

[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 Revocation of Credit Terms - Dishonored Check

Dear [Contact Person Name],

We are writing to formally notify you that Check No. [Check Number], dated [Check Date], in the amount of \$[Amount] has been returned by our financial institution marked as [Reason: e.g., Non-Sufficient Funds/Account Closed].

Due to this dishonored payment, we are hereby revoking your current [Number, e.g., Net 30] credit terms effective immediately. Your account has been placed on "Cash on Delivery" (COD) or "Prepayment" status for all future orders.

To restore your account to good standing and avoid further collection actions, please provide a replacement payment including a returned check fee of \$[Fee Amount] via wire transfer, certified check, or credit card no later than [Due Date].

We will review your eligibility for credit terms again after [Number] months of consistent, timely payments. Please contact our billing department at [Phone Number] to confirm receipt of the replacement funds.

Sincerely,

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