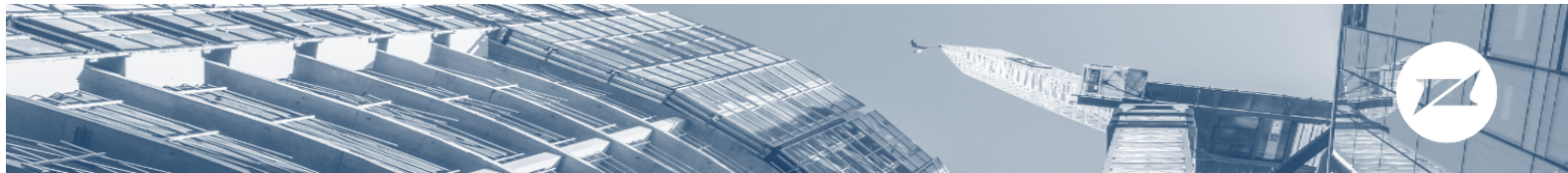




GCPay ACH & Waiver Exchange Feature

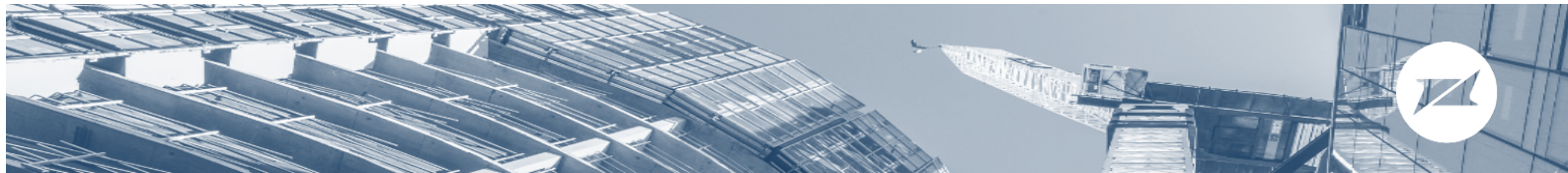
User Manual





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SUMMARY

Utilizing the ACH functionality within GCPay allows companies to make efficient, secure electronic payments to subcontractors while collecting necessary waivers and other required documents. GCPay protects both parties by brokering the exchange of payment for waiver(s).

How it Works

GCPay collects and watermarks the unconditional waiver with the subcontractor's application for payment (AFP). The general contractor reviews and approves the AFP and the unofficial waiver. Approved payment applications can be paid at any time. The watermark is removed automatically when payment is received by the subcontractor.



Pricing

The fee for using GCPay ACH & Waiver Exchange is \$15 per payment. Fees are charged and collected with your monthly GCPay invoice for all payments made in the previous calendar month. No additional setup or monthly fees apply.

\$15
Per Payment

SETTINGS

ACH Options

Like most options in GCPay, users can configure defaults from the **Default Options** tab in the company level **Settings**. These options will be used for any *new* projects. Users can manage the same options at the project level by navigating to the **Project Settings**.

1. View the options in the **ACH Payments** section
 - a. *Enable ACH Payments* will turn ACH on for all new projects by default.
 - b. *Block release of funds to subs who are out of compliance* will hold payments in escrow until the sub meets all compliance requirements for that project.
 - c. *Auto release funds to a sub if waiver is received and approved* will bypass the requirement for the General Contractor to manually release payment(s) from escrow.

ACH Payments

- ☒ Do you wish to enable ACH Payments for your subs on this project?
- ☐ Do you wish to block release of funds to subs who are out of compliance?
- ☐ If using waiver escrow, do you want to auto release funds to sub if waiver is received and approved?

Waiver Options

There are two ways to manage the exchange of lien waivers for payment in GCPay:

1. Before Submit (Payment Exchange Waiver) ^{NEW}
 - a. This option allows the general contractor to require a waiver, typically an unconditional or final waiver, with the submission of a payment application. The waiver is watermarked as Unofficial and locked until payment is received in full. Once payment has been received, GCPay unlocks the waiver and removes the watermark.
2. Escrow Waiver
 - a. This option will send the waiver, typically an unconditional or final waiver, once payment has settled in the escrow account. Once the sub has submitted the waiver, the general contractor must review and approve the waiver before funds can be released.

WHEN DO YOU WANT TO SEND THIS DOCUMENT?

- ☐ Before Submit - Lien Waiver required before contractor can submit Application For Payment
- ☒ Before Submit (Payment Exchange Waiver) - When using ACH, required before AFP submission and held until payment received.
- ☐ Submit - Send this Lien Waiver after contractor submits Application For Payment
- ☐ Approval - Send this Lien Waiver after Application For Payment is fully approved
- ☐ Paid - Send this Lien Waiver once the Application For Payment has been marked as paid (Integrated Clients Only)
- ☐ On Escrow - When using ACH, we will trigger Lien Waiver with the subs payment hits the escrow account
- ☐ Manual - At any time after submission of Application For Payment, user manually clicks send on Lien Waiver within GCPay



GETTING STARTED

General Contractor

CUSTOMER COMPLIANCE FORM

GCPay's payment processing partner, AvidXchange, is required by state and federal laws (including, for example, the Bank Secrecy Act and the USA PATRIOT Act) to verify certain information about its customers before this feature can be enabled. AvidXchange is also required to screen customers and certain of their beneficial owners and control persons against the specially designated nationals and blocked persons list maintained by the US Department of Treasury Office of Foreign Assets Control ("OFAC"). Participating general contractors must complete and return the Customer Compliance Form provided by GCPay.

SELECT A FUNDING METHOD

Clients utilizing the ACH services in GCPay establish bank accounts within the platform to fund payment applications that have been approved and authorized for payment. The process of adding / managing bank accounts is completed by either a Company Administrator or a Treasury Officer. To establish a new bank account:

1. Click **Settings**
2. Click **ACH Settings** in the menu on the left
3. Click **+ Add Account** in the center of the page

BANK ACCOUNTS				
Page 1 of 1		Filter the data by typing here...	ADD ACCOUNT	FUNDING REPORT
				1 to 2 of 2
Type	Account		Projects	Status

4. Select the Funding Method of this new account. The general contractor can choose from 3 different options for funding the escrow account at AvidXchange:

ACH (Slower)

Authorize AvidXchange to initiate an ACH debit from the general contractor's bank account. AvidXchange must wait until the ACH Recension window has been exhausted before payments can be released to subcontractors.

Standard Wire Transfer

GCPay will provide the general contractor with a funding report detailing how much must be transferred to the escrow account. Once funding has been received, payments can be released to subcontractors.

Demand Drawn Wire Transfer

Authorize AvidXchange to initiate a wire transfer debit from the general contractor's bank account. Once funding has been received, payments can be released to subcontractors.

ACCOUNT INFORMATION

The Bank Account Information entered below will be used to make payments to your Contractors, Vendors or Suppliers. This information will be displayed on required documents once complete.

There is a \$1 charge for each account setup to confirm account validity. Ensure ACH Debit Authorization is turned on for your account with your Financial Institution.

What kind of account is this?

☐ Standard Wire - You will be responsible for wiring funding for payments

☐ Demand Drawn Wire - We pull funding for payments directly from your account using a wire

☐ ACH - Use ACH draft to fund payments (Slower), can also receive payments with this type.

ACCOUNT INFORMATION

Nickname

5. Follow the prompts to setup your funding method and digitally sign the agreements provided.
6. Once the account is set up, you can associate the account with ANY project using ACH. To do so:
 - a. Click **Projects** at the top of the page and select a project
 - b. The message below will be displayed on projects where ACH Payments are enabled and no bank account has been assigned. Click **+ Choose Account** to select an established account.

NO BANK ACCOUNT ASSIGNED

Vista Construction is paying your company via ACH. To receive payment a valid bank account must be assigned or to select an existing account that was previously setup.

- c. Select an account that has previously been established or create a new account by clicking **+ Create Account**. Click **OKAY** after you select an account.

WHICH BANK ACCOUNT?

Select	Account	Assigned
<input checked="" type="radio"/>	Standard	1
<input type="radio"/>	BB&T	1



Subcontractor

Setting up Bank Account

When ACH Payments are enabled on a project, subcontractors will be prompted to enter a new bank account or select an existing bank account to receive payments.

NO BANK ACCOUNT ASSIGNED

Timberline Construction is paying your company via ACH. To receive payment a valid bank account must be provided. Click +Choose Account below to create a New Account or to select an existing account that was previously setup.

+ CHOOSE ACCOUNT

1. From the Project Overview screen, click **+ Choose Account**.
2. Follow the prompts to setup a bank account and digitally sign the agreements provided.

ACCOUNT INFORMATION

The Bank Account Information entered below will be used to receive payments for this project. This information will be displayed on required documents once complete.

ACCOUNT INFORMATION

Nickname:

Routing #:

Account #:

Confirm #:

BANK INFORMATION

Bank Name:

Street 1:

Street 2:

City:

State:

Zip:

ACH AUTHORIZATION FORMS

avidxchange GCPAY

PAYMENT TERMS AND CONDITIONS

These Payment Terms and Conditions ("Agreement") are made by and between the below-named Payee and AvidXchange, Inc. ("AvidXchange"), as of the date of Payee's signature below ("Effective Date"). Payee is a subcontractor or other vendor of one or more GCPay.com customers (individually or collectively as the context requires, the "Customer"). AvidXchange has partnered with GCPay.com to enable the Customer to process payments via the GCPay.com platform using the AvidXchange Payment Network (APN). Payee and AvidXchange are entering into this Agreement to establish the terms and conditions by which AvidXchange will make payments to Payee due and owing from the Customer for active construction projects administered through the GCPay.com platform.

DIGITALLY SIGN DOCUMENT

1. APN Enrollment: Payee, by signing this document, agrees to enroll in the APN and to provide the information required to process payments to Payee's bank account.

2. ACH Authorization: Payee, by signing this document, authorizes AvidXchange to process payments to Payee's bank account.

3. Term: The term of this Agreement shall be for a period of 12 months, unless terminated by either party in writing.

4. Fees and Charges: Payee agrees to pay the following fees and charges to AvidXchange for the processing of payments:

Per payment: \$0.00 (One base point less than 1/10th of 1% of 0.01%) By way of example, for a payment transaction of \$20,000, the applicable transaction charge would be \$20.00, calculated as follows: \$20,000 X 0.01% = \$20.00.

5. Execution/Disclaimers: The Payee representative signing below represents and warrants that he or she is duly authorized to execute and deliver this Agreement, the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized by Payee in accordance with its corporate governance documents, and the Agreement is a valid and legal agreement binding on Payee and enforceable in accordance with its terms. These payment services are provided "AS IS" without warranty of any kind and AvidXchange and GCPay.com hereby disclaim all warranties, express or implied by law, including any warranties of merchantability or fitness for a particular purpose. To the maximum extent permitted by law, in no event shall AvidXchange or GCPay.com be liable to Payee for any damages, costs or expenses in connection with these payment services, direct or indirect, however arising and irrespective of the type of claim, and even if such claim was foreseeable or Payee provided notice of the possibility of such claim.

Acknowledged and agreed by Payee as of the Effective Date:

Payee Name:

Submitting an AFP and Payment Exchange Waiver

Subcontractors will submit payment applications as they always have, but will be prompted to sign an unconditional payment exchange waiver at the time of pay app submission. GCPay will lock the waiver with a watermark until payment is received, at which time the watermark will be removed.

ACH TAB

Payments are made from the **ACH** tab in the project level menu. The ACH screen contains a submenu with three options:

Payable

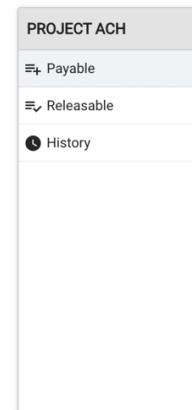
This table contains all approved and unpaid payment applications for the project. This is where general contractors will create payment batches.

Releasable

This table contains payment applications that are available for disbursement. Funds must settle in the escrow account at AvidXchange before they can be paid.

History

This table contains a history of all payment activity. Including the status of current payments.



Making Payments

Authorizing Payments

1. Select **ACH** from the project level menu.
2. Select **Payable** from the submenu on the left.
3. From the Payable table, select payment applications to be paid.
4. Determine the amount to be paid via ACH. The default amount is 100% of the approved payment application, but adjustments can be made to account for payments made outside of the system:
 - a. **PARTIAL PAYMENTS** – Manually adjust the value in the **Amount** or **Percent** column to change the payment amount. The remaining balance of a partially paid payment application will remain in the Payable table and can be paid at any time.
 - b. **JOINT CHECKS** – If a joint check must be cut for a portion of an approved payment application, enter the value of the joint check(s) in the **Joint Check** column to reduce the payment to the subcontractor via ACH.
 - c. **MANUAL PAYMENTS** – You can account for any payments made outside of the GCPay system by right-clicking the payment application and selecting **Manual Payment**. Manual payment activity is tracked in the **History** tab.
 - d. **IGNORING PAYMENT APPLICATIONS** – If you are not paying a particular invoice via ACH, right click on the invoice and select **Ignored**.

PAYABLES

AP - Standard

Page 1 of 1

Filter the data by typing here...

No Grouping

Show Ignored

1 to 3 of 3

<input type="checkbox"/>	Period To	Company	Description	Due	Paid	Amount	Percent	Joint Check(s)
<input checked="" type="checkbox"/>	03/31/2021	A-1 Electric	AFP #1	\$12,329.10	-	\$12,329.10	100%	\$4,000.00
<input checked="" type="checkbox"/>	03/31/2021	Wall to Wall Inc	AFP #1	\$42,525.00	-	\$34,020.00	80%	
<input checked="" type="checkbox"/>	03/31/2021	Commercial Carpet	AFP #2	\$30,150.00	-	\$30,150.00	100%	

\$ Post Manual Payment

☐ Ignored



5. Once all payment applications have been selected for payment, select **Create Batch**.
6. The pop-up window will summarize the bank account used for funding, the total amount authorized to be paid, the number of payment applications authorized and the any associated fees. Click **Create** to confirm and submit the batch for payment.

CREATE PAYABLE BATCH?

Bank Account

Standard

Total ACH \$

\$72,499.10

Total ACH #

3

Total ACH Fee

\$45.00

By clicking create, you confirm that the total number and value of payments being made is correct and, if applicable, the fee being paid for those payments is also correct. You confirm that you are authorized to create the payment batch

✕

CANCEL

✓

CREATE

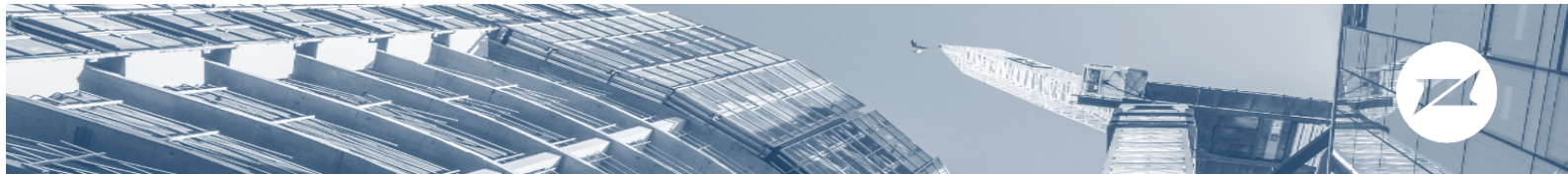
Releasing Payments

1. Select **ACH** from the project level menu.
2. Select **Releasable** from the submenu on the left.
3. From the Releasable table, select all payments to be released and click **Release Payment**.
 - a. If you have elected to auto release funds when the waiver is received and approved (see ACH options on Page 4), payments will be released automatically and subsequently, will not appear in this table.

Understanding Payment Statuses

Authorized payment batches are aggregated and sent to AvidXchange overnight and, depending on the funding method utilized, funds are moved from the general contractors account to the escrow account at AvidXchange. Funds are released from the escrow account as individual ACH payments. When a payment application is paid in full, the watermark is removed from the associated waiver. Payments move through some or all of the following statuses, which can be seen in the **History** table.

1. **PENDING** - This item will be sent to Avidxchange for processing the Next Business Day.
2. **SUBMITTED** - This item has been sent to Avidxchange to be processed.
3. **ESCROWED** - Avidxchange has withdrawn the money from the Payor and deposited the funds in Trust Account.
4. **ESCROW_ERROR** - Avidxchange attempted to withdraw the funds from the Payor account and Debit Failed.
5. **RELEASED** - Payor has authorized the release of the funds. Release will be transmitted the Next Business Day.



6. **PAYING** - Avidxchange is releasing payment to the Payee.
7. **PAYMENT_ERROR** - Avidxchange attempted to deposit the funds to the Payee account and Credit Failed.
8. **PAID** - Fund