

Albert and Barbara Aldus v. Progressive Northwestern Insurance Company

Held: August 14, 2024
Decision Issued: September 12, 2024
Docket Number: INS-24-2053

The named insureds requested a hearing to contest the cancellation of their personal automobile policy. The company asserted that cancellation was appropriate because the insureds failed to disclose material information at the time they applied for and obtained coverage.

Held: For the company. Under section 2914(2) of the Maine Automobile Insurance Cancellation Control Act, 24-A M.R.S. §2914(2), an insurer may cancel a policy for fraud or material misrepresentation affecting the policy or the presentation of a claim. The company met its burden of proving that the insureds did not disclose the identity of a licensed driver in the household who was allowed to operate the covered motor vehicle(s) at the time of policy application. Accordingly, the cancellation action is permitted.