

ARC LOCKBOX WITH MAGTEK PROGRAM

“Electronically process paper checks that are received through the mail or drop box!”

Procedure of Merchant initiating transaction

1. Merchant will receive customer's check through the mail or from a drop box location.
2. Merchant will logon to their account on CHECK PROCESSING COMPANIES' web site.
3. Merchant will be prompted to swipe the front & back of the check through the Magtek imager while connected online.
4. Image appears on web site and merchant will input amount of check along with other optional data for the transaction.
5. Merchant will repeat this for each check.
6. Merchant will be funded in 3 banking days (provided merchant inputs the transaction by 3:00pm Eastern time).

Requirements to setup

1. ARC Check Services Application (yellow)
2. Voided check
3. Per check limit of \$300 (*contact CHECK PROCESSING COMPANY to request larger limit*)
4. CHECK PROCESSING COMPANY must receive a sample of merchant's notification statement on consumers bill before activation.

Merchant Requirements

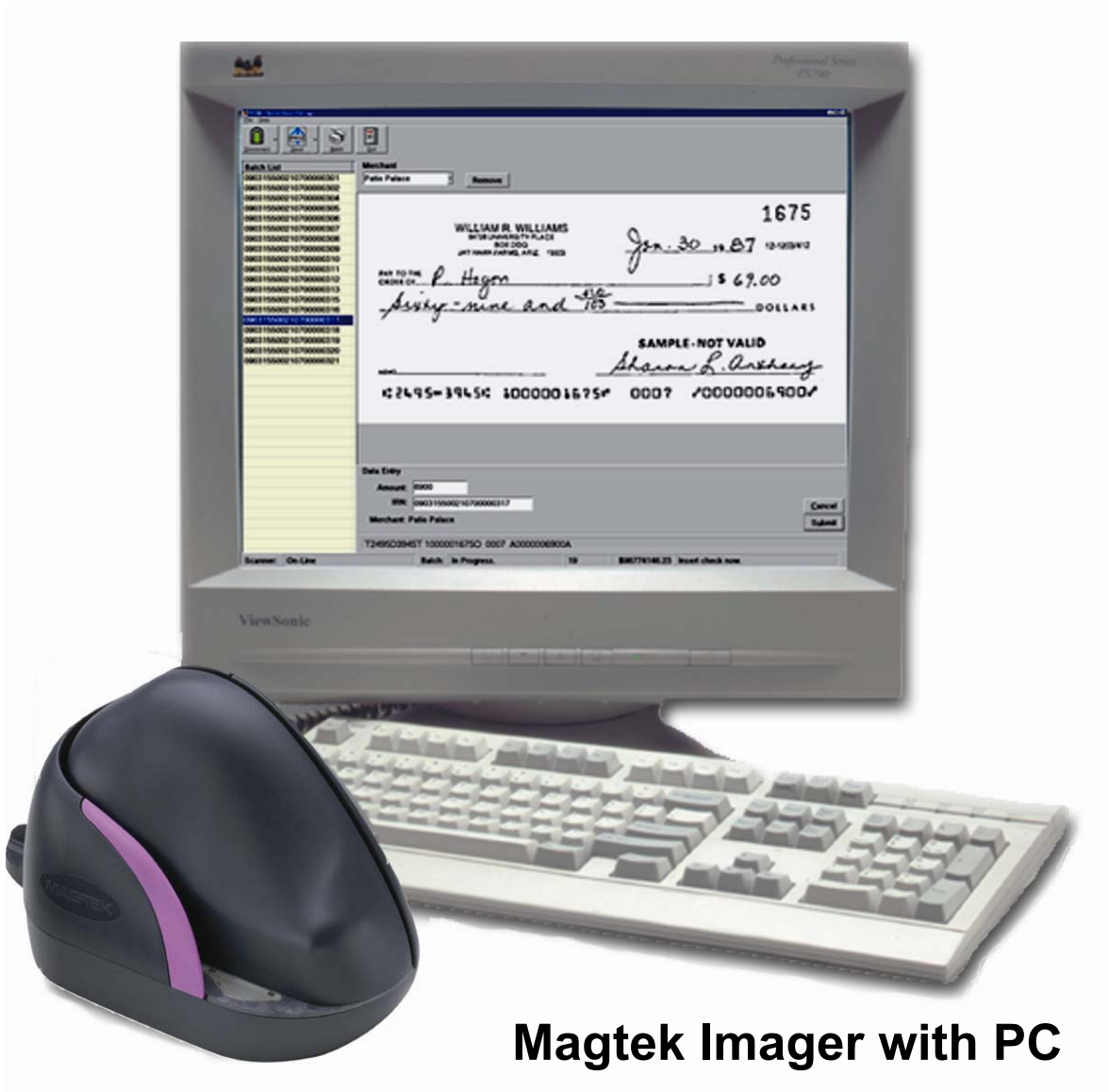
- Magtek Imager with specialized cable attached to a PC with internet access.
- Must notify customer on their bill with the following statement: "Checks received for payment of goods and services via mail or drop box will be deemed sufficient authorization to clear checks electronically through the Automated Clearing House Network".
- Paper check must be destroyed in 14 days.
- Process only Personal checks. NO Corporate Checks, Money Orders, Third Party checks, Cashier's checks, Travelers checks, Starter checks, Checks drawn on credit cards accounts and Drafts from Government Agencies can be processed through the ARC program.

- $\frac{3}{4}$ Magtek Imager with specialized cable connects to a PC with internet connection
- $\frac{3}{4}$ ACH conversion of funds
- $\frac{3}{4}$ NON-GUARANTEEE Program
- $\frac{3}{4}$ Designed for lower volume merchants
- $\frac{3}{4}$ Merchant can process approximately 50 checks per hour



Merchant Benefits

- Reduced handling of paper check costs. (trips to bank, deposit slips, deposit and NSF fees from local bank, lost checks and employee handling).
- Software downloads to PC with easy to follow directions the first time the merchant logs on to the site.
- No setup fees (optional).
- Non-Sufficient Fund items can be automatically resubmitted electronically to attempt collection.
- Faster availability of funds.
- ACH transactions take precedence over paper checks at the consumer's bank
- Detailed 24x7 online reporting of all activity and view images of all checks processed.



Magtek Imager with PC