

Wayne Wheelock v. Farm Family Casualty Insurance Company

Held December 18, 2014 – Docket No. INS-14-2127

Decision Issued: January 13, 2015

The named insured requested a hearing to contest the nonrenewal of a homeowners policy for failure to comply with loss control recommendations to remove and fill in a dilapidated inground pool. The evidence on the record demonstrates that no loss control recommendations had been conveyed to the insured.

Held: For the insured. 24-A M.R.S.A. § 3051 permits nonrenewal for a reason that is in good faith and related to the insurability of the property, or based upon a ground for cancellation under section 3049. 24-A M.R.S. § 3049(10) permits an insurer to cancel a policy if the insured fails to comply with reasonable loss control recommendations within 90 days after notice from the insurer. The company argued that its reason was the condition of the pool, and the loss control recommendation wording had been inadvertently included. As the reason given clearly was for failure to comply with loss control recommendations and none were conveyed, the nonrenewal action is not permitted.