

## ACH Processing through Vcheck

<https://vchecksolutions.com/ach-processing-account>

ACH (Automated Clearing House) processing is now available through the Vcheck system. With ACH you do not have to print out checks for deposit as with a normal Vcheck account. All funds transfers happen electronically. Other than that, everything else is the same within the Vcheck system in that the same customizable check payment form is used, you still get email notifications of new checks, etc.

HOWEVER, there are many disadvantages to an ACH account because transactions go through the Interchange system resulting in higher costs. Additionally, ACH accounts are becoming more and more regulated by the Department of Homeland Security and Federal Crime Prevention Agencies – so the application process is much more involved that with Vcheck.

Basic costs for an ACH are as follows: One-Time \$40 application/set-up fee. \$12 per month gateway fee and a \$0.35 per check transaction fee. We do not take a percentage of the check. There are other fees for chargebacks and returned items and such which are covered during the application process.

Please refer to the chart below for a comparison between a normal Vcheck (Remotely Created Check) account and an ACH account.

	Vcheck	ACH
<b>Check Deposits</b>	You print and deposit	Happens electronically
<b>Funds Availability</b>	Same as your bank treats any other checks you deposit.	3-5 business days
<b>NSF / Stop Pays / Etc.</b>	As with any other checks	As with any other checks
<b>Application Process</b>	Simple business documents. Same business day approval.	Very detailed and highly scrutinized application. 2-4 week approval process.
<b>Business Types</b>	Basic list of Restricted Business Types.	Extensive list of Restricted Business Types.
<b>A/R Book keeping</b>	Simple. Same as normal bank deposits	Like a credit card merchant account. Deposits are made in batches which have to be reconciled.
<b>Basic Cost based on 100 checks per month.</b>	Basic Vcheck account covers 200 checks per month - \$139 per YEAR.	\$12 per month (\$144 a year) \$0.35 per check (\$420 per year) based on 100 checks per month.
<b>Payees</b>	You can have checks made payable to multiple payees with that upgrade.	NO multiple payees. All funds are deposited into the account associated with your business.
<b>Control of Check Deposits</b>	Vcheck allows you to mark checks as approved before your staff prints. You can print/deposit on your schedule.	Transaction goes into the ACH system upon check payment form submission.

With either a normal Vcheck account or an ACH account, you can add upgrades such as recurring/repeat customers, custom email content and multiple users/admins. Please note that for ACH accounts, all monthly and per check fees are withdrawn from your checking account by the gateway/service provider. Any upgrade options (mentioned above) are payable directly to us on an annual basis.

Please Note: If you are a current Vcheck customer and wish to switch to an ACH account – you will have to go through the new application process.

The optional Check Verification process can be added to either type of account. The links to apply for an ACH only account, Check Verification only account, or both an ACH and Check Verification account are below. But please review the list of restricted business types before applying.

[ACH Check Processing Only Account](#)

[Check Verification Only Account](#)

[ACH AND Check Verification Account](#)

## **Prohibited Types of Business Categories:**

The following business types shall not be approved for operation.

Adult-related businesses and escort services

Advance-fee credit cards

Any business engaged in illegal activities or known organized criminal involvement

Any business with a BBB rating of “F”

Crypto currency (Bitcoin) businesses

Check cashing businesses

Deceptive advertisement-related

Discriminatory, hate-related and racist material providers or services

Fantasy sports-related

Foreign business with no US or Canadian presence

Foreign financial institutions that are not regulated in the US or Canada

Gambling-related businesses

- Gambling establishments and associated businesses
- Gambling websites
- Illegal Internet gambling
- Lotteries

Help desk/IT technical support

Identity theft protection or management

Import/Export brokers or their intermediaries

Individuals 2

Investment management related organizations 3 :

- Investment management
- Hedge Fund management
- Security or commodity sales

Jewelry, metals or precious gem sales

Loan-related businesses that meet any of the following criteria:

- Consumer or business loans with APR in excess of 36%
- Forensic loan audit services
- Loan modification consulting services
- Payday loan
- Foreclosure workouts or defense programs
- Debt consolidation/Debt management programs/Credit repair/Debt elimination

Marijuana or other illegal pharmaceutical providers or related

Medical-related providers:

- Medical discount benefits packages
- Anti-aging products
- Nutritional supplement/ nutraceuticals

Online tobacco sales, including electronic cigarette, vaping and related supplies

Pawn shops

Products with unreasonable guarantees or promises

“Get rich quick” schemes

Time share providers

Travel providers

### **Limited ODFI Availability or Executive Approval Required**

The following business types require executive approval for consideration. The following business types are not supported by all banking providers, and may require additional on-boarding time and information. There is no guarantee of support for these business types as each ODFI (bank) may make its own ultimate determination of compliance.

ATM owners or operators

Collection-related materials

Crowd funding

Door-to-door sales

Fireworks

Insurance carriers

Legal gambling

Money transmission businesses

Non-franchised massage parlors

Roadside assistance-related

Sweepstakes

### **High Risk Businesses**

The following high-risk businesses may be considered for processing support provided that they do not conflict with prohibited business types or activities and the businesses meet the minimum business, credit and documentation requirements for High Risk Businesses. We may assess restrictions on high risk businesses and may require mitigation factors, such as a reserve or additional discount fee to

compensate for the additional work necessary to monitor and maintain high-risk clients and compensate for losses.

Alcohol sales

Automobile, boat or airplane dealerships – New or Used 5

Bidding services

Buying or shopping clubs

Crowd funding

Dating services

Direct marketing

General contractors

Infomercials

IT consulting 6

Legal services

Multi-level marketing

Pre-paid phone cards

Talent agencies

Programs with excessive early termination fees (of \$500 or more)

Telemarketing – all types, inbound and outbound