

[Your Company Name]  
[Your Address]  
[City, State, Zip Code]  
[Phone Number]

[Date]

[Customer Name]  
[Contact Person]  
[Customer Address]  
[City, State, Zip Code]

**RE: NOTICE OF DISHONORED CHECK AND REVOCATION OF CREDIT TERMS**

Dear [Contact Person Name],

This letter serves as formal notification that your check number #[Check Number], dated [Check Date], in the amount of \$[Amount], has been returned by our financial institution marked "Insufficient Funds" (NSF).

As a result of this returned payment, your account is now past due. Please be advised of the following actions taken regarding your account:

- **Immediate Payment Required:** You are required to replace the dishonored check with a certified check, money order, or wire transfer for the original amount plus an NSF handling fee of \$[Fee Amount] no later than [Due Date].
- **Revocation of Credit Terms:** Due to this breach of our credit agreement, your commercial credit privileges are hereby revoked, effective immediately. Your account has been placed on "Cash on Delivery" (COD) or "Pre-payment" status for all future orders.
- **Account Review:** We will not consider restoring credit terms until your account has been settled in full and a history of timely payments has been re-established over a period of [Number] months.

Please contact our billing department at [Phone Number] immediately to confirm that payment has been sent or to discuss the outstanding balance.

We value your business and hope to resolve this matter promptly to avoid further collection efforts.

Sincerely,

[Your Name]  
[Your Title]  
[Your Company Name]