

[Date]

[Policyholder Name]

[Mailing Address]

[City, State, Zip Code]

## **Re: Notice of Partial Denial and Coverage Explanation**

Claim Number: [Claim Number]

Policy Number: [Policy Number]

Date of Loss: [Date of Loss]

Property Location: [Risk Address]

Dear [Policyholder Name],

We have completed the review of your personal property claim regarding the loss occurring on [Date of Loss]. This letter serves to explain the coverage applied to your claim and notify you of a partial denial regarding certain depreciation holdbacks.

### **Settlement Summary**

Based on our inspection and the documentation provided, the total Replacement Cost Value (RCV) of your personal property has been determined to be \$[Amount].

In accordance with your policy terms, we have applied depreciation based on the age and condition of the items at the time of loss. This resulted in an Actual Cash Value (ACV) payment of \$[Amount], minus your deductible of \$[Amount].

### **Explanation of Partial Denial**

Please be advised that your claim for the recovery of depreciation is partially denied for the following items:

- [Item Description 1]: [Reason for denial, e.g., Item exceeded age limits for replacement coverage]
- [Item Description 2]: [Reason for denial, e.g., Non-recoverable depreciation per policy endorsement]

This denial is based on the following policy provision(s):

*"[Insert specific policy language regarding non-recoverable depreciation or actual cash value limitations]"*

### **How to Claim Recoverable Depreciation**

For all other items marked as "Recoverable," you may be eligible to receive the difference between the ACV and the RCV once the items are actually replaced. To request these funds, you must:

1. Purchase the replacement items.
2. Submit copies of all receipts and invoices to this office.
3. Complete the replacements within [Number] days from the date of loss as required by your policy.

### **Important Notice**

If you disagree with this assessment, you have the right to submit additional documentation for review. You may also have specific rights under state insurance law to appeal this decision.

Sincerely,

[Adjuster Name]

[Title]

[Company Name]

[Phone Number]

[Email Address]