

[Date]

[Recipient Name]
[Recipient Address]
[City, State, Zip Code]

Subject: Notice of Interest Rate Adjustment

Account Number: [Account Number]

Dear [Recipient Name],

This letter is to formally notify you of a change to the interest rate on your [Type of Loan/Account]. As per the terms of your agreement, your interest rate is subject to periodic adjustments based on current market indices.

Adjustment Details:

- **Previous Interest Rate:** [Old Rate]%
- **New Interest Rate:** [New Rate]%
- **Effective Date:** [Date]

Impact on Payments:

Due to this adjustment, your new monthly payment amount will be **[\$Amount]**, effective **[Date]**. Please ensure your future payments reflect this updated amount to avoid any late fees or underpayment penalties.

If you have any questions regarding how this rate was calculated or wish to discuss your payment options, please contact our customer service department at [Phone Number] or visit our website at [Website].

Thank you for your continued business.

Sincerely,

[Your Name/Company Name]
[Department Name]
[Contact Information]