[Date]

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

Subject: Notice of Returned Check and Penalty Fee

Dear [Recipient Name],

This letter is to inform you that your check number #[Check Number], dated [Check Date], in the amount of $[Amount] has been returned by the bank unpaid due to [Reason, e.g., Insufficient Funds].

As a result, a returned check penalty fee of $[Fee Amount] has been applied to your account, as per our payment policy.

To resolve this matter, please provide a total payment of $[Total Amount] (original amount plus penalty fee) by [Due Date]. We request that this payment be made via [Accepted Payment Method, e.g., Cash, Cashier's Check, or Credit Card].

Please contact us immediately at [Phone Number] or [Email Address] to confirm that payment has been sent or to discuss this matter further.

Thank you for your prompt attention to this issue.

Sincerely,

[Your Name/Company Name]
[Your Title]