



## **Electric Checks Makes Collecting Bad Checks Easy—and Free**

WF&FSA has endorsed Electric Checks as a more effective way to collect bounced checks for its members. Electric Checks takes advantage of a regulation that allows a third party other than a bank to electronically debit the bad check writer's account and (if funds are available) electronically credit the creditor's bank account. The service is available to WF&FSA members at no cost because the bad check writer pays a service fee.

- Electric Checks puts the check first in line to be paid.
- Electric Checks is allowed to present the check three times instead of the two allowed by a physical representment.
- Any check written on a US bank can be collected. So, out-of-state checks are easier to collect.
- The check can be timed to clear by calling the bank to verify funds prior to resubmitting the check by electronic means. The collection rate of checks verified for availability of funds prior to representment is over 80%.
- A returned check can be represented up to 180 days from the date appearing on the check.

This service can save time, reduce calls to the customer and trips to the bank. If the bounced check is not collected, all traditional collection options are still open to the company. Electric Checks does not require WF&FSA members to sign a contract---it's an at-will service. The service is an efficient and effective way to automate the bounced check collection process. Following is a step-by-step example of how electronic representment of a non-sufficient funds check works:

## **How Electronic Representment of an NSF Check Works:**

1. Your customer purchases cut flowers for \$599 by check.
2. You, the wholesaler, display at the point-of-sale a statement stating that you will collect a non-sufficient funds (NSF) check by electronic debit (plus service fee) of the customer's account. The statement may also be placed on a credit application, invoice or website.
3. The customer's check is returned for insufficient funds.
4. You have authorized the bank to return your NSF checks to the service provider, Electric Checks. Electric Checks promptly scans your NSF check into a web site and the collection process is under way. OR you, the merchant, may fax the NSF check to Electric Checks for collection.
5. Electric Checks converts the NSF check into an electronic item which is sent through the Automated Clearing House (ACH) and finally to the paying bank.
6. Paying bank receives and posts the ACH transaction to the customer account.
7. If there are funds available to cover the check, the funds in the amount of \$599 are electronically transferred to your account after clearing the bank. All funds are held for 5 business days.
8. A service fee, allowable by law, is also debited from the check writer's account.
9. If funds are not available to cover the check, the process can begin again until it has occurred three times. If payment is not electronically collected, you may call or write a letter to the customer, send the debt to a collection agency or submit the debt to small claims court.
10. You do not have to contact the check writer.
11. To be electronically processed, the NSF check must be less than \$2500.00 and less than 6 months old.
12. This is a Free Service to you because the bad check writer pays a service fee.

**Electric Checks**  
**508-643-9134 p**  
**702-543-4843 f**  
[www.electricchecks.com](http://www.electricchecks.com)  
[info@electricchecks.com](mailto:info@electricchecks.com)



## Electric Checks Request for Contact

WF&FSA Member Information:

Contact Name: \_\_\_\_\_

Contact Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Contact Telephone: \_\_\_\_\_

Contact Fax: \_\_\_\_\_

Contact Email: \_\_\_\_\_

Comments: \_\_\_\_\_

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**FAX FORM BACK TO WF&FSA AT 410-263-1659**

Wholesale Florist & Florist Supplier Association

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410-940-6357 FAX: 410-263-1659