ELECTRONIC CLEARING HOUSE INC
Form DEFM14A
January 28, 2008

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

þ Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Under Rule 14a-12

ELECTRONIC CLEARING HOUSE, INC.
(Name of Registrant as Specified in its Charter)

Payment of Filing Fee (Check the appropriate box):

o No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:
Common stock, par value $0.01 per share

(2) Aggregate number of securities to which transaction applies:

7,040,379 shares of ECHO common stock outstanding as of December 31, 2007

742,625 options to purchase shares of ECHO common stock outstanding as of December 31, 2007, with exercise prices below $17.00
174,000 shares of common stock issuable or deemed issuable pursuant to long-term restricted stock grants and phantom stock grants outstanding as of December 31, 2007

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

The filing fee was based on the sum of (A) the product of 7,040,379 shares of ECHO common stock multiplied by the merger consideration of $17.00 per share, (B) the product of 742,625 options to purchase shares of ECHO common stock multiplied by the merger consideration of $17.00 per share less $4,454,520 (the aggregate option exercise price) and (C) the product of 174,000 issuable or deemed issuable shares of ECHO common stock multiplied by the merger consideration of $17.00 per share. In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filing fee was determined by multiplying 0.0000393 by the sum of the preceding sentence.

(4) Proposed maximum aggregate value of transaction:
$130,814,548

o (5) Total fee paid:
$5,141.02

þ Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing party:

(4) Date Filed:

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SPECIAL MEETING OF STOCKHOLDERS
MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Electronic Clearing House, Inc. Stockholder:

You are cordially invited to attend the special meeting of stockholders of Electronic Clearing House, Inc. (ECHO), which will be held at its executive offices located at 730 Paseo Camarillo, Camarillo, California, 93010, on February 29, 2008 at 9:00 a.m., local time.

At the special meeting, you will be asked to consider and vote on a proposal to approve a merger agreement that ECHO has entered into with Intuit Inc. and a wholly owned subsidiary of Intuit. If ECHO stockholders approve the merger agreement, and the merger is subsequently completed, ECHO will become a wholly owned subsidiary of Intuit, and you will be entitled to receive $17.00 in cash, without interest, for each share of ECHO common stock that you own. A copy of the merger agreement is attached as **Annex A** to the accompanying proxy statement, and you are encouraged to read it in its entirety.

After careful consideration, the Board of Directors of ECHO, by unanimous vote, determined that the merger is advisable and fair to, and in the best interests of, ECHO and its stockholders, and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. The Board of Directors unanimously recommends that you vote FOR the approval of the merger agreement. In reaching its determination, the Board of Directors considered a number of factors that are described more fully in the accompanying proxy statement.

You are also being asked to expressly grant the persons named as proxies authority to vote your shares to approve the adjournment of the special meeting, if necessary or appropriate, to permit the further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve the merger agreement.

The accompanying document provides a detailed description of the proposed merger, the merger agreement and related matters. I urge you to read these materials carefully.

Your vote is very important. Because approval of the merger agreement requires the affirmative vote of the holders of a majority of the voting power of the outstanding shares of ECHO common stock entitled to vote on the merger agreement, if you fail to vote it will have the same effect as if you voted against the approval of the merger agreement.

Whether or not you are able to attend the special meeting in person, please complete, sign and date the enclosed proxy card and return it in the envelope provided as soon as possible or submit a proxy through the Internet or by telephone as described in these materials. These actions will not limit your right to vote in person if you wish to attend the special meeting and vote in person. If your shares are held in the name of your broker, bank or other nominee, please instruct your broker, bank or other nominee on how to vote your shares in accordance with the voting directions provided by your broker, bank or other nominee.

Thank you for your cooperation and your continued support of ECHO.

Sincerely,
Charles J. Harris
Chief Executive Officer

This proxy statement is dated January 28, 2008, and is first being mailed to stockholders on or about February 1, 2008.

Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the merger, passed upon the merits or fairness of the merger or passed upon the adequacy or accuracy of the disclosure in the proxy statement. Any representation to the contrary is a criminal offense.

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ELECTRONIC CLEARING HOUSE, INC.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
FEBRUARY 29, 2008

To the Stockholders of Electronic Clearing House, Inc.:

You are cordially invited to attend a special meeting of the stockholders of Electronic Clearing House, Inc. to be held at our offices located at 730 Paseo Camarillo, Camarillo, California, 93010 on February 29, 2008 at 9:00 a.m. local time, for the following purposes:

1. To consider and vote on a proposal to approve the Agreement and Plan of Merger, dated as December 19, 2007, by and among Electronic Clearing House, Inc., Intuit Inc., and Elan Acquisition Corporation (a wholly-owned subsidiary of Intuit);

2. To approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the merger agreement; and

3. To transact any other business as may properly come before the special meeting or any adjournment or postponement of the special meeting.

Only holders of record of our common stock at the close of business on January 24, 2008, the record date for the special meeting, are entitled to receive notice of and to attend and vote or submit a proxy to vote at the special meeting or any adjournment or postponement of the special meeting. As of the record date we had 7,041,379 shares of common stock outstanding. Each share of our common stock is entitled to one vote on each matter to be voted upon at the special meeting. The affirmative vote of a majority of the shares of our outstanding common stock is required to approve the merger agreement. In connection with the merger, each of our directors and our executive officers have entered into voting agreements to, among other matters, vote their shares in favor of the approval of the merger, and have granted to the directors of Intuit an irrevocable proxy to vote their shares in favor of the merger, at the special meeting.

After careful consideration, our Board of Directors, by unanimous vote, determined that the merger is advisable and fair to, and in the best interests of, us and our stockholders and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. Our Board of Directors unanimously recommends that you vote FOR the approval of the merger agreement. For more information about the merger described above and the other transactions contemplated by the merger agreement, please review the accompanying proxy statement and the merger agreement attached to it as Annex A. Our Board of Directors also recommends that you expressly grant the authority to the persons named as proxies to vote your shares to approve the adjournment of the special meeting, if necessary or appropriate, to permit the further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement. We are not aware of any other business to come before the special meeting.

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Stockholders who do not vote in favor of the approval of the merger agreement will not have the right to seek appraisal of the fair value of their shares if the merger is completed, but will receive the same per share merger consideration as those stockholders who do vote in favor of the approval of the merger agreement.

Your vote is very important. Even if you do not expect to attend the meeting in person, it is important that your shares be represented. Please use the enclosed proxy card to vote on the matters to be considered at the special meeting by signing and dating the proxy card and mailing it promptly in the enclosed envelope, or appoint a proxy over the Internet or by telephone as instructed in these materials. If your shares are held in the name of your broker, bank or other nominee, please instruct your broker, bank or other nominee on how to vote your shares in accordance with the voting directions provided by your broker, bank or other nominee, to ensure that your shares will be represented at the special meeting. You may revoke your proxy at any time prior to its exercise in the manner described in this proxy statement. Returning a signed proxy card or appointing a proxy over the Internet or by telephone will not prevent you from attending the meeting and voting in person if you wish to do so. If your shares are held in the name of your broker, bank or other nominee, you must obtain a proxy, executed in your favor, from the holder of record to be able to vote in person at the special meeting.

Executed proxies with no instructions indicated thereon will be voted FOR the approval of the merger agreement and, if applicable, FOR the adjournment of the special meeting, provided that no proxy that is specifically marked AGAINST the proposal to approve the merger agreement will be voted in favor of the adjournment proposal, unless it is specifically marked FOR the adjournment proposal. If you fail to return your proxy or to vote in person at the special meeting, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting, and will effectively be counted as a vote AGAINST the proposal to approve the merger agreement.

You should not send any certificates representing shares of our common stock with your proxy card. Upon completion of the merger, you will receive instructions regarding the procedure to exchange your stock certificates for the cash merger consideration.

No person has been authorized to give any information or to make any representations other than those set forth in the proxy statement in connection with the solicitation of proxies made hereby, and, if given or made, such information must not be relied upon as having been authorized by us or any other person.

By Order of the Board of Directors,
DONNA L. REHMAN
Corporate Secretary
Camarillo, California
Dated: January 28, 2008

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QUESTIONS AND ANSWERS ABOUT THE MERGER

The following questions and answers address briefly some questions you may have regarding the special meeting and the proposed merger. These questions and answers may not address all questions that may be important to you as a stockholder of Electronic Clearing House, Inc. Please refer to the more detailed information contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to or incorporated by reference in this proxy statement. In this proxy statement, the terms ECHO, Company, we, our, ours, and us refer to Elect Clearing House, Inc. We refer to Intuit Inc. as Intuit and Elan Acquisition Corporation as Merger Sub.

Q: Why am I receiving this proxy statement?

A: We have entered into a merger agreement with Intuit. Upon completion of the merger, we will become a wholly-owned subsidiary of Intuit and our common stock will no longer be listed on the NASDAQ Capital Market. A copy of the merger agreement is attached to this proxy statement as Annex A.

In order to complete the merger, our stockholders must vote to approve the merger agreement. We are providing this proxy statement to give you information for use in determining how to vote on the proposals submitted to the stockholders at the special meeting of our stockholders or any adjournment or postponement of the special meeting. You should read this proxy statement and the annexes carefully. The enclosed proxy card allows you, as our stockholder, to vote your shares without attending the special meeting.

Q: When and where is the special meeting?

A: The special meeting of stockholders will take place at our offices located at 730 Paseo Camarillo, Camarillo, California, 93010 on February 29, 2008, at 9:00 a.m. local time.

Q: What matters will be voted on at the special meeting?

A: You will vote on a proposal to approve the merger agreement and a proposal to adjourn the special meeting for the purpose of soliciting additional proxies, if necessary or appropriate, if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

Q: Who can vote or submit a proxy to vote and attend the special meeting?

A: Only stockholders of record at of the close of business on January 24, 2008, the record date for the special meeting, are entitled to receive notice of and to attend and vote or submit a proxy to vote at the special meeting or any adjournment or postponement of the special meeting.

Q: As a stockholder, what will I be entitled to receive in the merger?

A: At the effective time of the merger, each share of our common stock outstanding immediately prior to the effective time of the merger (including any shares of common stock issued prior to the effective time upon the exercise of options), other than shares held by us, Intuit or Merger Sub or any of our or their wholly-owned subsidiaries, will be automatically converted into the right to receive $17.00 in cash, without interest and less any applicable withholding taxes.

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Q: Will I own any shares of ECHO common stock or Intuit common stock after the merger?

A: No. You will be paid cash for your shares of our common stock. You will not receive or have the option to receive any Intuit common stock in exchange for your shares.

Q: How will my options to purchase shares of common stock be treated in the merger?

A: Prior to the effective time of the merger, we will cause any unvested options to vest immediately prior to the effective time of the merger. All outstanding options to purchase shares of our common stock will then be cancelled at the effective time of the merger and the holder will receive a cash payment, without interest and less any applicable withholding taxes, equal to the product of (i) the excess, if any, of $17.00 over the applicable option exercise price and (ii) the number of shares of common stock subject to the option.

Q: What will happen to my shares of restricted stock in the merger?

A: Prior to the effective time of the merger, we will cause any unvested restricted stock to vest immediately prior to the effective time of the merger. Holders of then-vested restricted stock will receive the same consideration as all other holders of our common stock, $17.00 per share in cash, without interest and less any applicable withholding taxes.

Q: How does our Board of Directors recommend that I vote?

A: Our Board of Directors recommends that you vote FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting for the purpose of soliciting additional proxies.

See The Merger Recommendation of Our Board of Directors; Our Reasons for the Merger.

Q: What vote of our stockholders is required to approve the merger agreement?

A: Holders of a majority of the voting power of the outstanding shares of our common stock entitled to vote on the merger agreement must vote to approve the merger agreement. Approval of the adjournment proposal requires a majority of the voting power present at the special meeting, in person or represented by proxy.

Q: How many votes am I entitled to cast for each share of ECHO stock I own?

A: For each share of our common stock that you own at the close of business on January 24, 2008, the record date for the special meeting, you are entitled to cast one vote on each matter voted upon at the special meeting.

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Q: What is the difference between holding shares as a stockholder of record and in street name ?

A: Most of our stockholders hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those held in street name :

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, you are considered the stockholder of record with respect to those shares, and these proxy materials are being sent directly to you by us. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the meeting. We have enclosed or sent a proxy card for you to use.

Street Name. If your shares are held by a broker, bank or other nominee, you are considered the beneficial owner of shares held in street name , and these proxy materials are being forwarded to you by your broker, bank or other nominee which is considered, with respect to those shares, the stockholder of record. As the beneficial owner of these shares, you have the right to direct your broker, bank or other nominee how to vote and are also invited to attend the special meeting in person. However, since you are not the stockholder of record, you may not vote these shares in person at the special meeting unless you obtain a signed proxy from the record holder giving you the right to vote the shares. Your broker, bank or other nominee has enclosed or provided voting directions for you to use in directing the broker, bank or other nominee how to vote your shares.

Q: How do I cast my vote if I am a stockholder of record?

A: Before you vote, you should read this proxy statement in its entirety, including its annexes and the documents referred to or incorporated by reference in this proxy statement, and carefully consider how the merger affects you. Then, if you were a holder of record at the close of business on January 24, 2008, you may vote by submitting a proxy for the special meeting.

You can submit your proxy by completing, signing, dating and returning the enclosed proxy card in the accompanying pre-addressed envelope or by appointing a proxy over the Internet or by telephone as instructed in these materials (see The ECHO Special Meeting Voting over the Internet or by Telephone). You may also attend the special meeting and vote your shares in person whether or not you sign and return your proxy card. However, even if you plan to attend the special meeting in person, we encourage you to return your signed proxy card, or appoint a proxy over the Internet or by telephone, to ensure that your shares are represented and voted at the special meeting.

If you sign, date and send your proxy card and do not indicate how you want to vote, your proxy will be voted FOR the approval of the merger agreement and FOR the proposal to adjourn the special meeting for the purpose of soliciting additional proxies, if necessary. However, no proxy that is specifically marked AGAINST the proposal to approve the merger agreement will be voted in favor of the adjournment proposal, unless it is specifically marked FOR the adjournment proposal.

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Q: How do I cast my vote if my ECHO shares are held in street name by my bank, broker or other nominee?

A: If you hold your shares in street name, you must provide the record holder of your shares with instructions on how to vote your shares in accordance with the voting directions provided by your broker, bank or other nominee. Before you provide the record holder of your shares with instructions on how to vote your shares, you should read this proxy statement in its entirety, including its annexes and the documents referred to or incorporated by reference in this proxy statement, and carefully consider how the merger affects you. If you do not provide your broker, bank or other nominee with instructions on how to vote your shares, it will not be permitted to vote your shares. This will have the same effect as voting against the proposal to approve the merger agreement. Please refer to the voting instructions provided by your broker, bank or other nominee to see if you may submit voting instructions using the Internet or telephone.

Q: How can I attend the special meeting if my ECHO shares are held in street name by my bank, broker or other nominee?

A: If you want to attend the special meeting or any adjournment or postponement of the special meeting and your shares are held in an account at a brokerage firm, bank or other nominee, you will need to bring a copy of your brokerage statement or the voting directions provided by your broker, bank or other nominee reflecting your stock ownership as of the record date.

Q: Can I change my vote after I have delivered my proxy?

A: Yes, you may revoke and change your vote on a proposal at any time before the conclusion of voting on such proposal. If you are a stockholder of record, you can do this in one of three ways:
first, you can provide a written notice to our corporate secretary prior to 11:59 p.m. Eastern Time on February 28, 2008 stating that you would like to revoke your proxy;

second, you can complete and submit a later dated proxy in writing, provided the new proxy is received by 11:59 p.m. Eastern Time on February 28, 2008. If you submitted the proxy you are seeking to revoke via the Internet or telephone, you may submit this later-dated new proxy using the same method of transmission (Internet or telephone) as the proxy being revoked, provided that the new proxy is received by 11:59 p.m. Eastern Time on February 28, 2008; or

third, you can attend the special meeting and vote in person, which will automatically cancel any proxy previously given, or you may revoke your proxy in person; your attendance alone, however, will not revoke any proxy that you have previously given.

Any written notice of revocation or subsequent proxy should be delivered to our corporate secretary at 730 Paseo Camarillo, Camarillo, California, 93010, Attention: Corporate Secretary, at or before the time and date specified above.

If you have instructed a broker, bank or other nominee to vote your shares, you must follow the directions received from your broker, bank or other nominee to change those instructions.

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Q: What will happen if I abstain from voting or fail to vote?

A: If you abstain from voting, fail to cast your vote in person or by proxy or fail to give voting instructions to your broker, bank or other nominee, it will have the same effect as a vote against the proposal to approve the merger agreement, but will have no effect on the proposal to adjourn the special meeting for the purpose of soliciting additional proxies.

Q: What rights do I have if I oppose the merger?

A: Under applicable Nevada law, ECHO stockholders are not entitled to any dissenters rights with respect to the merger.

Q: Is the merger contingent upon Intuit obtaining financing?

A: No. The completion of the merger is not contingent upon Intuit obtaining financing.

Q: Is the merger expected to be taxable to me?

A: Generally, yes. The receipt of cash for each share of our common stock pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes. For U.S. federal income tax purposes, you will generally recognize gain or loss as a result of the merger measured by the difference, if any, between the amount of cash per share that you receive and your adjusted tax basis in that share.

You should read The Merger Material U.S. Federal Income Tax Consequences for a more complete discussion of the U.S. federal income tax consequences of the merger. Tax matters can be complicated, and the tax consequences of the merger to you will depend on your particular tax situation. We urge you to consult your tax advisor on the tax consequences of the merger to you.

Q: Should I send in my share certificates now?

A: No. After the merger is completed, you will be sent a letter of transmittal with written instructions for exchanging your share certificates for the cash consideration. These instructions will tell you how and where to send in your certificates for your cash consideration. You will receive your cash payment after the paying agent receives your stock certificates and any other documents requested in the instructions included with the letter of transmittal.

Q: When do you expect the merger to be completed?

A: We currently expect to complete the merger as promptly as practicable after the special meeting and after all the conditions to the merger are satisfied or waived, including stockholder approval of the merger agreement at the special meeting and the expiration or termination of the waiting period under U.S. antitrust laws. However, we cannot assure you that all conditions to the merger will be satisfied or, if satisfied, as to the date by which they will be satisfied.

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Q: What should I do if I receive more than one set of voting materials?

A. You may receive more than one set of voting materials, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive.

Q: Who can help answer my questions?

A: If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card, please call our proxy solicitor, Morrow & Company, Inc. at:

Morrow & Company, Inc.
470 West Avenue, 3rd Floor
Stamford, CT 06902
(800) 607-0088
echo.info@morrow.com
Attn: Gerard J. Mucha or Fred Marquardt

If you would like additional copies, without charge, of this proxy statement, you should contact:

Electronic Clearing House, Inc.
Corporate Secretary and Investor Relations
730 Paseo Camarillo,
Camarillo, CA 93010
(800) 233-0406 ext. 8533
corp@ECHO-inc.com

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SUMMARY TERM SHEET

This summary term sheet, together with the section of this proxy statement entitled Questions and Answers About the Merger , highlights selected information from this proxy statement and may not contain all of the information that may be important to you as an ECHO stockholder or that you should consider before voting on the proposal to approve the merger agreement. To better understand the merger, you should read carefully this entire proxy statement and all of its annexes, including the merger agreement, which is attached as Annex A and the documents referred to or incorporated by reference in this proxy statement, before voting on the proposal to approve the merger agreement. Each item in this summary includes a reference directing you to a more complete description of that item.

Information about Electronic Clearing House, Inc., Intuit Inc. and Elan Acquisition Corporation

Electronic Clearing House, Inc.

730 Paseo Camarillo,
Camarillo, CA 93010
(800) 262-3246

ECHO provides a complete solution for the payment processing needs of retail, online and recurring payment merchants through its direct sales team as well as channel partners that include technology companies, banks, collection agencies and other trusted resellers. ECHO s services include debit and credit card processing, check guarantee, check verification, check conversion, check representment and check collection. See The Companies Electronic Clearing House, Inc.

Intuit Inc.

2700 Coast Avenue
Mountain View, CA 94043
(650) 944-6000

Founded in 1983, Intuit Inc. is a leading provider of business and financial management solutions for small and mid-sized businesses; financial institutions, including banks and credit unions; consumers and accounting professionals. Intuit s flagship products and services, including QuickBooks, Quicken and TurboTax software, simplify small business management and payroll processing, personal finance, and tax preparation and filing. ProSeries and Lacerte are Intuit s leading tax preparation software suites for professional accountants. Intuit s financial institutions division, anchored by Digital Insight, provides on-demand banking services to help banks and credit unions serve businesses and consumers with innovative solutions. Intuit is publicly traded on the NASDAQ Global Select Market under the symbol INTU. See The Companies Intuit Inc.

Elan Acquisition Corporation

c/o Intuit Inc.
2700 Coast Avenue
Mountain View, CA 94043
(650) 944-6000

Merger Sub is a Nevada corporation and a wholly-owned subsidiary of Intuit. Merger Sub was organized solely for the purpose of entering into a previous merger agreement with ECHO and completing the merger contemplated thereby, and has not conducted any business operations other than those incident to its formation and those incident to the execution and performance, and subsequent termination of, the previous agreement and the execution and performance of the current merger agreement.

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The Merger

We have agreed to be acquired by Intuit pursuant to the terms of the merger agreement that is described in this proxy statement and attached as Annex A. We encourage you to read the merger agreement carefully and in its entirety. It is the principal document governing the merger.

The merger agreement provides that Merger Sub will merge into ECHO, with ECHO continuing as the surviving corporation and a wholly-owned subsidiary of Intuit. At the effective time of the merger, each share of our common stock outstanding immediately prior to the effective time of the merger (including any shares of common stock issued prior to the effective time upon exercise of options), other than shares held by us, Intuit or Merger Sub or any of our or their wholly-owned subsidiaries, will be automatically converted into the right to receive $17.00 in cash, without interest and less any applicable withholding taxes.

Upon completion of the merger, we will be a wholly-owned subsidiary of Intuit and will no longer be a public company. You will cease to have any ownership interest in ECHO and will not participate in any future earnings and growth of ECHO.

See The Merger Agreement.

Recommendation of Our Board of Directors

Our Board of Directors, by the unanimous vote of all directors:

- declared the merger to be advisable and fair to, and in the best interests of, us and our stockholders; and
- approved the merger agreement, the merger and the other transactions contemplated by the merger agreement on the terms and conditions set forth in the merger agreement.

Our Board of Directors recommends that our stockholders vote FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting for the purpose of soliciting additional proxies. To review the background of the merger and the factors that our Board of Directors considered when deciding whether to approve the merger agreement, the merger and the other transactions contemplated by the merger agreement, see The Merger Recommendation of Our Board of Directors; Our Reasons for the Merger.

Interests of Our Directors and Executive Officers in the Merger

When considering our Board of Directors recommendation that you vote in favor of the proposal to approve the merger agreement, you should be aware that members of our Board of Directors and our executive officers may have interests in the merger that differ from, or are in addition to, those of our other stockholders. For example:

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Mr. Charles J. Harris, our Chief Executive Officer, is expected to take an employment position with Intuit pursuant to an offer letter entered into with Intuit concurrently with our entering in to the merger agreement. In addition, with the exception of Ms. Alice L. Cheung, our Chief Financial Officer and Treasurer, all of our other executive officers are expected to receive offers of employment from Intuit prior to the closing of the merger;

Ms. Cheung is expected to take on a consulting role for a period of time following consummation of the merger;

pursuant to separation agreements previously entered into with us, which were amended and restated on December 11, 2007, certain executives will receive accelerated vesting of all outstanding equity awards, and may become entitled to certain payments or benefits, including, payment of a portion of anticipated bonuses and a potential lump-sum in the event such executive is terminated without cause (as defined in each agreement), or ceases to provide services to us or Intuit as a result of an involuntary termination (as defined in each agreement) within the two year period following the consummation of the merger;

certain executives will receive accelerated vesting of certain long-term incentive equity grants; and

our directors and officers will continue to have the benefit of liability insurance for six years after completion of the merger.

See The Merger Interests of Our Directors and Executive Officers in the Merger.

Shares Owned by Our Directors and Executive Officers

As of the close of business on January 24, 2008, the record date for the special meeting, our directors and executive officers beneficially owned in the aggregate 570,578 shares of common stock entitled to vote at the meeting, or approximately 8.1% of our total voting power outstanding on that date.

See The ECHO Special Meeting Shares Owned by Our Directors and Executive Officers.

Reasons for the Merger

In the course of reaching its decision to approve the merger, the merger agreement and the transactions contemplated by the merger agreement, our Board of Directors considered a number of factors in its deliberations.

See The Merger Recommendation of Our Board of Directors; Our Reason for the Merger.

Opinion of ECHO s Financial Advisor

In connection with the merger, our Board of Directors received a written opinion from Wedbush Morgan Securities Inc., our financial advisor, as to the fairness, from a financial point of view, of the merger consideration to be received by the public holders of our common stock. The full text of the written opinion of Wedbush Morgan, dated as of December 19, 2007, is attached to this proxy statement as Annex C. Holders of our equity securities are encouraged to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and qualifications and limitations of the review undertaken. Wedbush Morgan s opinion was intended for the use and benefit of our Board of Directors in connection with their evaluation of the merger, does not address our underlying business decision to enter into the merger agreement or complete the merger or the relative merits of the merger compared to any alternative business strategies that may exist for us and does not constitute a recommendation to the Board of Directors or any stockholders as to how that person should vote on the merger or any related matter. Wedbush Morgan has acted as financial advisor to us and has received a customary fee from us for its services, the payment of which is not contingent upon the conclusions reached in its opinion, and will also receive an additional fee if the proposed merger is consummated.

See The Merger Opinion of ECHO s Financial Advisor.

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Delisting and Deregistration of Our Common Stock

If the merger is completed, our common stock will no longer be listed on the NASDAQ Capital Market and will be deregistered under the Securities Exchange Act of 1934 (or Exchange Act), and we will no longer file periodic reports with the Securities and Exchange Commission.

See The Merger Delisting and Deregistration of Our Common Stock.

The Merger Agreement

Conditions to the Completion of the Merger. Each party s obligation to effect the merger is subject to the satisfaction or waiver of specified conditions set forth in the merger agreement.

Limitation on Considering Other Acquisition Proposals. We have agreed that, except under specified circumstances set forth in the merger agreement, we and our subsidiaries will not, and will not knowingly authorize or permit any of our respective officers, directors, affiliates or employees or any of our investment bankers, attorneys, accountants or other advisors or representatives to, and they will direct their respective representatives not to, directly or indirectly,

solicit, initiate, knowingly encourage, support, facilitate or induce the making, submission or announcement of, any acquisition proposal;

participate in any negotiations or discussions regarding, or furnish to any person any non-public information with respect to any acquisition proposal or any proposal or inquiry that could reasonably be expected to lead to, any acquisition proposal;

approve, endorse or recommend any acquisition proposal; or

enter into any letter of intent or similar document or any contract contemplating or otherwise relating to any acquisition transaction.

Change of Recommendation. Our Board of Directors may withdraw, amend, change or modify its recommendation in favor of approval of the merger agreement or approve or recommend an acquisition proposal only under certain circumstances set forth in the merger agreement, but our Board of Directors may terminate the merger agreement only if specified conditions set forth in the merger agreement are met.

Termination of the Merger Agreement. Each party can terminate the merger agreement under specified circumstances set forth in the merger agreement.

Termination Fee. The merger agreement requires us to pay Intuit a termination fee of $3,925,000 if the merger agreement is terminated under certain circumstances described in the merger agreement.

See The Merger Agreement.

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Voting Agreements

All executive officers and directors of ECHO, in their capacity as stockholders of the Company, have entered into voting agreements in substantially the form attached hereto as Annex B, pursuant to which each such stockholder has agreed, among other things, to vote their shares in favor of the merger, and have granted irrevocable proxies to the directors of Intuit to vote their shares in favor of approval of the merger. As of the record date for the special meeting, these executive officers and directors beneficially owned in the aggregate 570,578 shares of our common stock entitled to vote at the meeting, representing 8.1% of the votes entitled to be cast at the special meeting.

See Voting Agreements.

Regulatory Matters

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (referred to in this proxy statement as the HSR Act), we cannot complete the merger until we and Intuit have notified the Antitrust Division of the U.S. Department of Justice (referred to in this proxy statement as the Antitrust Division) and the U.S. Federal Trade Commission (referred to in this proxy statement as the FTC), of the merger, furnished them with certain information and materials and allowed the applicable waiting period to terminate or expire. We and Intuit filed notification and report forms under the HSR Act with the Antitrust Division and the FTC on January 14, 2008 and January 11, 2008, respectively.

See The Merger Regulatory Matters.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement and the documents to which we refer you in this proxy statement contain forward-looking statements within the meaning of the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended. Statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws, including projections of earnings, revenue or other financial items; statements regarding future economic conditions or performance; statements regarding the expected completion and timing of the merger; statements of belief; and statements of assumptions. Forward-looking statements may include the words may, could, will, should, would, estimate, intend, continue, believe, expect or anticipate or other similar words.

These forward-looking statements are expressed in good faith and believed to have a reasonable basis but present our estimates and assumptions only as of the date of this proxy statement. Except for our ongoing reporting obligations under any securities law, we do not intend, and undertake no obligation, to update any forward-looking statement. Actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties. Risks and uncertainties pertaining to the following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements:

- our ability to obtain the stockholder and regulatory approvals required for the merger;
- the occurrence or non-occurrence of the other conditions to the closing of the merger;
- the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement;
- the timing of the closing of the merger and receipt by stockholders of the merger consideration;
- legislative or regulation developments that could have the effect of delaying or preventing the merger;
- our ability to retain our significant customers and vendors;
- potential litigation regarding the merger;
- uncertainty concerning the effects of our pending transaction with Intuit; and
- additional risks and uncertainties not presently known to us or that we currently deem immaterial.

You should consider the cautionary statements contained or referred to in this section in connection with any subsequent written or oral forward-looking statements that may be issued by us or persons acting on our behalf. We do not undertake any obligation to release publicly any revisions to any forward-looking statements contained herein to reflect events or circumstances that occur after the date of this proxy statement or to reflect the occurrence of unanticipated events, except as we are required to do by law.

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THE ECHO SPECIAL MEETING

We are furnishing this proxy statement to our stockholders as part of the solicitation of proxies by our Board of Directors for use at the special meeting.

Date, Time and Place

We will hold the special meeting at our offices located at 730 Paseo Camarillo, Camarillo, California, 93010 February 29, 2008, at 9:00 a.m. local time.

Purpose of the Special Meeting

At the special meeting, we are asking holders of record of our common stock at the close of business on January 24, 2008, to consider and vote on the following proposals:

1. to approve the Agreement and Plan of Merger, dated as of December 19, 2007, by and among Electronic Clearing House, Inc., Intuit Inc., and Elan Acquisition Corporation, a wholly-owned subsidiary of Intuit, Inc;

2. to approve the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the merger agreement; and

3. to transact any other business as may properly come before the special meeting or any adjournment or postponement of the special meeting.

Recommendation of Our Board of Directors

Our Board of Directors has unanimously determined that the merger is advisable and fair to, and in the best interests of, us and our stockholders, and approved the merger agreement, the merger and the transactions contemplated by the merger agreement.

Our Board of Directors unanimously recommends that our stockholders vote FOR the approval of the merger agreement and FOR the proposal to adjourn the special meeting for the purpose of soliciting additional proxies. See The Merger Recommendation of Our Board of Directors; Our Reasons for the Merger.

Quorum; Record Date; Stockholders Entitled to Vote; Vote Required

A quorum of stockholders is necessary to hold the special meeting. The required quorum for the transaction of business at the special meeting is the presence, either in person or represented by proxy, of the holders of a majority of the voting power of our outstanding common stock entitled to vote on the merger agreement. Abstentions and broker non-votes , discussed below, count as present for establishing a quorum.

You are entitled to notice of, and to attend and vote or submit a proxy to vote at, the special meeting or any adjournment or postponement of the special meeting if you owned shares of our common stock at the close of business on January 24, 2008, the record date for the special meeting. For each share of our common stock that you owned on the record date, you are entitled to cast one vote on each matter voted upon at the special meeting.

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Approval of the merger agreement requires the affirmative vote of the holders of a majority of the voting power of the outstanding shares of our common stock entitled to vote on the merger agreement.

Because the vote on the proposal to approve the merger agreement is based on the voting power of the total number of shares outstanding, failure to vote your shares and broker non-votes will have the same effect as voting against the approval of the merger agreement.

Approval of the adjournment proposal requires a majority of the voting power present at the special meeting, in person or represented by proxy. Because the vote on the adjournment proposal is based on the voting power present at the meeting, failure to vote your shares and broker non-votes will not have any effect on the adjournment proposal.

Shares Owned by Our Directors and Executive Officers

As of the close of business on January 24, 2008, our directors and executive officers, beneficially owned in the aggregate 570,578 shares of common stock entitled to vote at the meeting, or approximately 8.1% of our total voting power outstanding on that date.

Voting Agreements

All executive officers and directors of ECHO, in their capacity as stockholders of the Company, have entered into voting agreements in substantially the form attached hereto as Annex B, pursuant to which each such stockholder has agreed, among other things, to vote their shares in favor of the merger, and have granted irrevocable proxies to the directors of Intuit to vote their shares in favor of the merger. As of the record date for the special meeting, these executive officers and directors owned in the aggregate, 570,578 shares of our common stock, representing 8.1% of the votes entitled to be cast at the special meeting.

Voting in Person

If you plan to attend the special meeting and wish to vote in person, you will be given a ballot at the special meeting. Please note, however, that if your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, and you wish to vote at the special meeting or any adjournment or postponement of the special meeting, you must bring to the special meeting a proxy from the record holder of the shares (your broker, bank or nominee) authorizing you to vote in person at the special meeting or adjournment of the special meeting.

Voting by Proxy

All shares held by record holders of our common stock represented by properly executed proxies received in time for the special meeting will be voted at the special meeting in the manner specified by the stockholders giving those proxies. Properly executed proxies that do not contain voting instructions will be voted FOR the proposal to approve the merger agreement and FOR the proposal to adjourn the special meeting for the purpose of soliciting additional proxies, provided that no proxy that is specifically marked AGAINST the proposal to approve the merger agreement will be voted in favor of the adjournment proposal, unless it is specifically marked FOR the adjournment proposal.

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&nm" width="1%"> 17,726 879,564			
NuStar Energy L.P.(3)			
		20,684	1,079,291
Phillips 66 Partners LP			
		15,500	967,200
Plains All American Pipeline, L.P.(5)			
		152,928	5,514,584
Shell Midstream Partners, L.P.			
		31,927	1,263,351
Sunoco Logistics Partners L.P.(3)			
		137,931	4,666,206
Tesoro Logistics LP			
		44,417	2,345,662
Valero Energy Partners LP			
		13,794	714,943
	38,583,734		
Natural Gas/Natural Gas Liquids Pipelines - 9.9%(1)			
United States - 9.9%(1)			
Columbia Pipeline Partners LP			
		22,959	455,277
Energy Transfer Equity, L.P.			
		66,768	1,872,842
Energy Transfer Partners, L.P.(3)			
		101,200	4,972,968
Enterprise Products Partners L.P.			
		164,409	4,621,537
EQT GP Holdings, LP			
		5,552	180,551
EQT Midstream Partners, LP			
		24,627	1,915,981
ONEOK Partners, L.P.			
		61,203	1,979,917
Spectra Energy Partners, LP			
	19,446	990,579	16,989,652
Natural Gas Gathering/Processing - 5.4%(1)			
United States - 5.4%(1)			
Antero Midstream Partners LP			
		22,434	519,572
DCP Midstream Partners, LP			
		52,040	1,467,528
EnLink Midstream Partners, LP			
		22,400	394,912
MarkWest Energy Partners, L.P.			

			56,700	3,196,179
Targa Resources Partners LP				
			86,500	2,611,435
Western Gas Partners, LP				
	18,799	1,105,945	9,295,571	
Total Master Limited Partnerships and Related Companies (Cost $36,059,277)				64,868,957
Common Stock - 16.4%(1)				
Natural Gas/Natural Gas Liquids Pipelines - 6.2%(1)				
United States - 6.2%(1)				
Kinder Morgan, Inc.(3)				
			259,032	8,395,227
ONEOK, Inc.				
	62,777	2,260,600	10,655,827	
Power/Utility - 8.3%(1)				
United Kingdom - 0.6%(1)				
Abengoa Yield plc				
			45,900	1,044,684
United States - 7.7%(1)				
8point3 Energy Partners LP				
			60,162	893,406
InfraREIT, Inc.				
			184,668	5,203,944
NextEra Energy Partners, LP				
			79,127	2,388,053
NRG Yield, Inc.				
			104,936	1,685,272
TerraForm Power, Inc.				
	136,831	3,078,697	14,294,056	
Natural Gas Gathering/Processing - 1.9%(1)				
United States - 1.9%(1)				
The Williams Companies, Inc.				
			66,513	3,205,927
Total Common Stock (Cost $25,520,752)				28,155,810
Preferred Convertible - 0.7%(1)				
Oil and Gas Exploration and Production - 0.7%(1)				
United States - 0.7%(1)				
Anadarko Petroleum Corporation, 7.500% 06/07/2018 (Cost $1,202,217)				
			24,400	1,113,860

Short-Term Investment - 0.0%(1)

United States Investment Company - 0.0%(1)

Fidelity Institutional Money Market Portfolio - Class I, 0.13%(6) (Cost $32,301)
32,301 32,301
Total Investments - 130.8%(1) (Cost $192,051,938)
223,865,311
Interest Rate Swap Contracts - (0.2)%(1)

$26,000,000 notional - unrealized depreciation
(364,794)
Credit Facility Borrowings - (31.8)%(1)
(54,500,000)
Other Assets and Liabilities - 1.2%(1)
2,136,338
Total Net Assets Applicable to Common Stockholders - 100.0%(1)
$171,136,855
(1)
Calculated as a percentage of net assets applicable to common stockholders.

(2)
Restricted securities have been valued in accordance with fair value procedures,

and have a total fair value of $39,943,683, which represents 23.3% of net assets.

(3)
All or a portion of the security is segregated as collateral for the margin borrowing facility.

(4)
Security distributions are paid-in-kind.

(5)
A portion of the security is segregated as collateral for the unrealized depreciation of interest rate swap contracts of $364,794.

(6)
Rate indicated is the current yield as of August 31, 2015.

Various inputs are used in determining the fair value of the Company's investments and financial instruments. These inputs are summarized in the three broad levels listed below:

Level 1 – quoted prices in active markets for identical investments
Level 2 – other significant observable inputs (including quoted prices for similar investments, market corroborated inputs, etc.)
Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table provides the fair value measurements of applicable assets and liabilities by level within the fair value hierarchy as of August 31, 2015. These assets and liabilities are measured on a recurring basis.

Description	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Corporate Bonds(a)	$ -	$ 129,694,383	$ -	$ 129,694,383
Common Stock(a)	28,155,810	-	-	28,155,810
Master Limited Partnerships and Related Companies(a)	64,868,957	-	-	64,868,957
Preferred Convertible(a)	1,113,860	-	-	1,113,860
Short-Term Investment(b)	32,301	-	-	32,301
Total Assets	$ 94,170,928	$ 129,694,383	$ -	$ 223,865,311
Liabilities				
Interest Rate Swap Contracts	$ -	$ 364,794	$ -	$ 364,794

(a) All other industry classifications are identified in the Schedule of Investments.
(b) Short-term investment is a sweep investment for cash balances.

The Company did not hold any Level 3 securities during the period ended August 31, 2015. The Company utilizes the beginning of reporting period method for determining transfers between levels. During the period ended August 31, 2015, TerraForm Power, Inc. common units held by the Company in the amount of $4,054,700 were transferred from Level 2 to Level 1 when they converted into registered and unrestricted common units of TerraForm Power, Inc. There were no other transfers between levels for the Company during the period ended August 31, 2015.

Valuation Techniques

In general, and where applicable, the Company uses readily available market quotations based upon the last updated sales price from the principal market to determine fair value. The Company primarily owns securities that are listed on a securities exchange or over-the-counter market. The Company values those securities at their last sale price on that exchange or over-the-counter market on the valuation date. If the security is listed on more than one exchange, the Company uses the price from the exchange that it considers to be the principal exchange on which the security is traded. Securities listed on the NASDAQ are valued at the NASDAQ Official Closing Price, which may not necessarily represent the last sale price. If there has been no sale on such exchange or over-the-counter market on such day, the security is valued at the mean between the last bid price and last ask price on such day. These securities are categorized as Level 1 in the fair value hierarchy as further described below.

Restricted securities are subject to statutory or contractual restrictions on their public resale, which may make it more difficult to obtain a valuation and may limit a fund's ability to dispose of them. Investments in private placement securities and other securities for which market quotations are not readily available are valued in good faith by using certain fair value procedures. Such fair value procedures consider factors such as discounts to publicly traded issues, time until conversion date, securities with similar yields, quality, type of issue, coupon, duration and rating. If events occur that affect the value of the Company's portfolio securities before the net asset value has been calculated (a "significant event"), the portfolio securities so affected are generally priced using fair value procedures.

An equity security of a publicly traded company acquired in a private placement transaction without registration under the Securities Act of 1933, as amended (the "1933 Act"), is subject to restrictions on resale that can affect the security's liquidity and fair value. If such a security is convertible into publicly-traded common shares, the security generally will be valued at the common share market price adjusted by a percentage discount due to the restrictions and categorized as Level 2 in the fair value hierarchy. To the extent that such securities are convertible or otherwise become freely tradable within a time frame that may be reasonably determined, an amortization schedule may be used to determine the discount. If the security has characteristics that are dissimilar to the class of security that trades on the open market, the security will generally be valued and categorized as Level 3 in the fair value hierarchy.

The Company generally values debt securities at evaluated bid prices obtained from an independent third-party valuation service that utilizes a pricing matrix based upon yield data for securities with similar characteristics, or based on a direct written broker-dealer quotation from a dealer who has made a market in the security. Debt securities with 60 days or less to maturity are valued on the basis of amortized cost, which approximates market value.

Interest rate swap contracts are valued by using industry-accepted models, which discount the estimated future cash flows based on a forward rate curve and the stated terms of the interest rate swap agreement by using interest rates currently available in the market, or based on dealer quotations, if available, and are categorized as Level 2 in the fair value hierarchy.

Certain of the Company's investments are restricted and are valued as determined in accordance with fair value procedures, as more fully described above. The table below shows the principal amount, acquisition date(s), acquisition cost, fair value and the percent of net assets which the securities comprise at August 31, 2015.

Investment Security	Principal Amount	Acquisition Date(s)	Acquisition Cost	Fair Value	Fair Value as Percent of Net Assets
Columbia Pipeline Group, Inc., 3.300%, 06/01/2020*	$ 2,000,000	05/19/15	$1,996,400	$1,996,102	1.2 %
DCP Midstream LLC, 9.750%, 03/15/2019*	$ 3,000,000	08/07/09-08/16/12	3,674,870	3,306,525	1.9
Duquesne Light Holdings, Inc., 6.400%, 09/15/2020*	$ 3,000,000	11/30/11	3,180,330	3,436,551	2.0
Duquesne Light Holdings, Inc., 5.900%, 12/01/2021*	$ 2,000,000	11/18/11-12/05/11	2,074,420	2,273,024	1.3
Florida Gas Transmission Co., LLC, 5.450%, 07/15/2020*	$ 1,500,000	07/08/10-01/04/11	1,551,220	1,635,999	1.0
Gibson Energy Inc., 6.750%, 07/15/2021*	$ 4,500,000	06/26/13-07/01/13	4,459,760	4,376,250	2.6
	$ 6,000,000	09/09/09-03/02/10	6,055,570	6,240,000	3.6

Midcontinent Express Pipeline, LLC, 6.700%, 09/15/2019*						
Rockies Express Pipeline, LLC, 6.000%, 01/15/2019*	$ 4,000,000	08/03/15	4,130,000	4,000,000	2.3	
Ruby Pipeline, LLC, 6.000%, 04/01/2022*	$ 1,500,000	09/17/12	1,616,250	1,615,497	0.9	
Source Gas, LLC, 5.900%, 04/01/2017*	$ 5,770,000	04/21/10	5,544,521	6,080,599	3.6	
Southern Star Central Corp., 5.125%, 07/15/2022*	$ 3,000,000	06/17/14	3,041,250	2,925,000	1.7	
Southern Star Central Gas Pipeline, Inc., 6.000%, 06/01/2016*	$ 2,000,000	08/24/09	1,970,000	2,058,136	1.2	
			$39,294,591	$39,943,683	23.3	%

*Security is eligible for resale under Rule 144A under the Securities Act of 1933.

As of August 31, 2015, the aggregate cost of securities for federal income tax purposes was $184,475,835. The aggregate gross unrealized appreciation for all securities in which there was an excess of fair value over tax cost was $46,478,931, the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over fair value was $7,089,455 and the net unrealized appreciation was $39,389,476.

Item 2. Controls and Procedures.

(a) The registrant's Chief Executive Officer and its Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report, based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) are filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Tortoise Power and Energy Infrastructure Fund, Inc.

Date: October 23, 2015 By: /s/ P. Bradley Adams
P. Bradley Adams
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Tortoise Power and Energy Infrastructure Fund, Inc.

Date: October 23, 2015 By: /s/ P. Bradley Adams
P. Bradley Adams
Chief Executive Officer

Tortoise Power and Energy Infrastructure Fund, Inc.

Date: October 23, 2015 By: /s/ Brent Behrens
Brent Behrens
Principal Financial Officer and
Treasurer