

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

Subject: Notification of Premium Adjustment for Umbrella Policy #[Policy Number]

Dear [Policyholder Name],

We are writing to inform you of a change to the premium for your Personal Umbrella Insurance policy. Effective [Date], your new renewal premium will be \$[Amount].

At [Company Name], we strive to provide the highest level of liability protection. Periodically, we must adjust our rates to reflect current market conditions. The increase in your premium is due to the following factors:

- **Increased Litigation Costs:** The rising costs of legal defense and higher court settlements nationwide have impacted the overall cost of providing excess liability coverage.
- **Inflationary Trends:** Rising medical costs and repair expenses have increased the potential severity of claims.
- **Risk Assessment:** Updates to our actuarial data regarding regional risk factors and claim frequencies.

Your Umbrella policy remains a vital component of your financial security, providing an essential layer of protection above your standard auto and homeowners limits. This coverage ensures that your assets and future earnings are shielded in the event of a significant lawsuit or catastrophic loss.

We value your continued business. If you would like to discuss your coverage options or explore ways to manage your premium-such as adjusting underlying deductibles-please contact your agent at [Phone Number] or [Email Address].

Thank you for choosing [Company Name].

Sincerely,

[Sender Name]
[Title]
[Company Name]