

George & Josephine Kakalis v. Concord General Mutual Insurance Company

Held February 16, 2016 – Docket No. INS-16-2016

Decision Issued: February 17, 2016

The named insured requested a hearing to contest the cancellation of an automobile policy for nonpayment of premium. The company demonstrated that the premium was not paid when due and that all statutory notice requirements were met.

Held: For the company. Maine law under 24-A M.R.S.A. § 2914(1) allows an insurer to cancel a policy if an insured fails to make a premium payment when it is due. The company demonstrated that the named insured was notified of the payment due prior to the due date, and no payment was received. A cancellation notice was properly issued to the named insured at the last known address. The company offered to continue the policy if the past due payment, late fee and next installment were received before the cancellation date but only the past due amount was received. Accordingly, the cancellation action is permitted.