



ELECTRONIC CHECK SERVICE

It's Your Money. . . Why Wait For It?

GET FASTER ACCESS TO YOUR FUNDS, MINIMIZE YOUR RISK, AND REDUCE YOUR COSTS by converting paper checks into electronic transactions right at the point of sale.

If you're like most merchants, check acceptance is a necessary – but burdensome – part of conducting business.

Now, thanks to Electronic Check Service (ECS), you can continue offering your customers the option of paying by check, while dramatically reducing the risk and costs associated with accepting those checks.

Electronic Check Service converts paper checks into safe, efficient electronic checks. By submitting checks through the same system that you use to authorize credit cards and debit cards, we can help you significantly lower costs and improve your cash flow.

BENEFITS OF ELECTRONIC CHECK SERVICE



1 Faster Access to Funds

Checks are automatically converted to electronic transactions. Funds are settled with the same speed and ease as credit card deposits, typically within 24-48 hours.

2 Reduced Costs

ECS eliminates the time, labor and paperwork associated with paper checks and returned items.

3 Single Depository Bank Relationship

All check funds are deposited into a specified DDA account, eliminating the need to have multiple banking relationships.

4 Minimized Risk

Verification and Guarantee Services reduce the risk of returned checks. With ECS, transactions that result in non-sufficient funds will be automatically resubmitted up to two times.

5 Improved Reporting

All electronic payment activity processed is consolidated on reports and statements.

FLEXIBLE SERVICE LEVELS

With ECS, you have five flexible service levels to choose from, specifically matched to meet the needs and manage the risk associated with your business. You will significantly reduce check fraud and collection hassles with any of these service options:

Conversion with Guarantee

The paper check is converted into an electronic transaction, and the check amount is guaranteed. No more paperwork, no more collections. The guarantor assumes the risk for all qualified transactions processed.

Conversion with Verification

The paper check is converted into an electronic transaction, and ECS verifies that the check is "good." The merchant retains the risk of returned items for all transactions that are processed. Includes NSF Service Feature.

Conversion with Verification & Collections

This offers all the advantages of conversion and verification, while eliminating the need for merchants to perform collections. The merchant retains the risk on returned items, but ECS automatically handles all monetary returned items. Includes NSF Service Feature.

Conversion Only

The paper check is converted into an electronic transaction with minimal validation or authentication. The merchant retains the risk of returned items for all transactions that are processed.

Custom Combination

Custom-designed risk programs are available, consisting of any combination of the above services, triggered by a predetermined dollar threshold. The merchant retains the risk of loss on returned checks, depending upon the specific combination and dollar thresholds selected.

NSF Service Feature

For all service levels excluding Guarantee, ECS will resubmit an NSF transaction, and once cleared, will electronically collect the related service fee from the consumer's DDA and automatically fund the merchant's account.



FLEXIBLE PROCESSING OPTIONS

Electronic Check Service supports real-time and batch conversion methods for point-of-purchase and accounts receivable conversion processing environments.

Point-of-Purchase (POP) Conversion

This process occurs in a check present/consumer present environment. The check is passed through the POS system for conversion and is approved or declined, with the voided check handed back to the customer. Settlement occurs electronically, with funds deposited to the business' account, usually within 24-48 hours.

Accounts Receivable Conversion (ARC)

ARC is used for check present/consumer absent transactions, which are typical of receivable payments, mail order purchases and companies that operate in a drop-box environment. These businesses want the efficiency of electronic processing to reduce costs and improve the timeliness of deposits. Customers are provided a notice explaining that checks will be processed electronically.

FLEXIBLE DELIVERY METHODS

Online Delivery

Electronic check transactions are typically processed online, both in a POP and an ARC environment. The check data is passed through the NOVA Network for real-time authorization and conversion. This is required for all service levels, excluding Conversion Only.

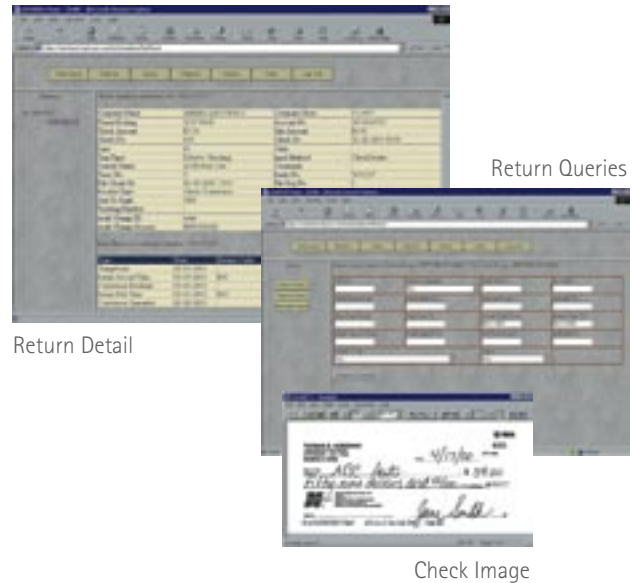
Batch Delivery

This is a conversion-only process that occurs in either a consumer present or consumer absent environment. Businesses that choose this option typically have their own database for authorization, and real-time approval is handled internally. Check images are accumulated and later submitted through the NOVA Network via a batch file.

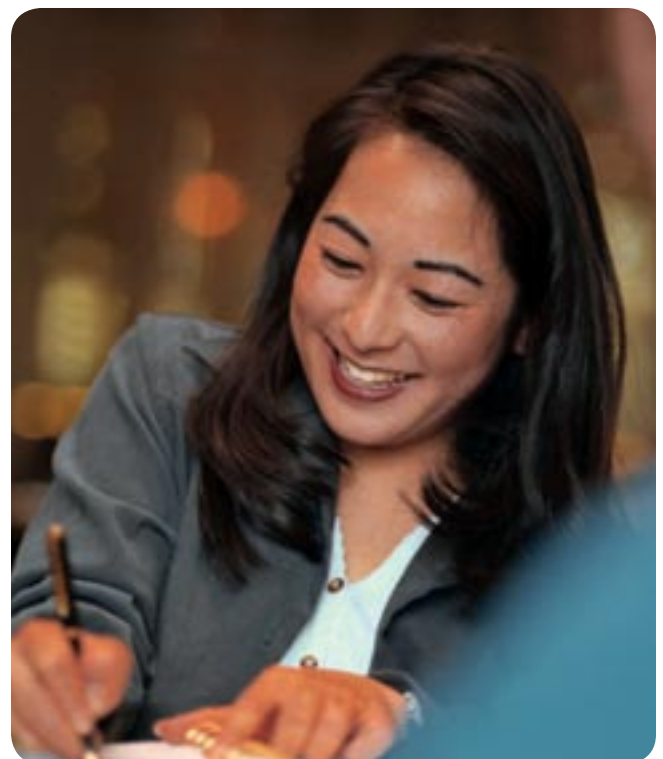
MANAGEMENT & REPORTING FEATURES

Advanced solutions for check image, storage and retrieval data provide you instant access to full transaction data on all checks accepted, processed, and returned. Track the status of returned items and access check images instantly for your internal collections processes. Detailed information records and powerful transaction management dramatically improves collections.

Transaction and Image Reporting



A LOT OF THINGS ARE
WORTH WAITING FOR.
YOUR MONEY ISN'T
ONE OF THEM.





DRAMATICALLY LOWER COSTS

With ECS, accepting checks has never been so convenient and cost-effective.



Cost Savings Analysis

Solutions Engineers will work with you to gather data elements from your business that allow you to determine the cost savings of moving to Electronic Check Service. A robust ROI tool calculates anticipated savings based on your actual costs of accepting checks or on industry averages.

Sample Cost Savings

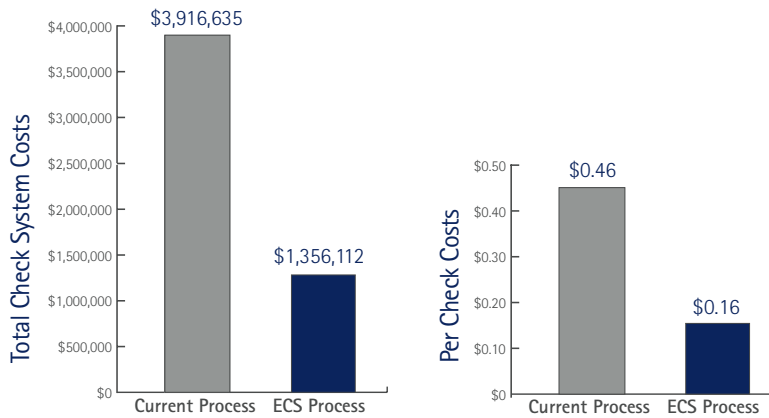
(Data taken from actual grocery chain)

Merchant Profile

Checks Accepted Per Year	8,600,000
Number of Locations	137
Average Check Amount	\$50
Check Volume (as percent of sales)	17%

Cost Comparison

	<u>Current System</u>	<u>ECS System</u>
Total Check System Costs	\$3,916,635	\$1,356,112
Total Per Check Costs	\$0.46	\$0.16



ECS Cost Savings

Cost Savings Total	\$2,560,523
Cost Savings Per Check	\$0.30
Cost Savings (%)	65.4%