

Lea Rae Stewart v. Foremost Insurance Company

Held: September 13, 2023
Decision Issued: September 22, 2023
Docket Number: INS-23-2055

The named insured requested a hearing to contest the cancellation of a commercial mobile home policy for nonpayment of premium. The company asserted that the premium was not paid when due and that all statutory notice requirements were met.

Held: For the company. Under section 3007(2)(A) of the Maine Insurance Code, an insurer may cancel a policy of property insurance prior to the expiration of the policy for “nonpayment of premium.” 24-A M.R.S. §3007(2)(A). The company demonstrated that the named insured was notified of the payment due prior to the due date, that a cancellation notice was properly issued to the named insured at her last known address and that the premium payment was not received before the policy cancellation date. Accordingly, the cancellation action is permitted.