

[Date]

[Policyholder Name]

[Address Line 1]

[Address Line 2]

[City, State, Zip Code]

RE: Notice of Returned Payment and Policy Lapse

Policy Number: [Policy Number]

Dear [Policyholder Name],

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

As a result of this returned payment, your premium remains unpaid. Please be advised that your policy coverage has lapsed effective [Lapse Date].

To reinstate your coverage and avoid a permanent cancellation of your policy, we must receive the following by [Deadline Date]:

- The past due premium amount: \$[Amount]
- A returned payment fee: \$[Fee Amount]
- **Total amount due: \$[Total Amount]**

Payment must be made via [Accepted Payment Methods, e.g., Certified Check, Credit Card, or Money Order]. Please note that personal checks will not be accepted for this reinstatement.

If payment is not received by the deadline stated above, your policy will remain terminated, and any claims occurring after the lapse date will not be covered. If you have already sent a replacement payment, please disregard this notice.

If you have any questions regarding this notice, please contact our Customer Service department at [Phone Number] between [Hours of Operation].

Sincerely,

[Sender Name]

[Company Name]

[Department Name]