

October 24, 1997

contact

maker

street

city

Re: Returned check \_\_\_\_\_ File#: \_\_\_\_\_

Your check for \_\_\_\_\_ drawn on \_\_\_\_\_

number \_\_\_\_\_ dated \_\_\_\_\_ has been returned unpaid. A copy is enclosed.

In accordance with Section 1719 of the Civil Code of the State of California, which is quoted below, you are given 30 days within which we must receive cash or bank funds in full payment, or you shall be liable for the amount of the check plus penalties as set forth therein.

Very truly,

Section 1719 - Civil Code of the State of California

Dishonored checks; damages and mailing costs; stopping payment, exception if good faith dispute; jurisdiction; payee assignees; action and fees:

(a) Notwithstanding any penal sanctions which may apply, any person who makes, utters, draws, or delivers any check, or draft, or order upon any bank or depository, or person, or firm, or corporation, for the payment of money, which refuses to honor the same for lack of funds or credit to pay, or because the maker has no account with the drawee, or because the maker instructed the drawee to stop payment, and who fails to pay the same amount in cash to the payee within thirty days following a Section 1719 Civil Code written demand, therefore informing the maker of the provisions of this section, mailed to the maker by certified mail, shall be liable to the payee, in addition to the amount owing upon that check or draft, or order, for damages of *treble the amount so owing, but in no case less than One hundred dollars (\$100.00), and in no case more than Fifteen Hundred dollars \$1,5 00.00*, plus the costs of mailing the written demand for payment. However, there shall be no cause of action under this Section if a maker stops payment in order to resolve a good faith dispute with the payee. The payee is entitled to the damages only upon proving by clear and convincing evidence that there was no good faith, as described in the subdivision (b).

(b) for purposes of this section, in the case of a stop payment the existence of a good faith dispute shall be determined by the trier of fact. A "good faith dispute" is one in which the Court finds that the maker had a reasonable belief of his or her legal entitlement to withhold payment. Grounds to such entitlement include, but are not limited to, the following: services were not rendered, goods were not delivered, goods or services purchased are faulty, not as promised, or otherwise unsatisfactory, or there was an overcharge.

This 30 day notice should be sent by certified mail, return receipt requested