

Douglas Light v. Casco Indemnity Company

Held April 9, 2015 – Docket No. INS-15-2039

Decision Issued: April 10, 2015

The named insured requested a hearing to contest the cancellation of an auto 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 due. Section 2917 also allows a policy to expire if the insured fails to make the required advance payment for a renewal. The company demonstrated that the named insured was notified of the payment due prior to the due date, and no payment was received for this renewal policy. A cancellation notice was issued to the named insured at the last known address and payment was not received before the cancellation date. Accordingly, the cancellation action is permitted.