

eCheck

Many people simply prefer to pay by check—it's comfortable for them to use this traditional payment method. However, processing paper checks can be a hassle.

Integrating eChecks into your payment acceptance options is quick and easy, and can positively affect your bottom line with greater sales capabilities and streamlined accounting. Not to mention, reduced processing time while lowering the potential for fraud and bounced checks.



Key benefits

- Offer customers additional payment options beyond cards, cash, and traditional checks
- Lower processing and labor costs
- More easily manage recurring payments
- Faster processing and deposits than paper checks
- Lower potential fraud exposure



eCheck services use the Automated Clearing House (ACH) Network to electronically transfer money from one financial institution to another without the need for wire transfers, paper checks, cash, or credit/debit cards.

An electronic check works much like a regular check, only instead of using a paper check to provide bank account, routing number and payment authorization, the customer provides you with the necessary payment information through other methods, allowing you to process the information electronically.

When might you use eChecks?

- Any type of recurring business model – subscriptions, membership, donations
- Mortgage/Auto loan/Rent payments
- Accept donations on a scheduled basis
- Additional form of payment for online transactions

Applying for ECHECK.NET

In order to process eCheck transactions, you must first complete an application and go through the account underwriting process. Underwriting involves verifying your business identity and evaluating your potential financial risk and creditworthiness. The eCheck service requires underwriting

because Authorize.net acts as the acquirer for eCheck transactions. This is different from credit card transactions, where your merchant bank account provider is the acquirer. The eCheck application is available in the Authorize.net Merchant Interface by clicking on the eCheck link on the home page.

How do eChecks work?

1. A customer provides their checking account information.
2. Using the customer's bank account information, an electronic request is made to charge the customer for the amount of the purchase.
3. Authorize.net receives the request and stores the transaction in the "batch" with others for the day.
4. At the end of the business day, a request is submitted to the customer's bank through the Automated Clearing House (ACH) for the charge.
5. Authorize.net waits for the result of the transaction from the bank. This process usually take two to three business days.
6. The funds are transferred (EFT) from the customer's bank and deposited into your business bank (merchant) account.
7. Your eCheck account balance is updated according the to the results of the transaction.