

Checks-By-Phone

**“Merchants can accept
and process Checks
from their customers
over the Telephone!”**

Funds are ACH'ed and Guaranteed

Merchant Procedure: Initiating a Transaction

1. Customer calls merchant to make check payment by phone
2. Merchant records customer's authorization or receives completed written authorization form
3. Merchant enters customer's information, and amount of payment/sale in the **Checks-By-Phone Gateway**
4. Merchant retains customer information for 2 years. If using the recommended recording service, .wav files will be automatically saved and stored for the required time period
5. Transaction will decline if customer is flagged in the national negative database for outstanding returned checks

- > Check information is provided via telephone by customer
- > Merchant must have PC access and Internet Explorer version 6.0 or higher to use **Gateway**
- > Merchant **MUST** obtain the customer's recorded verbal or signed written authorization to process a check by phone
- > Recording services available at competitive rates (application in the **Checks-By-Phone** Service Agreement package)
- > Designed for businesses that regularly take payments over the telephone from established customers
- > Merchant uses our **Checks-By-Phone Gateway** or transfers files
- > Consumer is ACH'ed
- > Funds Guaranteed to Merchant (on **Gateway** transactions only)



Merchant Funding & Guarantee

1. Funds are automatically deposited in merchant's account in 5 business days
2. Maximum check limit of \$1,000.00 on **Checks-By-Phone** program (Inquire with the Sales Department for higher check limits)
3. Non-Guarantee Program (Checks-By-Phone Silver) available

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ISO Setup Requirements

1. **Checks-By-Phone** Application
2. Copy of Merchant's Voided Check
3. Merchant Information Sheet
4. Sample of Merchant's sales materials
5. Copy of Merchant's warranty/refund policy
6. Copy of Phone Authorization Script or written authorization form to be used
7. Recording Service Agreement (if applicable)

Merchant Requirements

1. Use **Checks-By-Phone Gateway** or establish File Transmission procedure
2. Process **ONLY PERSONAL CHECKS**
NOT ACCEPTABLE: *Corporate Checks, Money Orders, Third Party Checks, Cashier's Checks, Traveler's Checks, Starter or Temporary Checks, Checks drawn on Credit Card or Equity Line Accounts, or Drafts from Government Agencies*
3. Merchant must obtain customer's authorization using either a signed ACH Authorization Form or recorded oral authorization
4. No outbound telemarketing calls to customers *UNLESS* there is a pre-existing relationship with the consumer
5. The following merchant types are unacceptable for **Guarantee Program:**
 - A. Criminal & Bankruptcy Attorneys
 - B. Pawn Shops (unless has a Gun License)
 - C. Used Auto Sales (unless combined with a New Auto Dealership)
 - D. Unlicensed Massage Parlors
 - E. Check Cashing & Payroll Advance
 - F. Credit Counseling
 - G. Adult related businesses
 - H. Investment Opportunities
 - I. Travel Agency
 - J. Gambling
 - K. Bail Bondsmen

Restrictions of Use

Processor's **Check-By-Phone** Service is not applicable for Telemarketing businesses (or the like) in which the primary function of the business is outbound sales calls. Unacceptable businesses for this program include *Cold-Calling, "Boiler Rooms," Mail Order Marketing, Credit Repair* and/or *Credit Establishment Opportunities, Vacation* and/or *Benefit Packages, and Investment Opportunity Operations* in which there is no pre-existing relationship between the Merchant and the Consumer whereby Merchant is engaging primarily in Outbound Call and/or Outbound Mail activity to initiate a **Check-By-Phone** transaction. If Merchant violates this agreement by participating in such business practices, Processor shall immediately hold all merchant's funds, cancel this agreement, Debit Merchant's Account for all returns, and take other legal action as deemed necessary by Processor's legal counsel, the Federal Trade Commission, and The United States Postmaster General, and/or NACHA (National Automated Clearing House).



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3 Options for Merchant Submission of Transactions to Processor

#1 Checks-By-Phone Gateway

Online web interface that Merchant will use to initiate each transaction.

OR

#2 File Transmission

NON-GUARANTEE ONLY

- Merchant transmits a batch file to Processor with consumer's transactions.
- Processor to provide data specs.
 - Multiple file formats and transmission methods supported.
- Processor will ACH process and fund Merchant on cleared items.

OR

#3 Certify merchant software to Processor

- Merchant to certify existing internal software to Processor front end.
- Merchant will code internal system to communicate with Processor
 - Processor can provide specs.
 - Only recommended for large merchants with internal IT resources.

2 Options for Merchant Voice Authorization Recording

#1 Existing Voice Recording System

- Merchant may utilize existing voice recording system.
 - See Sample Script for required recorded information.
- Processor may request copies of specific authorization recordings regularly.*

OR

#2 Checks-By-Phone Recording Service

- Processor to provide authorization recording service for Merchants.

*Additional fees apply.
\$0.30 per minute
Recording Service Monthly fee: \$25*

NOTE: If Merchant does not record Verbal Authorization, the Consumer's Written Authorization is required.

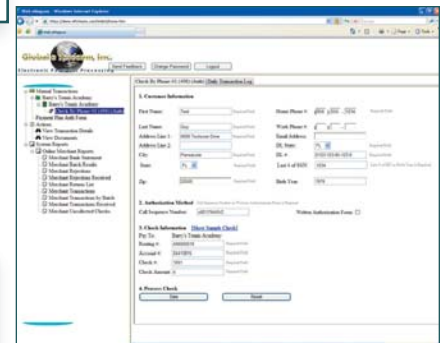
Merchants Benefits

1. Free detailed 24x7 online reporting of all activity
2. Merchants can accept check payments over the phone with the optional protection of **Check guarantee**

Target Merchants

1. Utility Services (Water, Power, Phone, Cable, etc.)
2. Auto Insurance Offices
3. Customer Service Call Centers that accept and process payments

Visit the Checks-By-Phone demo site at www.Demo.eftChecks.com
Username: democheckbyphone
Password: 123letmein



Actual Screenshot of Checks-By-Phone Gateway