

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

RE: Notice of Policy Status - Cash Value Depletion and Pending Lapse

Policy Number: [Policy Number]

Dear [Policyholder Name],

This letter is to inform you of an important change regarding the status of your life insurance policy. Our records indicate that the cash value of your policy has been depleted and is no longer sufficient to cover the monthly insurance costs and administrative fees.

As a result, your policy has entered a grace period effective [Date]. To keep your coverage in force and prevent the policy from lapsing, a payment is required.

Payment Details:

- **Minimum Amount to Avoid Lapse:** \$[Amount]
- **Due Date:** [Date]

If the required payment is not received by the date listed above, your policy will lapse. Once a policy lapses, your insurance coverage will terminate, and no benefits will be payable to your beneficiaries in the event of a claim.

If you have recently made a payment, please disregard this notice. If you wish to discuss payment options, adjust your coverage, or if you have any questions regarding your account status, please contact our Customer Service Department at [Phone Number] between [Hours of Operation].

Thank you for your immediate attention to this matter.

Sincerely,

[Sender Name/Department]

[Insurance Company Name]