

Know Your Rights Regarding Insurance for Your Business

Insurance companies that write liability insurance and motor vehicle insurance must give businesses 45 days' advance notice of cancellations and non-renewals. Fifteen days' notice must be given for cancellations due to non-payment of premium.

In addition, when canceling or non-renewing your policy, the insurance company must give you notice in writing stating the reason for its action. The notice must also tell you that you have a legal right to appeal to the Insurance Commissioner and, in the case of a motor vehicle insurance policy, tell you that you may obtain insurance through another insurer or through the Virginia Automobile Insurance Plan.

Also, insurers may not cancel or non-renew motor vehicle insurance policies solely because of the lack of supporting business or lack of the potential for acquiring such business.