

Wanda and John Pelletier v. The Netherlands Insurance Company

Held December 16, 2015– Docket No. INS-15-2141

Decision Issued: December 17, 2015

The named insured requested a hearing to contest the cancellation of a home and auto package 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) and 3049(1) allow an insurer to cancel a policy if an insured fails to make a premium payment when due. The company demonstrated that the named insured was notified of the payment due prior to the due date, and no payment was received. A cancellation notice was properly 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.