Date: [Insert Date]

Policy Number: [Insert Policy Number]
Insured Name: [Insert Insured Name]
Payment Due Date: [Insert Due Date]

Dear [Policyholder Name],

This letter is to inform you that we were unable to process your most recent Electronic Funds Transfer (EFT) payment for your life insurance policy. As a result, your policy is currently in a grace period and is at risk of lapsing.

Reason for Payment Failure: [Insert Reason, e.g., Insufficient Funds/Account Closed]

To keep your coverage active and prevent a formal lapse, we must receive a payment of **$[Amount Due]** by **[Grace Period Expiry Date]**.

You can rectify this by using one of the following methods:

- **Online:** Log in to your account at [Website URL].
- **Phone:** Call our billing department at [Phone Number].
- **Mail:** Send a check or money order to [Mailing Address].

If payment is not received by the date listed above, your coverage will terminate, and all benefits associated with this policy will cease. If your policy lapses, you may be required to undergo a new medical examination or complete a reinstatement application to regain coverage.

If you have already sent your payment, please disregard this notice.

Sincerely,

[Sender Name/Company Name]
[Customer Service Department]
[Contact Information]