

[Your Name]
[Your Address]
[City, State, Zip Code]
[Your Phone Number]
[Your Email]

[Date]

[Adjuster Name]
[Insurance Company Name]
[Claims Department Address]
[City, State, Zip Code]

RE: Notice of Bad Faith and Formal Demand for Settlement

Claim Number: [Insert Claim Number]
Policy Number: [Insert Policy Number]
Insured: [Insert Name of Insured]
Date of Loss: [Insert Date of Loss]

Dear [Adjuster Name],

This letter serves as a formal demand for the immediate settlement of the above-referenced claim. To date, [Insurance Company Name] has failed to evaluate this claim fairly and has failed to offer a reasonable settlement despite clear evidence of liability and damages covered under the policy.

Under the terms of my policy and the laws of [Insert State], your company owes a duty of good faith and fair dealing. We believe your current conduct constitutes bad faith based on the following:

- Failure to conduct a reasonable and timely investigation into the loss.
- Failure to provide a prompt and reasonable explanation for the denial or underpayment of the claim.
- Failure to attempt in good faith to effectuate a prompt, fair, and equitable settlement of a claim in which liability has become reasonably clear.
- [Optional: Insert specific instances of misrepresentation or delay].

The total amount of damages documented and submitted to date is \$[Insert Amount]. Despite this, your highest offer of \$[Insert Amount] is insufficient and does not reflect the actual value of the loss.

DEMAND:

I hereby demand payment in the amount of \$[Insert Full Policy Limit or Total Specific Damages] to resolve this matter. This offer shall remain open for [Insert Number, e.g., 10 or 14] business days from the date of this letter.

Failure to settle this claim within the specified timeframe will result in the commencement of formal legal proceedings. This may include a lawsuit seeking not only the original claim value but also consequential damages, emotional distress, attorney fees, and punitive damages as allowed by law for bad faith practices.

Please govern yourselves accordingly.

Sincerely,

[Your Signature]

[Your Printed Name]