91% and catastrophe losses of 4 to 5 points.

**About Kingstone Companies, Inc.**

Kingstone is a northeast regional property and casualty insurance holding company whose principal operating subsidiary is Kingstone Insurance Company (“KICO”). KICO is a multi-line carrier writing business through retail and wholesale agents and brokers. KICO offers primarily personal lines insurance products to individuals as well as various small business coverages. Actively writing in New York, New Jersey, Rhode Island, Massachusetts, Connecticut and Pennsylvania, Kingstone is also licensed (but not yet active) in New Hampshire and Maine.

**Forward-Looking Statement**

Statements in this press release may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. These statements involve risks and uncertainties that could cause actual results to differ materially from those included in forward-looking statements due to a variety of factors. For more details on factors that could affect expectations, see Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2018 under “Factors That May Affect Future Results and Financial Condition.” Kingstone undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

**INVESTOR RELATIONS CONTACT:**

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