

Ginni Timberlake v. Vermont Mutual Insurance Company

Held January 7, 2016 – Docket No. INS-15-2149

Decision Issued: January 25, 2016

The personal representative of the named insured's estate requested a hearing to contest the nonrenewal of a homeowners policy for the dwelling no longer occupied by the named insured. The company did not demonstrate how this affects the insurability of the property, as the surviving spouse is still resident in the dwelling.

Held: For the insured. 24-A M.R.S. § 3051 allows nonrenewal for a reason that is in good faith and related to the insurability of the property. The company argued that the dwelling is no longer eligible for the policy form. The statute states that a statement by the insurer that the risk does not meet underwriting guidelines is not considered sufficient proof or evidence of the intended nonrenewal. Under the policy contract, the spouse of the named insured has the same rights and responsibilities of the named insured; in addition, the company admitted there was no change in the insurability of the property.