

Joseph and Denise Dube v. Integon National Insurance Company

Held: May 11, 2022
Decision Issued: June 9, 2022
Docket Number: INS-22-2013

The named insureds requested a hearing to contest the nonrenewal of a homeowners policy. The company asserted that nonrenewal was appropriate because one of the insureds had negligently caused a major fire loss on the covered property during the previous policy term.

Held: For the insureds. Under Section 3051 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3051, an insurer's discovery of negligent acts or omissions by the insured substantially increasing any of the hazards insured against is a permissible basis for nonrenewal. The company failed to meet its burden of demonstrating that the alleged past negligent conduct gave rise to a legitimate concern about exposure to future fire losses. Accordingly, the nonrenewal action is not permitted.