SENT VIA CERTIFIED MAIL / RETURN RECEIPT REQUESTED

[Date]

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

Re: Notice of Reservation of Rights
Claim Number: [Claim Number]
Policy Number: [Policy Number]
Policy Period: [Policy Dates]
Claimant: [Claimant Name]
Date of Loss/Occurrence: [Date]

Dear [Insured Name],

We have received notice regarding the above-referenced claim involving [Brief Description of Incident]. [Insurance Company Name] is currently investigating this matter to determine if coverage applies under your policy.

This letter is to inform you that we are accepting the defense of this matter subject to a **Reservation of Rights**. Our preliminary review of the information provided indicates that the alleged acts or omissions may have occurred prior to the "Retroactive Date" specified in your policy.

Relevant Policy Provisions

Your policy contains a "Prior Acts Exclusion" which states:

"[Insert exact verbatim text of the Prior Acts Exclusion/Retroactive Date clause from the policy here]"

The Retroactive Date listed on your Declarations Page is: **[Insert Date]**.

Basis for Reservation

Because the allegations in the claim suggest that the underlying conduct occurred on or about [Date of Alleged Act], which is prior to the Retroactive Date of [Date], there may be no coverage for this claim. If it is determined that all or part of the alleged acts occurred before the Retroactive Date, [Insurance Company Name] reserves the right to deny coverage, withdraw from the defense, and decline any obligation to indemnify or pay a judgment or settlement on your behalf.

Continued Cooperation

We will continue to investigate the facts of this claim. This Reservation of Rights is based on the information currently available. We reserve the right to amend or supplement this letter as more facts become known. We also reserve the right to assert any other terms, exclusions, or conditions of the policy that may become applicable.

Please note that you have the right to consult with independent counsel at your own expense regarding this matter.

If you have any questions or possess information that you believe would change this preliminary coverage assessment, please contact me directly at [Phone Number].

Sincerely,

[Adjuster Name]
[Title]
[Insurance Company Name]