



Electronic Transactions Association Annual Meeting and Expo
 April 15-17, 2008 • Mandalay Bay Resort & Casino • Las Vegas, Nevada

What is Check 21?

Wednesday, April 16, 2008
 10:30:00 AM - 11:30:00 AM


Ed Starrs
 CEO, MyECheck, Inc




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Fundamentals

- Check 21
 - The Check Clearing for the 21st Century Act
 - Became Effective October 2004
 - Reduced Legal Impediments to Check Truncation
 - Created a New Negotiable Instrument
 - Substitute Check
 - Document created from image of original check
 - Legal equivalent of original check
 - Paved Way for Check Image Exchange



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ANSI X9.37

- Check 21 file format
- TIFF image + Data File
- Courtesy Area Recognition (CAR)
- Legal Area Recognition (LAR)
- X9.100

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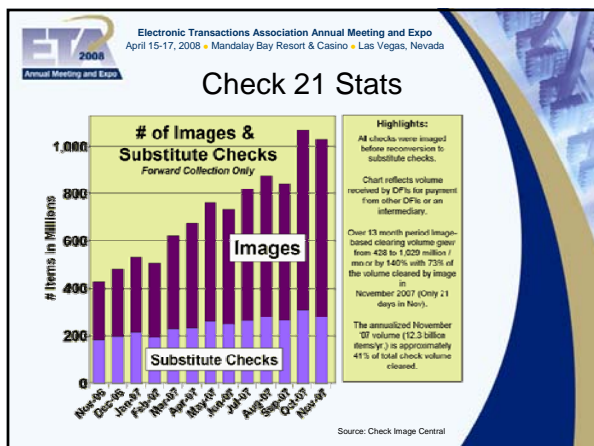
RDC


- Remote Deposit Capture
- Merchant accepts check
 - Point of sale
 - In mail
- Merchant scans check creating image
- Merchant sends image file to bank for deposit and clearing

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RCC


- Remotely Created Checks
- Authorized but unsigned check
- Created in location remote to Payor
- Legal bank Instrument
- Liability shifts from Payor bank to ODFI
- In use for more than 30 years
- Useful for Internet, call center and mobile transactions




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Check 21 Strengths

- Newer technology and systems
- Faster transaction clearing
- Less rules and regulation
- Works with more checking accounts
- More information tied to transaction
- Payor gets check in statement
- Security


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Check 21 Weaknesses

- Newer technology and systems
- Slower returns notification
- Cost?


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Application or Purpose

- A/R
- Retail
- Wholesale
- Bill Pay
- Internet
- Call Center
- Mail Order

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Considerations

- Clearing time
- Costs
- Transaction success rates
- Return rates
- Reporting
- Risk Mitigation
- Ease of Implementation
- Rules, Laws & Regulations

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Questions?

I am available outside the room
after this session

Thank You!
Ed Starrs

 **myecheck**
eCheck Processing for the 21st Century
