

CHECK 21

Electronic Check Conversion (ECC)



Check 21 Facts

- There are an estimated 14 billion check remittances each year.¹
- Introduced in April 2002, ECC transactions totaled 24 million equaling \$4.71 billion.²
- Almost 5% of all transactions processed through the ACH Network in 2002 were ECC transactions.²
- 18,982,484 ECC transactions in 1st Qtr 2003, a 152.45% increase over 4th Qtr 2002.²

• ¹ Source: Global Concepts 2002 – The Future of Accounts Receivable Conversion by David Stewart.

• ² Source: NACHA – The Electronic Payments Association.s



Business Challenges

- Increase Efficiency by Alleviating Time Consuming Processes.
- Modify Antiquated Filing Systems.
- Free up Costly Office Space.
- Quicker Access to Receivables.
- Consolidation of Accounting for Multiple Locations.



Business Opportunity

- Checks Deposited Faster
- Sales Tool for Reselling
- As Part of a Front-End RCK System for Potential Clients.
- Drastically Reduces Transaction Fees

Jane Doe
1234 Main St, Apt 101
Lenexa, KS 66215

DATE _____

1001

PAY TO THE ORDER OF _____ \$ _____

DOLLARS

Your Bank
Address of Your Bank
Lenexa, KS 66215

FOR _____

⑆ 23456789⑆ ⑆ 234567 ⑆ 100 ⑆

Bank Routing Number Bank Account Number ~~Check #~~

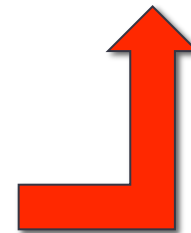


How Does Check **21** Work?



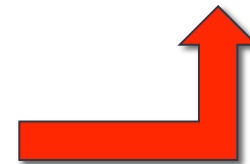
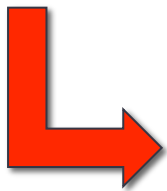
How Does Check 21 Work? – Cont.

- Merchant Receives Checks for Payment of Goods or Services.
- Checks are Scanned into the Software
- Data is transferred to **ACHQ™** Network for Processing



How Does Check 21 Work? – Cont.

- Check Writer's Account is Debited
- Cleared Funds are Deposited into the Merchant's Account
- Files are Made Available Online for Export into In-house Accounts Receivable System.



Why Use Check **21**?



Why Use Check 21? - Benefits

- Funds Are Transferred Electronically.
- Merchant or Bank Does *Not* Have to Process a Single Check.
- Centralized Bank Deposits for Multiple Company Locations.
- Low Transaction Fees.
- Low NSF Fees.
- Files Can be Exported to Update Your In-House Accounts Receivable System.
- No Lost or Stolen Checks to Worry About.
- Never an NSF Processing Fee From the Bank to the Merchant.
- NSF Checks Will be Reported Within Three (3) Business Days. Merchant can Redeposit Immediately and Keep all Fees.



Why Use Check 21? - Features

- Nominal Training Involved.
- Checks Submitted Electronically, In Most Instances, Take Precedence Over Paper Checks.
- No Bank Runs Required.
- No Bank Deposit Fees.
- Guaranteed Results...No Risk Involved.
- Save Space and Money – No Need to Store Paper Checks or Deposit Slips.
- 24/7 Monitoring of Your Account Via Our Secure Website.



What's Needed...



What's Needed To Use Check 21?

- Internet Access
- Scanner
 - Magtek (*Low Volume*)
 - Images Checks and Reads MICR in One Pass.
 - Supports Dual Interfaces.
 - Images One Check at a Time.
 - Digital Check (*High Volume*)
 - Two Sided Duplex Scanning.
 - High Speed Scanner. (*Up to 90 Checks Per Minute.*)
 - 100 Item Jam Resistant Feeder.
 - Small Footprint. (*Only 8x12 Inches of Space Needed*)



Magtek



Digital Check



Conclusion

- Check 21 Provides...
 - Concise Reporting Reporting On-line and in Real Time.
 - In Most Instances, Electronic Deposits Take Precedence over Paper.
 - Lower Transaction Fees.
 - New Revenue From Mark-up on Return Fee to Merchants.
 - Electronically Update In-house System, Alleviating Costly Data Entry.
 - No Expensive Software to Buy.
 - Accounting for Deposits Made Easier.
 - Stored Images are Accessible 24/7.



Thank You

