

**40-2,120. Business or professional property or casualty insurance; cancellation, when.** No policy of property or casualty insurance, other than accident and sickness, used primarily for business or professional needs that has been in effect for 90 days or more may be canceled except for one of the following reasons:

- (a) Nonpayment of premium;
- (b) the policy was issued because of a material misrepresentation;
- (c) any insured violated any of the material terms and conditions of the policy;
- (d) unfavorable underwriting factors, specific to the insured, exist that were not present at the inception of the policy;
- (e) a determination by the commissioner that continuation of coverage could place the insurer in a hazardous financial condition or in violation of the laws of this state; or
- (f) a determination by the commissioner that the insurer no longer has adequate reinsurance to meet the insurer's needs.

**History:** L. 1986, ch. 168, § 1; July 1.