

Robert Pellegrino v. Liberty Insurance Corporation

Held December 3, 2014 – Docket No. INS-14-2123

Decision Issued: December 31, 2014

The named insured requested a hearing to contest the nonrenewal of a homeowners policy for failure to provide underwriting information and several cited conditions of the property. The evidence established that the company had previously issued loss control recommendations, and one or more of the recommendations had not been completed, affecting the insurability of the property.

Held: For the company. 24-A M.R.S. § 3051 permits nonrenewal of this type of policy if the reason is in good faith and related to the insurability of the property or based upon a ground for cancellation under section 3049. Section 3049(10) allows termination for failure to comply with loss control recommendations within 90 days. As the evidence established that one or more of the recommendations was not completed, and one or more of the cited conditions are in good faith and related to the insurability of the property, the nonrenewal action is permitted by the Maine Property Insurance Cancellation Control Act.