

Mark Ancker v. The Travelers Indemnity Company of America

Held September 14, 2016 – Docket No. INS-16-2072

Decision Issued: September 19, 2016

The named insured requested a hearing to contest the nonrenewal of his homeowners policy because the company had not received underwriting information in a timely manner, specifically proof of repairs. The company demonstrated that loss control recommendations were sent to the insured in September 2015 and argued that Maine law allows cancellation and nonrenewal for failure to comply with loss control recommendations.

Held: For the insured. 24-A M.R.S.A. § 3049(10) permits an insurer to cancel or nonrenew a policy if the insured fails to comply with reasonable loss control recommendations within 90 days after notice from the insurer. Section 3051 also requires the cited reason for nonrenewal to be explicit. Travelers' reason was not that the insured failed to comply with recommendations, but that he failed to provide proof of compliance to them. As the company failed to demonstrate how this reason affects the insurability of the property, the nonrenewal action is denied. In addition, the record shows that the insured had in fact complied with those recommendations that the company had established as reasonable.