

Susan Small v. Union Mutual Fire Insurance Company

Held: February 1, 2023
Decision Issued: March 3, 2023
Docket Number: INS-23-2003

The named insured requested a hearing to contest the cancellation of her homeowners insurance policy. The company cited the insured's failure to comply with loss control recommendations as the basis for its cancellation action.

Held: For the insured. Section 3049(10) of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3049(10), allows an insurer to cancel a policy for “[f]ailure to comply with reasonable loss control recommendations within 90 days after notice from the insurer.” The company failed to meet its burden of proving that the loss control recommendations it properly communicated to the insured were reasonable in nature. Accordingly, the company's cancellation action is not permissible.