

[Date]

[Insured Name]

[Address Line 1]

[Address Line 2]

RE: Notice of Partial Claim Denial and Coverage Explanation

Claim Number: [000000000]

Policy Number: [000000000]

Date of Loss: [Date]

Vehicle: [Year, Make, Model]

Dear [Insured Name],

We have completed the evaluation of your recent auto collision claim. While we have approved the costs associated with the physical repairs of your vehicle, this letter serves as formal notice that your request for compensation regarding "Diminished Value" or "Depreciation" has been denied.

Reason for Partial Denial

Our decision is based on the specific terms and conditions outlined in your insurance policy. Under the [Section Name/Collision] portion of your policy, coverage is limited to the "Actual Cash Value" of the loss or the amount necessary to repair the property to its pre-accident physical condition.

Your policy specifically excludes recovery for intangible losses, such as the perceived reduction in market value that occurs after a vehicle has been involved in an accident, provided the vehicle has been repaired to industry standards.

Policy Language Reference

"[Insert specific quote from policy regarding exclusions for diminished value or limit of liability here]"

Current Status

Total Repair Estimate: \$[Amount]

Deductible Applied: \$[Amount]

Net Payment for Repairs: \$[Amount]

If you have additional documentation or evidence that you believe warrants a reconsideration of this decision, please submit it to our claims department for review. You also have the right to have this decision reviewed by the [State Name] Department of Insurance.

If you have any questions regarding this letter, please contact me directly at [Phone Number].

Sincerely,

[Adjuster Name]

[Title]

[Insurance Company Name]