TeleCheck® Product Suite – Clover Check Acceptance

NACM – May 2021
Deborah Withorne  
Senior Sales Executive  
TeleCheck  
Deborah.Withorne@fiserv.com  
Office: 770-222-0936 | Mobile: 404-723-9957

Lisa Killingsworth-Cohen  
Sales Executive-Commercial Mid-Market  
Lisa.Killingsworth-Cohen@Fiserv.com  
Mobile: 512-241-9514
Agenda

- Clover Check Acceptance Offerings
- TeleCheck Core Products
- Clover Check Acceptance
  - By Mail/Drop Box
  - Specialty Items
- eCommerce
- Q&A
Clover Check Acceptance Offerings
### TeleCheck Industry Leadership

#### 2020 TeleCheck Statistics – COVID Impacted, digital growth, and 2021 rebound

<table>
<thead>
<tr>
<th>Metric</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer POS Transactions</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Less $ POS Volume</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>YoY Digital transactions processed</td>
<td>119%</td>
<td>122%</td>
</tr>
<tr>
<td>YoY Regional and SMB transaction growth</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

- 373 Million Annual transactions
- $214 Billion In Funds moved
- 1 Million Daily Updates to Consumer Database
- 1.2 Billion Consumer DDA and IDs in database

#### Consumers Prefer to Pay From Their Checking Account

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. consumers with checking account*</td>
<td>94.5%</td>
</tr>
<tr>
<td>of consumers do not have a credit card*</td>
<td>29%</td>
</tr>
<tr>
<td>Total value of over 14.5 billion checks being paid for the year*</td>
<td>$26 Trillion</td>
</tr>
<tr>
<td>Average check transaction, excluding Government Checks</td>
<td>$113</td>
</tr>
</tbody>
</table>

#### Delivering a Breadth of Innovative Solutions

- Electronic Check/ACH and Warranty Solutions
- Internet Commerce and Electronic Payment Solutions
- Mobile Commerce and on File Payment Solutions
- Data Analytics and Fraud Solutions
- Collections Services

*2019 Federal Reserve Payments Study
TeleCheck Core Products
In-Person (ECA®)

In-Person converts paper checks into electronic items at the point of sale and automatically deposits the funds directly into the merchants bank account.

- **Less Paper Handling Time**
  - Consumer leaves with check in hand

- **Services Available**
  - **Warranty** – Returned checks are TeleCheck’s responsibility
  - **Verification** – Returns are the responsibility of the merchant

- **Types of Checks That Can Be Processed**
  - Personal, Business and Corporate Checks

- **Electronically Sets Up to $25,000**

---

**Available On:**

- Clover Mini and Flex LTE
- Clover Station/Pro
- Tempus Gateway
- FD200Ti and FD150 w/MICR 3800
- Magtek MICR 3800 and ImageSafe

**Target Markets**

- Retail
- Grocery/Convenience Store
- Health Care Industry
- Schools
- Auto Repair/Tire Shops
- Government Agencies

Notes: Acquiring is required for Clover terminals, Not available on original Clover Flex 3G
Mobile App (MCA®)

Mobile App allows mobile merchants to accept and process checks electronically virtually anywhere using their Smartphone or tablet.

- **Competition**
  - No other competitors in the Market

- **Services Available**
  - **Warranty** – Returned checks are TeleCheck’s responsibility

- **Settlement Only**
  - If merchant accepts Money Orders, they can accept and process them on the spot-no need to take to the bank

- **Types of Checks That Can be Processed**
  - Personal, Business and Corporate Checks-Warranty
  - Money Orders, Cashier’s Checks, Insurance Checks-Settlement

- **Electronically Setsles**
  - Up to $5,000

---

**Target Markets**
- Home Repair and Services
- Plumbing
- Home Installation
- Pest Control
- HVAC
- Electrical Services
- Delivery
- Craft/Trade Shows

---

**Available On:**
- iPhone® and Android® devices downloadable from the iTunes or Google® Play - mPaymentMate app
Clover Check Acceptance
By Mail/Drop Box
By Mail/Drop Box (Lockbox Pro21)

By Mail or Drop Off is a back office solution for mail-in or drop box payments that are processed electronically to the bank.

- **Services Available**
  - **Warranty** – Returned checks are TeleCheck’s responsibility
  - **Verification** – Returns are the responsibility of the merchant

- **Back Office**
  - Payments received in drop box or mailed in. Merchant can process checks when they have the time such as the end of the day

- **Types of Checks that Can be Processed**
  - Personal, Business and Corporate Checks
  - **Electronically Settles up to $25,000**
    - Least cost routing through ACH or Imaging
  - Corporate checks will always process as an image to the bank

**Available On:**

- Clover Mini
- Clover Station/Pro
- Tempus Gateway
- FD200Ti
- Magtek ImageSafe

**Target Markets**

- Healthcare Industry
- Daycare Centers
- Schools
- Government Agencies

*Note: Not available on original Clover Flex 3G.*
Clover Check Acceptance Specialty Items
Specialty Items (e-Deposit)

Specialty Items is a point of sale or back office solution that authorizes and electronically settles all other check types via image exchange (Check 21/RDC) that are dropped off, mailed in or face to face.

- **Ability to Accept Other Payment Types**
  - Money Orders, Cashier, Insurance, Travelers and Government checks can be processed electronically

- **Services Available**
  - **Settlement Only** – Returns are the responsibility of the merchant

- **No Risking**
  - Items are imaged and sent to the bank

- **Returns**
  - Merchant assumes all risk

- **Can’t be Sold as a Stand Alone Product**
  - Must be sold with In-Person and/or By Mail or Drop Box

- **Electronically Settles Up to $25,000**

**Available On:**
- Clover Mini
- Clover Station/Pro
- Tempus Gateway
- FD200Ti
- Magtek ImageSafe

**Target Markets**
- Healthcare Industry
- Daycare Centers
- Schools
- Property Management
- Funeral Homes
- Auto Collision
- Storage Facilities

Note: Not available on original Clover Flex.
How Clover Check Acceptance Settlement Works (Face To Face Products)

Monday
- Approved Transactions received by 10:00 pm EST

Tuesday
- TeleCheck creates and scrubs file, sends file to bank

Wednesday
- Checking account is debited, merchant is credited for payment amount and receives funding report
Clover Check Acceptance
eCommerce Products
Online (ICA®) – eCommerce Solution

Online enables eCommerce Merchants the ability to offer their consumers an option to pay securely online using their bank account.

• **Services Available**
  
  • **Warranty** – Returned checks are TeleCheck’s responsibility
  
  • **Verification** – works well with existing customer database and/or recurring payments
    
    • Returns are the responsibility of the merchant

• **Types Of Checks That Can be Processed**
  
  • Personal, Business and Corporate Checks*
  
  • Electronically Settles up to $2,500

---

**Easy Integration Through These Gateways:**

- Payeezy Gateway
- PayPal
- Tempus Gateway
- CyberSource

---

**Target Markets**

- Online Retailers
- Brick and Mortar Expansion
- Bill Payments
- Airlines
By Phone (CBP)  
Volume Requirement >$5M

By Phone gives customers additional options to pay by enabling them to make payments over the phone directly from their bank accounts.

- **Services Available**
  - **Warranty** – Returned checks are TeleChecks’s responsibility
  - **Verification** – Returns are the responsibility of the merchant

- **Reaches More Consumers**
  - Allows consumers without a credit/debit card to pay with their bank account

- **Returns and Order Adjustments**
  - Can be done in real time

- **Types of Checks That Can be Processed**
  - Personal, Business and Corporate Checks*

* Requires agreement client and Corp customer

- **Electronically Sets Up To $5,000**

### Easy Integration Through These Gateways:

- **Payeezy Gateway**
- **PayPal**
- **Tempus Gateway**
- **CyberSource**

### Target Markets
- Bill Payments
- Purchases
- Auto Parts and Dealers
- Computer Retailers
- Cellular
Recurring (Remote Pay)

Recurring safely provides a convenient way for a merchant's customer to make recurring payments through their bank account.

- Services Available—Depending on the needs of the merchant
  - **Warranty** – Returned checks are TeleCheck's responsibility
  - **Verification** – Returns are the responsibility of the merchant
- **Recurring Billing Feature**
  - Allows merchant to establish a recurring billing feature via ACH for consumers that are initially face to face
- **Types of Checks That Can be Processed**
  - Personal, Business and Corporate Checks
- **Electronically Settles Up to $2,500**

**Easy Integration Through These Gateways:**

- Payeezy Gateway
- PayPal
- Tempus Gateway
- CyberSource

**Target Markets**
- Memberships
- Daycare Centers
- Hospitals
How Clover Check Acceptance Settlement Works (eCommerce Products)

**Monday**

Approved Transactions received by 5 pm EST

**Monday**

TeleCheck creates and scrubs file, sends file to bank

**Tuesday**

Checking account is debited, merchant is credited for payment amount and receives funding report
Other Things to Know
## Warranty Versus Verification Versus Settlement

<table>
<thead>
<tr>
<th></th>
<th>Warranty</th>
<th>Verification</th>
<th>Settlement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flow</strong></td>
<td>Two banking days funding for approved payments</td>
<td>Two banking days funding for approved payments</td>
<td>Two banking days funding for approved payments</td>
</tr>
<tr>
<td><strong>Reconciliation</strong></td>
<td>Detailed funding report provided to merchant</td>
<td>Detailed funding report provided to merchant</td>
<td>Detailed funding report provided to merchant</td>
</tr>
<tr>
<td><strong>Bad Check Losses</strong></td>
<td><strong>TeleCheck Absorbs</strong></td>
<td>Merchant absorbs</td>
<td>Merchant absorbs</td>
</tr>
<tr>
<td><strong>Monthly Fees</strong></td>
<td>Inquiry Rate Transaction Fee *Monthly Minimum</td>
<td>Transaction Fee *Monthly Minimum</td>
<td>Transaction Fee *Monthly Minimum</td>
</tr>
</tbody>
</table>

*Monthly Minimum may not be applicable.
How It All Works Behind the Scenes

- Validation of MICR line – check for correct standard format
- Drivers license – DL is checked against valid formats for all 50 states
- Negative Database – Transaction checked against the negative database
  - If negative information is found it will return a decline at the POS
  - No negative information – Transaction continues through authorization flow
- Industry Data – Looks at the SIC of merchant and compares to data we have collected for that industry-higher or lower risk transaction
- Risk Scoring – Leverages proprietary scoring models and adaptive decisioning to maximize payment approvals
- Activity Database – Updated with each transaction processed
Deborah Withorne  
Senior Sales Executive  
TeleCheck  
Deborah.Withorne@fiserv.com  
Office: 770-222-0936 | Mobile: 404-723-9957

Lisa Killingsworth-Cohen  
Sales Executive-Commercial Mid-Market  
Lisa.KillingsworthCohen@fiserv.com  
Mobile: 512-241-9514