

***Martha Pearson and John Pearson v. Green Mountain Insurance Company***

Held October 21, 2014 – Docket No. INS-14-2109

Decision Issued: November 7, 2014

The named insured requested a hearing to contest the nonrenewal of an auto policy because of accidents. The evidence established that the nonrenewal notice – sent by certified mail – was returned to the company unclaimed and the insured did not receive a copy until the final day of the policy period.

***Held:*** For the insured. 24-A M.R.S. § 2920 permits nonrenewal for two or more accidents involving any bodily injury or exceeding \$1000 in property damages, if notice of the nonrenewal is given to the named insured at least 30 days prior to the expiration date of the policy. A post office certificate of mailing to the named insured at the insured's last known address is conclusive proof of receipt on the third calendar day after mailing. The presumption of delivery does not apply when an insurer uses certified mail to send the notice. In this case, the post office left a notification on June 23, a second notification on June 28, and then returned the mailing to the company. The insured obtained a copy of the notice of nonrenewal on August 29; the expiration date of the policy was August 30. As the company did not utilize the type of mailing that affords "conclusive proof of receipt" and the insured did not receive the notice at least 30 days prior to the policy's expiration date, the notice of nonrenewal is ineffective.