

CANCELLATION REASON CODES

Cancellation Reason codes are used to express the reason vehicle liability insurance was cancelled on a vehicle. Recently the Motor Vehicle Administration [MVA] became aware that the insurance industry was not utilizing the correct reason codes when reporting vehicle insurance cancellations.

For example, when a vehicle is sold or traded-in the correct cancellation reason code to submit is "**SLD**". This code will allow the MVA ACIS program to process the cancellation while recognizing the "sold" status reported.

Failure to utilize the proper cancellation reason code may result in your customer receiving an unnecessary suspension letter.

The following cancellation reason codes are located in the ACIS user manual and must be reported appropriately.

'SLD' Vehicle Sold 'NPP' Non Payment of Premium 'COC' Company Cancelled or Underwriting Reason 'CRQ' Customer Request, Competition, Voluntary 'FRD' Fraud by Insured 'NPS' Failure to Pay Surcharge 'DIS' Dissatisfaction 'XFR' Transfer 'ACT' Financed Account 'CAN' Cancel/Rewrite

Please feel free to email your questions regarding insurance cancellation codes to mvaicdftpsecure@maryland.mva.gov