

[Company Name]
[Company Address]
[City, State, Zip Code]
[Phone Number]

[Date]

[Policyholder Name]
[Policyholder Address]
[City, State, Zip Code]

Subject: Notification of Annual Policy Renewal and Premium Adjustment

Dear [Policyholder Name],

Thank you for choosing [Company Name] for your insurance needs. We are writing to inform you that your policy number [Policy Number] is set to renew on [Renewal Date].

Upon review of your policy for the upcoming term, your new annual premium will be [New Premium Amount]. This is an increase from your previous premium of [Old Premium Amount].

We understand that a rate increase is never welcome news. This adjustment is driven by several factors, including:

- [Factor 1: e.g., Rising costs of labor and materials for repairs]
- [Factor 2: e.g., Increased frequency of weather-related claims in your area]
- [Factor 3: e.g., Adjustments based on updated inflation data]

Our commitment remains providing you with the highest level of coverage and service. To ensure you are receiving all eligible discounts, such as [List Discounts, e.g., multi-policy or safety device discounts], please contact your agent.

Your renewed policy documents are enclosed. If you have any questions regarding these changes or would like to review your coverage options, please call us at [Phone Number] or visit our website at [Website URL].

Sincerely,

[Sender Name]
[Title]
[Company Name]