

Hennessey and Wilson LLC v. Merrimack Mutual Fire Insurance Company

Held: April 27, 2022
Decision Issued: May 23, 2022
Docket Number: INS-22-2011

The named insured requested a hearing to contest the cancellation of a dwelling fire policy. The company asserted that cancellation was appropriate because the insured failed to comply with reasonable loss control recommendations in a timely manner.

Held: For the insured. Under section 3007 of the Maine Insurance Code, 24-A M.R.S. §3007, an insurer may cancel a property policy for failure to comply with reasonable loss control recommendations within 90 days after notice from the insurer. The company failed to meet its burden of proving that the loss control recommendations it communicated to the insured were reasonable in nature. Accordingly, the cancellation action is not permitted.