

[Date]

[Policyholder Name]

[Mailing Address]

[City, State, Zip Code]

RE: Important Notice Regarding Your Premium Increase

Policy Number: [Policy Number]

Policy Type: [Type - e.g., Homeowners/Auto]

Effective Date: [Renewal Date]

Dear [Policyholder Name],

This letter is to inform you that the premium for your upcoming policy renewal has increased. We are providing this disclosure in compliance with state regulations requiring notification of premium changes.

Premium Comparison:

- Previous Term Premium: \$[Amount]
- New Renewal Premium: \$[Amount]
- Total Increase: \$[Amount]
- Percentage Change: [Percentage]%

Reason for Increase:

The change in your premium is primarily due to the following state-mandated or actuarial factors:

- [Reason 1: e.g., State-wide rate adjustment approved by the Department of Insurance]
- [Reason 2: e.g., Increase in local replacement costs and inflation]
- [Reason 3: e.g., Adjustment in mandatory state assessment fees]

Your Options:

We value your business and encourage you to review your coverage. You may be able to lower your premium by:

- Increasing your deductible.
- Reviewing available discounts for which you may qualify.
- Adjusting specific optional coverage limits.

If you have any questions regarding this notice or would like to discuss your policy, please contact your agent at [Agent Phone Number] or call our Customer Service department at [Phone Number].

Sincerely,

[Company Name]

[Department Name]

[Contact Information]