

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

**Subject: NOTICE OF RETURNED PAYMENT AND PENDING POLICY LAPSE**

Dear [Policyholder Name],

We are writing to inform you that your recent payment for policy number **[Policy Number]** in the amount of **[\$Amount]** was returned by your financial institution unpaid due to [Reason for Return, e.g., Insufficient Funds].

As a result, your premium remains unpaid. Please be advised that your insurance coverage is now at risk of lapsing. To keep your policy active and avoid a break in coverage, we must receive a replacement payment by **[Due Date]**.

**Total Amount Due: \$[Total Amount, including any late/returned fees]**

Please submit your payment immediately via one of the following methods:

- Online: [Website URL]
- Phone: [Phone Number]
- Mail: [Mailing Address for Payments]

If payment is not received by the date listed above, your policy will lapse effective **[Lapse Date]** at 12:01 AM. Once a policy lapses, any claims filed for incidents occurring after that time will not be covered.

If you have already sent a replacement payment, please disregard this notice. If you have any questions, please contact our customer service department at [Customer Service Phone Number].

Sincerely,

[Sender Name/Department]

[Company Name]