

Daniel Fiveland v. Patrons Oxford Insurance Company

Held: September 25, 2024
Decision Issued: October 24, 2024
Docket Number: INS-24-2074

The named insured requested a hearing to contest the cancellation of his homeowners policy. The company cited a material misrepresentation made by the insured in obtaining coverage as the basis for its cancellation action.

Held: For the company. Section 3049(3)(A) of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3049(10), allows an insurer to cancel a policy if it discovers fraud or material misrepresentation by the insured in obtaining the insurance. The company met its burden of proving that the insured made a false or misleading statement regarding the condition of the property during the 90-day new business underwriting window and that the statement induced the company to continue coverage. Accordingly, the company's cancellation action is permissible.