

Kristin L. and Edward P. Fournier v. Liberty Mutual Fire Insurance Company

Held: May 25, 2022
Decision Issued: June 23, 2022
Docket Number: INS-22-2016

The named insureds requested a hearing to contest the cancellation of a homeowners policy. The company asserted that cancellation was appropriate because the insureds' non-occupancy of the covered dwelling was a change in the risk which substantially increased the hazards insured against.

Held: For the insureds. Under Section 3049 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3049, an insurer may cancel a policy for one or more of thirteen specified reasons. The company failed to meet its burden of proving that the reason contained in its notice coincided with a permitted cancellation reason. Accordingly, the cancellation action is not permitted.