

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Division of Insurance
233 Richmond Street
Providence, RI 02903

INSURANCE REGULATION 8

**AUTOMOBILE, LIABILITY AND PROPERTY DAMAGE:
LIMIT ON CANCELLATION**

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Section 1 *Authority*

In accordance with R.I. Gen. Laws §§ 27-9-1 and 27-9-41 to promote the Public Welfare, it is hereby decreed that all policies issued on and after October 1, 1962 the following limitations shall apply to the rights of Cancellation regardless of the heretofore provision of a company's policy.

Section 2 *Regulation*

A. Except with respect to vehicles written as part of a fleet of five (5) or more automobiles, the following provisions apply to the bodily injury and property damage liability insurance for automobiles eligible for Family Automobile Coverage in accordance with the rules of this Manual.

1. New Business -- On a policy written as new business, cancellation may be effected by the company only for the reasons enumerated in Paragraph A(3) below, unless notice of cancellation has been issued within sixty (60) days of the effective date of the policy.

2. Renewal Business -- On a policy written as renewal business, cancellation may be effected by the company only for any of the reasons enumerated in Paragraph A(3) below.

Note -- Notwithstanding the provisions of Paragraph A(1) or (2) above, a policy written without an expiration date may be cancelled by the company on any anniversary of the effective date of such policy.

3. Basis for Cancellation -- Subject to the foregoing provisions, cancellation may be effected by the company for any of the following:

- a. If the named insured fails to discharge when due any of his obligations in connection with payment of premium for the policy or any installment thereof;
- b. If the insurance was obtained through fraudulent misrepresentation;
- c. If there has been a violation of any of the terms or conditions of the policy;
- d. If the named insured or any other operator of the automobile either resident in the same household or who customarily operates the automobile:
 - (1) has committed any act or acts which result in suspension or revocation of his driver's license during the policy term, or
 - (2) is subject to epilepsy or heart attacks, provided such individual cannot produce a certificate from a physician testifying to unqualified ability to operate a motor vehicle.
- e. If the named insured or any other operator of the automobile either resident in the same household or who customarily operates the automobile has been convicted of or forfeits bail for three or more violations, committed within a period of eighteen (18) months, of any ordinance or regulation limiting the speed of motor vehicles or any provision constituted a misdemeanor by the motor vehicle laws of any state;
- f. If the named insured or any other operator of the automobile either resident in the same household or who customarily operates the automobile has been convicted of or forfeits bail during the thirty six (36) months immediately preceding the effective date of the policy, or during the policy term, for;
 - (1) any felony, or
 - (2) homicide or assault arising out of the operation of a motor vehicle, or criminal negligence in the operation of a motor vehicle resulting in death, or
 - (3) operating a motor vehicle while in an intoxicated condition or, while under the influence of drugs, or

- (4) leaving the scene of an accident without stopping to report,
or
- (5) theft of a motor vehicle, or
- (6) making false statements in an application for driver's
license.

Section 4 **Effective Date**

This ruling is effective August 15, 1962 upon all policies written on or after October 1, 1962.

EFFECTIVE DATE: August 15, 1962.
AMENDED: None
REFILED: December 19, 2001
REPEALED EFFECTIVE: August 26, 2003