

515.128 Nonrenewal of commercial lines policies or contracts.

1. An insurer shall not fail to renew a commercial line policy or contract of insurance except by notice to the named insured as provided in [this section](#).

2. A notice of nonrenewal is not effective unless mailed or delivered by the insurer to the named insured and any loss payee at least forty-five days prior to the expiration date of the policy. If the insurer fails to meet the notice requirements of [this section](#), the insured has the option of continuing the policy 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.

3. [This section](#) applies to all forms of commercial property and casualty insurance written pursuant to [this chapter](#). It does not apply if the insurer has offered to renew or if the insured fails to pay a premium due or any advance premium required by the insurer for renewal. A notice of nonrenewal is not required if the insured is transferred from an insurer to an insurance company admitted in Iowa which is an affiliate of, as defined in [section 521A.1](#), the transferring insurer and all of the following conditions are met:

a. The transfer does not result in an interruption in coverage.

b. The rating of the affiliate from the A.M. Best company or a substitute rating service acceptable to the commissioner is the same or better than the rating of the transferring insurer.

c. The transfer results in the same or broader coverage.

d. Notice of the transfer is delivered to the insured or sent by first class mail to the insured's last known address not less than forty-five days prior to the transfer. The notice required by this paragraph is not required in the event that the insured requests or consents to the transfer.

e. The notice of transfer provides the name and telephone number of the insured's insurance producer, agent, or agency, if any.

[88 Acts, ch 1112, §407](#)

C89, §515.81B

[2002 Acts, ch 1111, §18](#); [2007 Acts, ch 152, §12](#)

CS2007, §515.128

[2013 Acts, ch 124, §19](#); [2015 Acts, ch 128, §24, 50, 51](#)

Referred to in [§515.125](#), [515.126](#), [515.129](#), [515D.7](#), [515E.39](#)

See [§515D.7](#)