

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

[Date]

[Policyholder Name]
[Mailing Address]
[City, State, Zip Code]

RE: Notice of Mandatory Premium Increase - Policy Number: [Policy Number]

Dear [Policyholder Name],

This letter is to inform you of a change to your homeowners insurance premium effective [Date].

In accordance with [State Name] Department of Insurance regulations and [State Statute Number], we are required to disclose that your premium has increased by [Percentage]% compared to your previous policy term. Your new total premium for the upcoming term is \$[Amount].

Reason for Increase:

This adjustment is a result of state-mandated rate changes and [select one or more: increased regional risk / rising construction costs / state-approved catastrophe fund assessments]. These changes have been reviewed and approved by the [State Name] Department of Insurance to ensure the continued solvency and stability of the insurance market.

What You Need to Do:

- If your premium is paid through an escrow account, we will notify your mortgage lender of this change automatically.
- If you pay your premium directly, please refer to the enclosed invoice for your updated payment schedule.

We value your business and are committed to providing you with reliable coverage. If you have questions regarding this state-mandated disclosure or wish to review your current coverage limits and discounts, please contact your agent at [Agent Phone Number] or visit our website at [Website URL].

Sincerely,

[Name/Department]
[Company Name]