

Insurer's Name  
NOTICE OF RECALCULATED PREMIUM

Date of Notice:  
Insured's Name                      Producer's Name (if Applicable)  
Insured's Address                  Insurer/Producer's T/P Number/*Insurer's or Producer's Electronic Mail Address (if applicable)*  
RE: Policy Number:  
Effective Date:

Dear **[INSURED'S NAME]**:

Thank you for choosing **[NAME OF INSURER]** to provide your **[LINE OF INSURANCE BUSINESS]** policy.

Your binder or policy is subject to a 45-day underwriting period beginning on the effective date of coverage. In accordance with § 12-106 of the Insurance Article, Annotated Code of Maryland if **[NAME OF INSURER]** discovers a material risk factor during the underwriting period, the company may recalculate your premium from the effective date of the policy.

While reviewing your binder or policy, we discovered the following material risk factor or factors *that resulted in a premium change*:

**[IDENTIFY THE MATERIAL RISK FACTOR AND [THE MATERIAL RISK FACTOR CAUSED US TO RECALCULATE YOUR PREMIUM FOR THE FOLLOWING REASON: INSERT] PROVIDE AN EXPLANATION OF WHY THE MATERIAL RISK FACTOR CAUSED THE COMPANY TO RECALCULATE THE PREMIUM IN LANGUAGE THAT IS REASONABLY UNDERSTANDABLE TO THE AVERAGE POLICYHOLDER.]**

**[REPEAT [THE ABOVE TWO ITEMS] FOR EACH MATERIAL RISK FACTOR DISCOVERED DURING THE UNDERWRITING PERIOD.]**

As a result, the premium on the policy was recalculated and has **[INCREASED OR DECREASED]**.

The initial, quoted premium amount was – **[\$CURRENT PREMIUM]**.

The new premium amount is – **[\$NEW PREMIUM]**.

**[OPTIONAL: If an additional premium amount is due, [EXPLAIN HOW THE INSURED WILL BE BILLED]. If your premium amount has decreased, [EXPLAIN HOW THE PREMIUM WILL BE CREDITED OR REFUNDED].**

By law, **[NAME OF INSURER]** must also inform you of your right to terminate the policy and receive a pro-rata refund of any premium paid by notifying us of the termination. For additional information regarding *the reason for this action and how it affected your policy's premium* [this notice of recalculated premium] or to terminate the policy, please contact **[NAME OF COMPANY OR PRODUCER, ( IF APPLICABLE)]** at the contact information printed above.

Sincerely,  
**[NAME OF AUTHORIZED COMPANY REPRESENTATIVE]**