

***Terrance and Sharon Smyth v. Vermont Mutual Insurance Company***

Held: February 5, 2025  
Decision Issued: March 7, 2025  
Docket Number: INS-25-2002

The named insureds requested a hearing to contest the nonrenewal of their homeowners policy. The company cited the insureds' failure to timely comply with loss control recommendations as the basis for its nonrenewal action.

**Held:** For the insureds. Under section 3051 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3051, an insurer may nonrenew a policy of property insurance for any reason that aligns with a permissible ground for cancellation set out in section 3049 of the Act. Section 3049(10) provides that an insurer may cancel a policy for an insured's "failure to comply with reasonable loss control recommendations within 90 days after notice from the insurer." 24-A M.R.S. §3049(10). The company failed to meet its burden of proving that any of the loss control recommendations it properly communicated to the insureds were reasonable in nature. Accordingly, the company's nonrenewal action is not permissible.