Date: [Date]

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

Attn: [Adjuster Name/Department]

Re:
Insured: [Your Name or Business Name]
Policy Number: [Policy Number]
Claim Number: [Claim Number]
Matter: [Name of Lawsuit or Title of Claim]

Dear [Adjuster Name],

I am writing in response to your letter dated [Date of Insurer's Rights Reservation Letter] in which [Insurance Company Name] has agreed to provide a defense in the above-referenced matter subject to a Reservation of Rights.

Because the grounds for your reservation of rights create a conflict of interest between [Insurance Company Name] and [Insured Name], I am hereby exercising my right to select and retain independent counsel to represent my interests in this litigation.

Specifically, a conflict exists because the outcome of certain issues in the underlying litigation may determine whether or not coverage exists under the policy. Consequently, I have retained the following firm as independent counsel:

[Name of Independent Attorney/Law Firm]
[Address]
[Phone Number]
[Email]

I request that you immediately coordinate with the aforementioned counsel regarding the defense of this matter. Furthermore, I request confirmation that [Insurance Company Name] will pay all reasonable attorney fees and costs incurred by this independent counsel in accordance with applicable state law and the terms of the insurance policy.

Please provide written confirmation of your receipt of this notice and your agreement to the payment arrangement within [Number] business days.

This letter is sent without prejudice to any other rights or remedies I may have under the law or the insurance contract.

Sincerely,

[Your Signature]

[Your Printed Name]
[Your Title, if applicable]