

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

Subject: Explanation of Benefits, Coverage Limits, and Policy Provisions

Dear [Policyholder Name],

This letter provides a detailed summary of your life insurance coverage under Policy Number: [Policy Number]. Please review the following information regarding your benefit limits and coverage terms.

1. Benefit Amount (Death Benefit)

The total face amount of your policy is \$[Amount]. This is the sum payable to your designated beneficiaries upon your passing, provided the policy remains active and in force.

2. Coverage Type

Your policy is classified as: [Term Life / Whole Life / Universal Life]. Coverage is effective as of [Effective Date] and is scheduled to remain in effect until [Expiry Date or Policy Maturity].

3. Specific Benefit Limits and Riders

- **Accidental Death Benefit:** \$[Amount] (Payable if death results directly from an accident).
- **Accelerated Death Benefit:** Up to [Percentage]% of the face amount (Available in the event of a terminal illness diagnosis).
- **Waiver of Premium:** [Yes/No] (Premiums waived if the insured becomes totally disabled).

4. Common Exclusions

Please be advised that benefits may be limited or denied under the following circumstances:

- **Suicide Clause:** Benefits are generally not payable if death occurs by suicide within the first [1 or 2] years of the policy issue date.
- **Contestability Period:** The insurer may review the validity of the application if death occurs within the first two years of coverage.
- **Material Misrepresentation:** Inaccurate information provided during the application process may void coverage.

5. Premium Obligations

To maintain the coverage limits stated above, a premium payment of \$[Amount] is required on a [Monthly/Quarterly/Annual] basis. Failure to pay premiums within the [Number]-day grace period may result in a lapse of coverage.

We encourage you to keep this summary with your legal documents. If you have questions regarding these limits or wish to update your beneficiaries, please contact our customer service department at [Phone Number] or [Email Address].

Sincerely,

[Name of Representative]

[Title]

[Insurance Company Name]