

Mountain Road RV Inc. v. Sentry Select Insurance Company

Held: May 3, 2023
Decision Issued: June 1, 2023
Docket Number: INS-23-2021

The named insured requested a hearing to contest the cancellation of six commercial policies comprising a package for nonpayment of premium. The company asserted that the premiums were not paid when due and that all statutory notice requirements were met.

Held: For the company. Under sections 2908(2)(A) and 3007(2)(A) of the Maine Insurance Code, an insurer may cancel policies of liability and property insurance prior to the expiration of the policies for “nonpayment of premium.” 24-A M.R.S. §§2908(2)(A) and 3007(2)(A). The company demonstrated that the named insured was notified of the payments due prior to their due date, that cancellation notices were properly issued to the named insured at its last known address and that the premium payments were not received before the policy cancellation dates. Accordingly, the cancellation actions are permitted.