

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

**Subject: NOTICE OF UNPAID PREMIUM AND PENDING POLICY LAPSE**

Policy Number: [Policy Number]

Dear [Policyholder Name],

We are writing to inform you that your recent payment attempt for your auto insurance premium was returned by your financial institution due to **Insufficient Funds (NSF)**.

As a result, your premium remains unpaid. To keep your coverage active and avoid a lapse in insurance, we must receive the total amount due by the date listed below:

- **Amount Due:** \$[Total Amount Due]
- **Return Payment Fee:** \$[Fee Amount]
- **Payment Deadline:** [Date]

**IMPORTANT:** If payment is not received by [Date], your policy will be canceled effective [Time] on [Cancellation Date].

A lapse in coverage may result in the loss of your driving privileges, vehicle registration issues, and higher future insurance rates. Please make a payment immediately via our website, mobile app, or by calling our billing department at [Phone Number].

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

Sincerely,

[Insurance Company Name]

[Billing Department]

[Contact Information]