

**515.128A Material changes in commercial lines policies or contracts — notice required.**

1. If an insurer has an increase in the premium rates of twenty-five percent or more, an increase in the deductible of twenty-five percent or more, or a material reduction in the limits or coverage of the policy or contract, the insurer shall notify the named insured by a letter of explanation of the changes by mail at least forty-five days prior to the expiration date of the policy or contract. However, a premium charge that is assessed after the beginning date of the policy or contract period for which the premium is due shall not be deemed a premium increase for the purposes of [this section](#).

2. If the insurer fails to meet the notice requirements of [this section](#), the named insured has the option of continuing the policy or contract for the remainder of the notice period plus an additional thirty days at the premium rate of the existing policy or contract. A post office department certificate of mailing to the named insured at the address shown in the policy or contract is proof of receipt of the mailing.

[2013 Acts, ch 124, §20](#)