

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

[Date]

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

RE: STATUTORY NOTICE OF BAD FAITH FAILURE TO SETTLE

Claim Number: [Claim Number]
Policy Number: [Policy Number]
Insured: [Insured Name]
Claimant: [Claimant Name]
Date of Loss: [Date of Incident]

To [Adjuster Name/Claims Manager]:

This letter serves as formal statutory notice pursuant to [Insert Applicable State Statute/Code Section] regarding [Insurance Company Name]'s failure to settle the above-referenced claim within policy limits.

Despite clear evidence of liability on the part of your insured and damages that significantly exceed the available policy limits, your company has failed to act in good faith to effectuate a prompt, fair, and equitable settlement. Specifically, your company has:

- Failed to accept a reasonable settlement demand within the time specified;
- Failed to acknowledge or respond to material communications regarding settlement;
- Ignored the high probability of an excess judgment against your insured;
- [Insert specific bad faith action or omission].

The Claimant previously offered to settle all claims against your insured for the policy limit of \$[Limit Amount] on [Date of Demand]. This offer was reasonable given the severity of the injuries and the clear liability involved. Your refusal to settle has exposed your insured to personal financial liability for any judgment exceeding the policy limits.

You are hereby given [Number of Days, e.g., 30 or 60] days from the receipt of this notice to cure this bad faith conduct by paying the policy limits as previously demanded. Failure to do so will result in the commencement of legal action seeking the full amount of any eventual judgment, regardless of policy limits, along with statutory interest, attorney fees, and punitive damages as allowed by law.

Please govern yourselves accordingly.

Sincerely,

[Your Signature]

[Your Printed Name]

[Title, if applicable]