

William Johnson v. Foremost Insurance Company

Held: December 18, 2024
Decision Issued: December 23, 2024
Docket Number: INS-24-2092

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

Held: For the company. Section 3049(1) of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3049(1), allows an insurer to cancel a property policy if the insured fails to make a premium payment when due. The company demonstrated that it notified the named insured of the premium amount owing for the policy prior to the payment due date, that a cancellation notice was properly issued to the named insured, and that payment of the total premium due was not received before the effective cancellation date for the policy. Accordingly, the company's cancellation action is permissible.