

NORTH CAROLINA*

[DATE]

[NAME OF ISSUER],

North Carolina requires XYZ CORPORATION to send two written demands before bringing a civil action. The second notice should be sent 30 days following the initial written demand.

The first notification letter to the customer should contain the following:

This letter is written pursuant to G.S. 6-21.3 to inform you that on _____, you made and delivered to XYZ CORPORATION a check payable to this business containing your name and address in the sum of \$_____, drawn upon _____ (bank or institution), account number _____. [If the check was received in a face-to-face transaction insert this sentence: This check contained a driver's license identification number from a card with your photograph and mailing address, which was used to identify you at the time the check was accepted.] [If the check was delivered by mail insert this sentence: We have compared your name, address, and signature on the check with the name, address, and signature on file in the account previously established by you or on your behalf, and the signature on the check appears to be genuine.] Also, we have received no information that this was a stolen check, if that is the circumstance.

The check has been dishonored by the bank for the following reasons

As acceptor of the check, XYZ CORPORATION is giving you notice to rectify any bank error or other error in connection with the transaction, and to pay the face value of the check, plus the fees as authorized under G.S. 25-3-506 and G.S. 6- 21.3(a) as follows:

Face value of the check \$_____

Processing fee authorized under G.S. 25-3-506 \$_____ (max. \$25.00)

Bank service fees authorized under G.S. 6-21.3 \$_____

Total amount due: \$_____

If the total amount due listed above is not paid within 30 days of the mailing of this letter, XYZ CORPORATION may file a civil action to seek civil damages of three times the amount of the check, with a minimum damage of one hundred dollars (\$100.00) and a maximum damage of five hundred dollars (\$500.00) for allegedly giving a worthless check in violation of law (G.S. 6-21.3), in addition to the amount of the check and the fees specified above.

Appropriate relief will then be sought before a court of proper jurisdiction for full payment of the check plus all costs, treble damages, and witness fees.

If you do not believe you are liable for these amounts, you will have a right to present your defense in court. To pay the check or obtain information, contact the undersigned at the above business

location. Cash or a bank official check will be the only acceptable means of redeeming the dishonored check.

If you do not believe that you owe the amount claimed in this letter or if you believe you have received this letter in error, please contact XYZ CORPORATION at the above business location as soon as possible.

Sincerely,

[YOUR NAME]

[YOUR TITLE]

[XYZ CORPORATION]

[ADDRESS]

[YOUR PHONE NUMBER]

[YOUREMAIL@YOURCOMPANY.COM]

***If the total amount due has not been paid within 30 days after the mailing of the first notification letter, a subsequent demand letter should be sent.**

SECOND DEMAND LETTER:

[DATE]

[NAME OF ISSUER],

On _____, we informed you that we received a check payable to XYZ CORPORATION containing your name and address in the sum of \$_____, drawn upon _____ (bank or institution), account number _____. This check contained identification information that was used to identify you as the maker of the check. Also, we have received no information that this was a stolen check, if that is the circumstance.

The check has been dishonored by the bank for the following reasons:

XYZ CORPORATION notified you that you were responsible for the face value of the check (\$_____) plus the processing fees authorized under G.S. 25-3-506 and bank service fees G.S. 6-21.3(a) (\$_____) for a total amount due of \$_____. Thirty days have passed since the mailing of that notification letter, and you have not made payment to us for that total amount due.

Under G.S. 6-21.3, XYZ CORPORATION claims you are now liable for the face value of the check, the fees and treble damages. The damages we claim are three times the amount of the check or one hundred dollars (\$100.00), whichever is greater, but not to exceed five hundred dollars (\$500.00)

The total amount XYZ CORPORATION claim now due is:

Face value of the check \$_____

Processing fee authorized under G.S. 25-3-506 \$_____ (max. \$25.00)

Bank service fees authorized under G.S. 6-21.3 \$_____

Three times the face value of the check, with a minimum of \$_____

\$100.00 and a maximum of \$500.00

Total amount due: \$_____

XYZ CORPORATION

ADDRESS TO WHICH PAYMENT SHOULD BE DELIVERED

Payment of the total amount claimed above within 30 days of the mailing of this letter shall satisfy this civil remedy for the returned check.

If payment has not been received by XYZ CORPORATION within this 30-day period, we will seek appropriate relief before a court of proper jurisdiction for full payment of the check plus all costs, treble damages, and witness fees.

If you do not believe you are liable for these amounts, you will have a right to present your defense in court. To pay the check or obtain information, contact XYZ CORPORATION at the above business location. Cash or a bank official check will be the only acceptable means of redeeming the dishonored check.

If you do not believe that you owe the amount claimed in this letter or if you believe you have received this letter in error, please notify the undersigned at the above business location as soon as possible.

Sincerely,

[YOUR NAME]

[YOUR TITLE]

[XYZ COPORTTION]

[ADDRESS]

[YOUR PHONE NUMBER]

[YOUREMAIL@YOURCOMPANY.COM]

