

ELECTRONIC CLEARING HOUSE INC  
 Form 4  
 January 14, 2008

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Discovery Group I, LLC

2. Issuer Name and Ticker or Trading Symbol  
 ELECTRONIC CLEARING HOUSE INC [ECHO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 191 N. WACKER DRIVE SUITE 1685,  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/10/2008

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 10% Owner  
 \_\_\_\_ Other (specify below)

CHICAGO, IL 60606

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Ownership (Instr. 4) |                                                      |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------|------------------------------------------------------|
|                                 |                                      |                                                    | Code                           | V                                                                 | Amount (A) or (D) Price                                                                       |                                                          |                                            |                                                      |
| Common Stock                    | 01/10/2008                           |                                                    | S                              |                                                                   | 10,211<br><u>(1)</u>                                                                          | D                                                        | \$ 16.559 791,280 I                        | By Discovery Equity Partners, L.P. <u>(1)</u>        |
| Common Stock                    | 01/10/2008                           |                                                    | S                              |                                                                   | 1,803<br><u>(2)</u>                                                                           | D                                                        | \$ 16.559 789,477 I                        | By Pleiades Investment Partners - D, L.P. <u>(2)</u> |
| Common Stock                    | 01/11/2008                           |                                                    | S                              |                                                                   | 6,949<br><u>(1)</u>                                                                           | D                                                        | \$ 16.5326 782,528 I                       | By Discovery                                         |

| Security     | Date       | Type | Quantity      | Code | Price      | Value   | Category | Beneficial Owner                                                           |
|--------------|------------|------|---------------|------|------------|---------|----------|----------------------------------------------------------------------------|
| Common Stock | 01/11/2008 | S    | 1,227<br>(2)  | D    | \$ 16.5326 | 781,301 | I        | Equity Partners, L.P. (1)<br>By Pleiades Investment Partners - D, L.P. (2) |
| Common Stock | 01/14/2008 | S    | 11,700<br>(1) | D    | \$ 16.5419 | 769,601 | I        | By Discovery Equity Partners, L.P. (1)                                     |
| Common Stock | 01/14/2008 | S    | 1,300<br>(2)  | D    | \$ 16.5419 | 768,301 | I        | By Pleiades Investment Partners - D, L.P. (2)                              |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 3) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------|
|                                            |                                                        |                                      |                                                    |                                |                                                                                         | Date Exercisable                                         | Expiration Date                                               | Title                                      | Amount or Number of Shares                                       |
|                                            |                                                        |                                      |                                                    |                                | Code V (A) (D)                                                                          |                                                          |                                                               |                                            |                                                                  |

## Reporting Owners

| Reporting Owner Name / Address                           | Relationships |           |         |       |
|----------------------------------------------------------|---------------|-----------|---------|-------|
|                                                          | Director      | 10% Owner | Officer | Other |
| Discovery Group I, LLC<br>191 N. WACKER DRIVE SUITE 1685 |               |           | X       |       |

CHICAGO, IL 60606

Donoghue Daniel J  
 C/O DISCOVERY GROUP I, LLC  
 191 N. WACKER DRIVE SUITE 1685  
 CHICAGO, IL 60606 X

Murphy Michael R  
 C/O DISCOVERY GROUP I, LLC  
 191 N. WACKER DRIVE SUITE 1685  
 CHICAGO, IL 60606 X

## Signatures

Michael R. Murphy, Managing Director 01/14/2008

    \*\*Signature of Reporting Person Date

Daniel J. Donoghue 01/14/2008

    \*\*Signature of Reporting Person Date

Michael R. Murphy 01/14/2008

    \*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Discovery Group I, LLC is the General Partner of Discovery Equity Partners, L.P., which is a discretionary client of the reporting person, that owns the reported securities. The reporting person disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein.
- (2) Discovery Group I, LLC is an investment manager for Pleiades Investment Partners - D, L.P., which is a discretionary client of the reporting person, that owns the reported securities. The reporting person disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein.

### Remarks:

Michael R. Murphy and Daniel J. Donoghue are managing members of Discovery Group I, LLC, and each disclaims beneficial

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.