

ELECTRONIC CLEARING HOUSE INC  
 Form 4  
 November 22, 2006

**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)  
 HYATT CENTER, 24TH FLOOR, 71 SOUTH WACKER DRIVE

3. Date of Earliest Transaction (Month/Day/Year)  
 11/20/2006

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

(Street)  
 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  
 \_\_\_X\_\_\_ 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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V Amount (A) or (D) Price   |   |  |   |
| Common Stock                    | 11/20/2006                           |  | P                              | 85 <sup>(1)</sup> A \$ 12.25                                      | 817,104   | I  | Discovery Equity Partners, LP <sup>(1)</sup>          |
| Common Stock                    | 11/20/2006                           |  | P                              | 15 <sup>(2)</sup> A \$ 12.25                                      | 817,119   | I  | Pleiades Investment Partners - D, L.P. <sup>(2)</sup> |

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

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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. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Discovery Group I, LLC<br>HYATT CENTER, 24TH FLOOR<br>71 SOUTH WACKER DRIVE<br>CHICAGO, IL 60606                       |               | X         |         |       |
| Donoghue Daniel J<br>C/O DISCOVERY GROUP I, LLC<br>HYATT CENTER, 24TH FL, 71 SOUTH WACKER<br>CHICAGO, IL 60606         |               | X         |         |       |
| Murphy Michael R<br>C/O DISCOVERY GROUP I, LLC<br>HYATT CENTER, 24TH FL, 71 SOUTH WACKER<br>CHICAGO, IL 60606          |               | X         |         |       |
| DISCOVERY EQUITY PARTNERS LP<br>C/O DISCOVERY GROUP LLC<br>HYATT CENTER, 24TH FL, 71 SOUTH WACKER<br>CHICAGO, IL 60606 |               | X         |         |       |

## Signatures

Michael R. Murphy, Managing Director

11/22/2006

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| <u>Signature of Reporting Person</u>                        | Date       |
|---|------------|
| Daniel J. Donoghue  | 11/22/2006 |
| <u>Signature of Reporting Person</u>                        | Date       |
| Michael R. Murphy   | 11/22/2006 |
| <u>Signature of Reporting Person</u>                        | Date       |
| Michael R. Murphy, Managing Director of the General Partner | 11/22/2006 |
| <u>Signature of Reporting Person</u>                        | 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 the 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.

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

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