

[Company Name]  
[Address]  
[City, State, Zip Code]  
[Phone Number]

[Date]

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

## **RE: Notice of Partial Claim Denial and Coverage Explanation**

Claim Number: [Number]  
Policy Number: [Number]  
Date of Loss: [Date]  
Equipment Description: [Year/Make/Model]

Dear [Insured Name],

We have completed our evaluation of your claim regarding the specialty equipment listed above. Based on our investigation and the terms of your insurance policy, we have reached a decision regarding the covered loss amount.

### **Claim Determination**

Your claim has been partially approved in the amount of \$[Approved Amount]. However, we must respectfully deny coverage for the remaining portion of your claim totaling \$[Denied Amount].

### **Explanation of Coverage and Valuation**

The partial denial is based on the following factors:

- **Valuation Method:** Per Policy Section [Section Number], valuation is determined by [Actual Cash Value / Replacement Cost / Stated Value]. Our independent appraisal assessed the market value at \$[Amount], which differs from your submitted estimate.
- **Excluded Items/Damage:** The inspection determined that [Specific Part/Damage] was caused by [Wear and Tear / Mechanical Breakdown / Prior Damage], which is excluded under policy provision [Policy Provision Code].
- **Policy Limits:** The specific coverage for [Category, e.g., Specialized Attachments] is limited to a maximum of \$[Limit Amount].

### **Payment Summary**

Total Evaluated Loss: \$[Total Amount]  
Less Non-Covered Depreciation/Exclusions: \$[Amount]  
Less Policy Deductible: \$[Amount]  
**Total Net Payment: \$[Net Amount]**

### **Your Right to Appeal**

If you have additional documentation or evidence that you believe would change this determination, please submit it to our office within [Number] days. You also have the right to [Internal Appeal Process/State Department of Insurance Review].

If you have any questions regarding this assessment, please contact your adjuster at [Phone Number].

Sincerely,

[Adjuster Name]  
[Title]  
[Company Name]