

REQUEST FOR RELEASE OF WITHHELD DEPRECIATION LETTER

Enhanced Version with Comprehensive Detail

Document Category: Settlement & Payment

Document Number: 16 of 33

Priority Level: TIME-SENSITIVE

POLICYHOLDER INFORMATION

[Your Full Legal Name]

[Your Complete Street Address]

[City, State ZIP Code]

[Primary Phone Number]

[Email Address]

[Date]

RECIPIENT INFORMATION

SENT VIA: Certified Mail #[Number], Email with Read Receipt, Fax with Confirmation

[Insurance Carrier Full Legal Name]

Claims Department - Depreciation Unit

Attn: [Specific Adjuster Name], [Title]

[Complete Street Address]

[City, State ZIP Code]

CC: Depreciation Review Department

CC: Claims Supervisor: [Name]

CLAIM IDENTIFICATION

Re: Formal Demand for Release of Withheld Depreciation - Repairs Complete

Policy Number: [Policy #]

Claim Number: [Claim #]

Date of Loss: [Date]

Type of Loss: [Peril]

Property Address: [Complete Loss Location]
Total Depreciation Withheld: \$[Amount]
Date Repairs Completed: [Date]
Days Since Completion: [Number]

EXECUTIVE SUMMARY

Dear [Adjuster Name]:

I formally request immediate release of **\$[amount]** in depreciation being wrongfully withheld from my claim. **All repairs and replacements have been completed**, and I am entitled to full replacement cost value under my policy's provisions. This depreciation has been withheld for [number] days since completion of repairs, in violation of policy terms and state law.

COMPREHENSIVE DEPRECIATION SUMMARY

Detailed Breakdown by Category:

| Item/Category | RCV | ACV Paid | Depreciation Held | Actual Cost | Completion Date | Status |
|---------------------|------------|------------|-------------------|-------------|-----------------|---------------|
| STRUCTURAL | | | | | | |
| Roof Replacement | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ COMPLETE |
| Siding Installation | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ COMPLETE |
| Window Replacement | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ COMPLETE |
| INTERIOR | | | | | | |
| Drywall/Paint | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ COMPLETE |
| Flooring | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ COMPLETE |
| Kitchen Cabinets | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ COMPLETE |
| CONTENTS | | | | | | |
| Furniture | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ REPLACED |
| Electronics | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ REPLACED |
| Appliances | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ REPLACED |
| Clothing/Personal | \$[amount] | \$[amount] | \$[amount] | \$[amount] | [Date] | ✓ REPLACED |
| TOTALS | \$[amount] | \$[amount] | \$[amount] | \$[amount] | | 100% COMPLETE |

POLICY PROVISIONS REQUIRING DEPRECIATION RELEASE

Your Policy Specifically States:

Section [X] - Replacement Cost Coverage:

"We will pay the replacement cost of damaged property when repairs or replacement are complete. Initial payment will be actual cash value. When repairs or replacement are complete, we will pay the difference between actual cash value and replacement cost upon receipt of documentation."

Key Policy Points:

1. ✓ Policy provides replacement cost coverage
 2. ✓ No requirement for identical replacement
 3. ✓ Repairs of "like kind and quality" sufficient
 4. ✓ Depreciation recoverable when "incurred"
 5. ✓ No time limit on depreciation recovery
 6. ✓ No requirement for specific documentation format
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COMPREHENSIVE COMPLETION DOCUMENTATION

1. CONTRACTOR DOCUMENTATION

A. Final Invoices and Payments:

- General Contractor Final Invoice: \$[amount] - **PAID IN FULL**
- Roofing Contractor Invoice: \$[amount] - **PAID IN FULL**
- Electrical Contractor Invoice: \$[amount] - **PAID IN FULL**
- Plumbing Contractor Invoice: \$[amount] - **PAID IN FULL**
- HVAC Contractor Invoice: \$[amount] - **PAID IN FULL**
- **Total Structural Repairs:** \$[amount]

B. Proof of Payment Provided:

- ☒ Cancelled checks (copies attached)
- ☒ Credit card statements (highlighted)
- ☒ Bank statements showing withdrawals

- ☒ Contractor payment receipts
- ☒ Electronic payment confirmations

C. Completion Certificates:

- ☒ Certificate of Completion - General Contractor
- ☒ Municipal Final Inspection - PASSED
- ☒ Electrical Final Inspection - PASSED
- ☒ Plumbing Final Inspection - PASSED
- ☒ Building Final Inspection - PASSED

D. Lien Waivers:

- ☒ General Contractor Lien Waiver
- ☒ All Subcontractor Lien Waivers
- ☒ Material Supplier Lien Waivers
- ☒ No liens filed verification

2. CONTENTS REPLACEMENT DOCUMENTATION

A. Detailed Purchase Records:

| Category | Item Description | Original RCV | Purchase Price | Store/Vendor | Date | Receipt # |
|-------------|------------------|--------------|----------------|--------------|--------|-----------|
| Furniture | Living Room Set | \${amount} | \${amount} | [Store] | [Date] | [#] |
| Furniture | Bedroom Suite | \${amount} | \${amount} | [Store] | [Date] | [#] |
| Electronics | Television 65" | \${amount} | \${amount} | [Store] | [Date] | [#] |
| Appliances | Refrigerator | \${amount} | \${amount} | [Store] | [Date] | [#] |
| Appliances | Washer/Dryer | \${amount} | \${amount} | [Store] | [Date] | [#] |

B. Supporting Documentation:

- ☒ Original purchase receipts
- ☒ Credit card statements
- ☒ Delivery confirmations
- ☒ Installation receipts
- ☒ Warranty registrations
- ☒ Photos of replaced items

C. Disposal Documentation:

- ☒ Disposal receipts for damaged items
- ☒ Donation receipts where applicable
- ☒ Hazardous waste disposal certificates
- ☒ Recycling confirmations

3. INSPECTION AVAILABILITY

Property Available for Inspection:

- **Available Days:** Monday - Saturday
- **Available Times:** 8:00 AM - 6:00 PM
- **Contact to Schedule:** [Phone Number]
- **Notice Required:** 24 hours
- **Full access provided** to all repaired areas
- **Contractor available** to meet if requested

ACTUAL EXPENSES EXCEED RCV

Financial Summary:

| Description | Amount |
|---------------------------|-------------------|
| Total RCV per Adjuster | \${amount} |
| Total Actual Expenses | \${amount} |
| Excess Paid Out-of-Pocket | \${amount} |
| Depreciation Withheld | \${amount} |
| Minimum Owed | \${amount} |

Note: Actual costs exceeded RCV due to:

- Current market conditions
- Material price increases since estimate
- Code upgrade requirements
- Quality matching requirements

IMPROPER WITHHOLDING ANALYSIS

Your continued withholding violates:

1. Policy Contract Terms

- Clear replacement cost provisions
- No basis for continued hold
- All conditions precedent satisfied
- Breach of contract occurring

2. [State] Prompt Payment Laws

- [State Statute §XXX]: Payment due within [X] days
- Currently [X] days overdue
- Statutory interest accruing at [%] annually
- Penalties authorized under law

3. Duty of Good Faith and Fair Dealing

- Unreasonable delay in payment
- No legitimate dispute exists
- Creating financial hardship
- Pattern of delay tactics

4. Industry Standards

- Standard practice: Release upon substantial completion
 - Your company's own guidelines (if known)
 - Department of Insurance bulletins
 - NAIC model regulations
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DETAILED COMPLETION TIMELINE

Chronological Progress:

| Date | Milestone | Documentation |
|--------|-----------------------------------|----------------------------|
| [Date] | Insurance proceeds received (ACV) | Check #[Number] |
| [Date] | Contractors hired | Signed contracts |
| [Date] | Permits obtained | Permit #[Numbers] |
| [Date] | Work commenced | Photo documentation |
| [Date] | Structural repairs complete | Progress photos |
| [Date] | Interior work complete | Progress photos |
| [Date] | Final inspections passed | Inspection reports |
| [Date] | Contents replaced | Purchase receipts |
| [Date] | ALL WORK COMPLETE | Final documentation |
| [Date] | First depreciation request | Letter sent |
| [Date] | Follow-up request | Letter sent |
| [Date] | Current demand | This letter |

NO BETTERMENT OR UPGRADES

Repairs/Replacements are Like Kind and Quality:

Structural Repairs:

- ✓ Same grade roofing materials
- ✓ Comparable siding products
- ✓ Standard grade windows
- ✓ No unnecessary upgrades
- ✓ Code requirements only where mandated

Contents Replacement:

- ✓ Similar quality furniture
- ✓ Comparable electronics
- ✓ Standard appliances
- ✓ No luxury upgrades
- ✓ Reasonable replacement choices

Cost Reasonableness:

- ✓ Three bids obtained for major work
- ✓ Competitive pricing verified
- ✓ No premium contractors used
- ✓ Standard market rates paid

FINANCIAL IMPACT OF WITHHOLDING

Direct Financial Harm:

| Impact Category | Amount/Description |
|-------------------------------|----------------------|
| Interest Charges | |
| Credit Card Interest | \${amount} @ [%] APR |
| Personal Loan Interest | \${amount} @ [%] APR |
| HELOC Interest | \${amount} @ [%] APR |
| Total Interest to Date | \${amount} |
| Additional Costs | |
| Loan Origination Fees | \${amount} |
| Late Payment Penalties | \${amount} |
| Over-limit Fees | \${amount} |
| Total Additional Costs | \${amount} |
| Credit Impact | |
| Credit Score Before | [Number] |
| Credit Score Now | [Number] |
| Point Reduction | [Number] |
| Estimated Recovery Time | [Months] |

Ongoing Daily Cost:

- Interest accruing daily: \${amount}
- Total days withheld: [number]
- Total interest harm: \${amount}

TIMELINE OF DEPRECIATION REQUESTS

| Date | Request Type | Method | Response | Days Elapsed |
|--------|-----------------------|------------------|-----------------------|--------------|
| [Date] | Initial request | Email | No response | [#] |
| [Date] | Follow-up | Phone | "Under review" | [#] |
| [Date] | Formal letter | Certified mail | Request for more docs | [#] |
| [Date] | Documents provided | Email | No response | [#] |
| [Date] | Supervisor escalation | Phone | "Still reviewing" | [#] |
| [Date] | Current demand | Multiple methods | Awaiting | [#] |

LEGAL REQUIREMENTS AND CITATIONS

[State] Statutory Requirements:

[State] Insurance Code §[XXX]:

"Upon completion of repairs or replacement, the insurer shall release withheld depreciation within [X] days of receipt of reasonable documentation of completion."

[State] Insurance Code §[XXX]:

"Failure to timely pay depreciation subjects insurer to interest at [%] per annum and potential bad faith liability."

Relevant Case Law:

- [Case Name v. Insurance Co.] - "Substantial completion sufficient"
- [Case Name v. Insurance Co.] - "Insurer cannot impose unreasonable documentation requirements"

UNREASONABLE REQUIREMENTS REBUTTAL

If claiming additional documentation needed:

Your Requests Are Unreasonable Because:

- Policy Doesn't Require:
 - Specific format of documentation
 - Original receipts (copies sufficient)
 - 100% identical replacement

- Professional installation for all items
- Your approval before work

2. Industry Standard Satisfied:

- Invoices and receipts provided
- Completion confirmed
- Inspections passed
- Normal documentation exceeded

3. Previous Claims Precedent:

- Prior claims with your company required less
- Other carriers accept this documentation
- Department of Insurance confirms sufficiency

4. Requirements Are Pretextual:

- Continuously changing requirements
- Requesting already-provided documents
- Imposing new conditions not in policy

PARTIAL RELEASE REQUEST

At Minimum, Immediately Release:

| Category | Undisputed Amount | Documentation Status |
|------------------------|-------------------|----------------------|
| Completed Roof | \${amount} | Fully documented |
| Completed Siding | \${amount} | Fully documented |
| Replaced Contents | \${amount} | Receipts provided |
| Minimum Release | \${amount} | 100% Complete |

No legitimate reason to hold ANY depreciation for completed items

INTEREST CALCULATION

Statutory Interest Owed:

| Component | Calculation | Amount |
|--------------------------|---------------------------|-------------------|
| Principal (Depreciation) | | \${amount} |
| Days Overdue | [Date] to [Date] | [number] days |
| Statutory Rate | [State] law: [%] annually | [%] |
| Daily Rate | [%] ÷ 365 | [%] |
| Interest Owed | Principal × Rate × Days | \${amount} |
| Total Due | Principal + Interest | \${amount} |

FORMAL DEMAND

I hereby demand immediate payment of:

- 1. **Withheld Depreciation:** \${amount}
- 2. **Statutory Interest:** \${amount}
- 3. **Additional Damages:** \${amount}
- 4. **TOTAL DEMANDED:** \${amount}

Payment must be issued within 10 calendar days of this letter

PAYMENT INSTRUCTIONS

Issue Payment As Follows:

Payee(s): [Name(s) - exactly as needed]
Amount: \${amount}
Reference: Claim #[number] - Depreciation Release

Send via:

- ☐ Wire transfer (fastest - details previously provided)
- ☐ Overnight check to: [Address]
- ☐ Electronic funds transfer

Include with payment:

- Detailed statement showing calculation
- Confirmation of claim status

- Any remaining claim information
-

10-DAY DEADLINE AND CONSEQUENCES

If depreciation not released within 10 days:

Day 1-3: Regulatory Action

- File complaint with [State] Department of Insurance
- Request expedited investigation
- Seek emergency order for payment

Day 4-6: Legal Preparation

- Retain counsel if not already done
- Prepare lawsuit for breach of contract
- Document all damages for bad faith claim

Day 7-10: Legal Action

- File lawsuit in [County] Court
- Seek injunctive relief
- Request expedited hearing
- Pursue all available remedies

Damages Will Include:

- Withheld depreciation
 - Statutory interest
 - Consequential damages
 - Bad faith damages
 - Punitive damages (if applicable)
 - Attorney's fees
 - Court costs
-

INSPECTION OFFER DETAILS

Property Inspection Available:

Inspector may verify completion by:

- Walk-through of all repaired areas
- Review of on-site documentation
- Meeting with contractors if desired
- Comparison to original scope

Scheduling:

- **Available:** [Specific days/times]
 - **Contact:** [Your phone]
 - **Notice needed:** 24 hours minimum
 - **Duration estimated:** 2-3 hours
 - **Full access** guaranteed
-

NO OFFSET RIGHTS**Depreciation cannot be offset against:**

1. **Deductible** - Already applied to ACV payment
2. **Other claim disputes** - Separate issues
3. **Prior claims** - Unrelated matters
4. **Premium issues** - Separate account
5. **Subrogation** - Independent right

This depreciation is a separate, undisputed obligation

INDUSTRY STANDARDS AND PRACTICES**Standard Insurance Industry Practice:****Normal Depreciation Release:**

- Upon substantial completion (not 100%)
- With reasonable documentation
- No requirement for identical replacement
- Within 30 days maximum

- No unreasonable conditions

Your Company's Deviation:

- Requiring excessive documentation
- Delaying beyond reasonable time
- Imposing non-policy requirements
- Creating artificial barriers

Expert Opinion Available:

- Public adjuster confirms completion
 - Industry standards exceeded
 - Documentation more than sufficient
-

SUPERVISORY REVIEW REQUEST**Please escalate to supervisor if:**

1. You lack authority to release over \$[amount]
2. Policy interpretation questions exist
3. Additional approval needed
4. System limitations prevent release
5. Any other impediment exists

Supervisor Contact Requested:

- Name: [Request if unknown]
 - Direct phone: [Request]
 - Email: [Request]
 - Best time to call: [Specify]
-

DOCUMENTATION SUFFICIENCY STATEMENT**The provided documentation exceeds all requirements:****Provided Documentation Includes:**

1. ✓ Detailed invoices with line items

2. ✓ Proof of payment for all work
3. ✓ Completion certificates
4. ✓ Municipal inspection approvals
5. ✓ Photos of completed work
6. ✓ Lien waivers from contractors
7. ✓ Receipts for all contents
8. ✓ Credit card statements
9. ✓ Bank records
10. ✓ Disposal documentation

This exceeds:

- Policy requirements
 - Industry standards
 - Regulatory minimums
 - Your own guidelines
-

PREJUDGMENT INTEREST WARNING

In litigation, entitled to:

Prejudgment Interest:

- From date of completion: [Date]
- At statutory rate: [%]
- Potentially compound interest
- Continuing until judgment

Attorney's Fees:

- For collection action
- Under bad faith statute
- Potentially full fees

This significantly increases exposure

CREDIT DAMAGE DOCUMENTATION

Withholding has damaged credit through:

Documented Impact:

- Credit utilization increased from [%] to [%]
- Credit score dropped [#] points
- New credit denied due to utilization
- Mortgage refinance blocked
- Higher interest rates on existing credit

Future Impact:

- Recovery time: [Months]
 - Lost opportunities: [Description]
 - Additional interest costs: \$[amount]
 - Refinancing losses: \$[amount]
-

CONCLUSION AND FINAL STATEMENT

The repairs and replacements are **100% complete** and have been for [number] days. Every piece of documentation requested has been provided, and more. The withheld depreciation of \$[amount] is now due and owing under the clear terms of the policy, state law, and industry standards.

There is **no legitimate basis** for continued withholding of these funds. Your company has had more than sufficient time to review the documentation. The completed work has been available for inspection. All policy conditions have been satisfied.

Each day of continued withholding:

- Violates the insurance contract
- Breaches the duty of good faith
- Violates state insurance law
- Damages my credit and finances
- Increases your company's liability

Please process payment within 10 days to avoid further action.

I remain willing to discuss any legitimate concerns, but the time for delay has passed. These funds are owed, the work is complete, and payment must be made immediately.

Respectfully submitted,

[Your Signature]

[Your Printed Name]

[Date]

ATTACHMENTS

Complete Documentation Package Including:

1. ☒ **Contractor Documentation**

- Final invoices (all trades)
- Payment receipts
- Completion certificates
- Lien waivers
- Inspection reports

2. ☒ **Contents Documentation**

- Purchase receipts
- Credit card statements
- Delivery confirmations
- Photos of replaced items
- Disposal receipts

3. ☒ **Financial Impact**

- Credit card statements
- Loan documents
- Interest calculations
- Credit reports

4. ☒ **Prior Correspondence**

- Previous requests
- Email exchanges

- Notes of phone calls

5. ☒ **Photo Documentation**

- Before photos
 - During construction
 - Completion photos
 - Current condition
-

DISTRIBUTION

cc: [State] Department of Insurance - Commissioner's Office

cc: Public Adjuster - [Name]

cc: Attorney - [Name] (if retained)

cc: Mortgage Company - [Name] (if involved)

cc: File

TIME SENSITIVE - PAYMENT DUE WITHIN 10 DAYS

Note: This template is provided for informational purposes only and does not constitute legal advice. Users should customize all fields in brackets [] with their specific information and consult with appropriate professionals when dealing with insurance claims.