

Matthew Carnevale v. Great Lakes Insurance SE

Held: July 27, 2022
Decision Issued: August 12, 2022
Docket Number: INS-22-2023

The named insured requested a hearing to contest the nonrenewal of a surplus lines homeowners policy. The company asserted that nonrenewal was appropriate due to a change in its underwriting guidelines.

Held: For the insured. Under Section 3051 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3051, the stated reason for nonrenewal must be explicit and cannot resemble a nondescript insurance term. Because the company's reason clearly fell into the prohibited category of insurance terms that do not qualify as acceptable explanations, its notice is invalid. The nonrenewal action is, therefore, not permitted.