# The Pear.ai Platform Bill Pay Customer Manual

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| Version | Date | Update Summary | Initials |
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# Bill Pay Service Description

The Pear.ai Platform's Utility Billing System provides end-to-end support for the entire billing lifecycle. After the initial set up and implementation process, bills are ingested into the platform in a standardized universal format. Over 60 validation checks are performed to ensure any errors are flagged for investigation and resolution with the utility, as necessary.

Building on clean utility bill data, the Pear.ai Platform enables secure and flexible payment solutions via credit card, ACH and paper check. The Pear.ai Platform has the flexibility to deal with unforeseen circumstances and make one-off credit card or emergency payments without sacrificing record-keeping.

Bill Pay is a service offered to customers utilizing the Pear.ai Platform. To enroll in this service, customers must sign a separate Bill Pay agreement in addition to the standard Pear.ai Customer Contract. If you have not yet enrolled in Bill Pay and are interested in learning more, please contact your Customer Success Manager (CSM) or e-mail success@pear.ai.

Customers enrolled in Bill Pay make a single, daily transfer into their For the Benefit Of (FBO) account based on predefined requirements. The Pear.ai Platform then enables the disbursement of this payment to your utility providers, streamlining your utility bill payment operations. Note, the FBO account is a customer-owned and FDIC-insured account, the nature of FBO allows for the disbursement on behalf of the customer by The Pear.ai Platform.

# Bill Pay Onboarding

As part of the contracting process, you will be asked to select whether you want to be either a "Pre-authorized Funding" or a "Customer-Initiated Funding" Customer.

Pre-authorized Funding Customers authorize the Pear.ai Platform's Payment Processor to remit funds to their FBO account via an ACH debit payment. These funds will be used to pay their utility bills.

Customer-Initiated Funding Customers need to initiate (automatically or manually) the transfer of funds to the FBO Account to fund payment of their utility bills.

If you are an existing customer and your bills are already in the Pear.ai Platform you can jump ahead to the Payment Files section.

## Onboarding of Accounts, Locations, and Users

The Pear.ai Platform team will work with customers to set up the required account and location information in the Pear.ai Platform. Customers will need to provide initial set up information to onboard the accounts, including:

- vendor information
- account information
- location information
- user information

## Bill Acquisition and Ingestion

As part of the onboarding process, it is essential we understand how bills will be acquired once you are Live in the platform. There are three options for getting your bills into the platform.

a) Regular Mail – Reroute your paper bills to come to our mail processing center.
b) Email – Set up forwarding rules, so your bills are sent to a dedicated inbox.
c) Sign in – Provide your utility sign-on information and we will download your bills directly.

## Payment Files

The Pear.ai Platform consolidates bills into a unified Payment File. The Payment File captures the relevant information your accounting teams need such as bill amount, vendor and general ledger code. The Pear.ai Platform sends the Payment File to your Accounts Payable Team and to our Payment Processor. If necessary, the Pear.ai Platform will convert the Payment File into an AP File before sending. The AP file contains the payment file information in a format that your Accounts Payable System can ingest. The Payment Processor uses the information from

the Payment File to allocate the appropriate payments to be remitted to your utility vendors from your FBO account based on whether you are a Customer-Initiated Funding or Pre-authorized Funding Customer.

## Setting Up Your "For the Benefit Of" (FBO) Account

Utility bill payments are made from your FBO account. You will need to fund this account from your business' operating account. This can either be done by preauthorizing payments or initiating payments. If you choose to pre-authorize payments to your FBO account you are a "Pre-authorized Funding" Customer, if you choose to authorize and initiate you are a "Customer-Initiated Funding" Customer.  The Pear.ai Bill Pay Customer Contract asks you to select whether you want to be a "Pre-authorized Funding Customer" or a "Customer-Initiated Funding Customer". If you are not sure how you have contracted to fund your FBO account, please contact your Customer Success Manager or e-mail support@pear.ai.

As part of the Bill Pay onboarding process, you will be sent important onboarding documents. To maintain information security standards, you will need to complete this information and provide it directly to our Payment Processor using the Docusign link provided. Our Payment Processor will use the information you provide to complete the KYC (Know your Customer) regulatory required process and open an FBO account for your company with their banking partner (The Bancorp Inc.). This FBO account needs to be set up for the Bill Pay Service to go live.

## Transferring Autopay Accounts

You probably pay your bills in a variety of ways today: paper check, ACH, credit card autopay. The Bill Pay Service will replace all of these methods. It is your responsibility to unenroll from autopay before the Bill Pay Service begins. **If you do not do so, you may end up paying the same bill twice.**

If this happens, the utility will put a credit for the overpaid amounts on your account against future bills and the Pear.ai Platform will produce reports calling out the accounts that have received a credit and still need to be taken off autopay.

## Activating Bill Pay Services

If you have chosen to have all of the bills that are processed by the Pear.ai Platform paid using Bill Pay Services, these will be activated automatically. If you have chosen to pay some bills using the Pear.ai Platform's Bill Pay Services and some by other means, you will need to activate the Bill Pay Services by approving a list of accounts to be paid using the Bill Pay Services.

As you onboard additional accounts into the Pear.ai Platform, your Customer Success Manager will work with you to activate the Bill Pay Services as required.

# FBO Account Funding – Pre-authorized Funding Customers

If you have elected to become a Pre-authorized Funding Customer, the Bill Pay Services' Payment Processor will send you an ACH Debit Authorization Form. You must nominate an Operating Bank Account and authorize the Payment Processor to initiate ACH debits to fund utility payments from this account to enroll as a Pre-authorized Funding Customer.

Once you have completed this form, the Payment Processor will fund the FBO Account by initiating an ACH debit transfer. The amount transferred will be equal to the total amount needed to pay all the bills listed on the corresponding Payment File. It is your responsibility to ensure that your Operating Bank Account(s) contain sufficient funds.

If you are a Pre-authorized Funding Customer, the Pear.ai Platform will allocate the appropriate payments to be remitted to your utility vendors from your FBO account within five (5) business days of the Payment File being issued and funds being made available in your Operating Bank Account(s).

## Informing the Pear.ai Team of Insufficient Funds

If the nominated Operating Bank Account does not have sufficient funds to fund the ACH debit, our Customer Success team will do its best to inform you as soon as they become aware of the failed ACH debit. However, it is likely that your bank will alert you before we do. If this happens, please contact your Customer Success Manager or e-mail support@pear.ai to let us know when the Payment Processor should next initiate the ACH debit.

# FBO Account Funding – Customer-Initiated Funding Customers

If you have elected to become a Customer-Initiated Funding Customer, you will need to accept the Payment File in the Pear.ai Platform and initiate (this can be automated based on your AP system capabilities) an ACH transfer to your FBO Account.

You will be provided with the account and routing number of this account once it has been set up by the Payment Processor.

If you are a Customer-Initiated Funding Customer, the Pear.ai Platform will allocate the appropriate payments to be remitted to your utility vendors from your FBO account within five (5) business days of the Payment File being issued and funds being received to your FBO Account.

## Informing the Pear.ai Team of an FBO Account Funding Error

If an incorrect amount has been remitted to your FBO Account, please contact your Customer Success Manager or e-mail support@pear.ai.

# Bill Query Resolution

The Pear.ai Platform performs 60 validation checks to detect as many errors as possible. The platform looks at previous usage and costs and compares against current period usage and costs, and flags anything that surpasses a suspicious threshold.

If a validation check is flagged, the Pear.ai Platform Team will work with you, and if necessary the utility, to resolve the issue before including it on the Payment File. In many instances, input will be required from you to resolve the issue. If the validation check flags a clear utility error or egregious cost increase, the Pear.ai Platform Team will reach out directly to the utility to attempt to resolve. If the Pear.ai Platform Team has not received a response within five (5) business days of the bill due date, and funds are available, the Payment Processor will be instructed to remit the payment to avoid incurring late fees.

## Late Payments

If a late payment fee is incurred, the Pear.ai Platform Team will investigate to identify the cause and work with your team and the utility to resolve the issue and will attempt to get the late fee waived. If the late payment fee is due to an error in the Bill Pay Service (see Customer Contract for full details), the late fee will be reimbursed.

# Emergency Payments

The Payment Processor can issue an Emergency Payment in response to a Shut Off, Delinquency, Disconnection or Final Notice (Notice). To opt into Emergency Payment Service, you must pre-authorize Emergency Payments to be paid by the Payment Processor, accept expedited payment method transaction fees and pre-fund the FBO account with a Reserve Amount. The Reserve Amount required will be determined on a customer-by-customer basis using historic monthly utility spend and vendors.
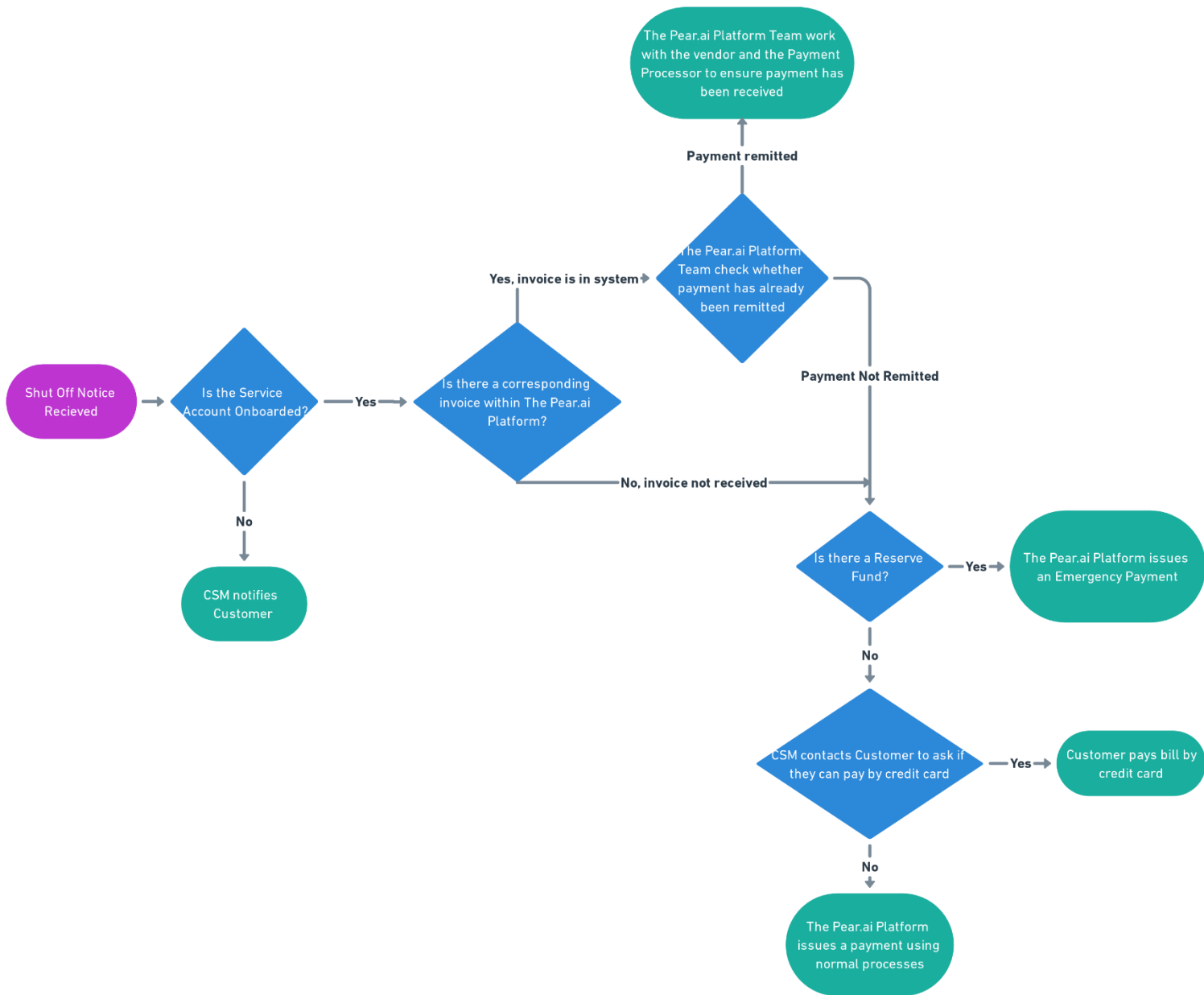
If you receive a Notice, the Pear.ai Platform Team will first check to see whether the corresponding bill has been uploaded into the Pear.ai Platform. If the bill is in the system and has already been paid, the Pear.ai Platform Team will work with the vendor to ensure the payment is correctly applied.

If the Notice relates to an account that has not been onboarded into the Bill Pay Service, you will need to arrange for the outstanding bill to be paid. Your Customer Success Manager will let you know if this is the case.

If you have opted into the Emergency Payment Service and the Notice has been issued due to an unpaid bill on an account that has been onboarded into the Bill Pay Service, the Payment Processor will initiate an Emergency Payment using the Reserve Amount. If more than one Notice has been received, Notices will be paid in the order in which they were received.

In order to expedite payment, the Payment Processor will prioritize payment method in the following order: credit card, ACH, check. Any transaction fees charged by the vendor during an emergency payment are your responsibility. The Payment Processor will confirm the emergency payment amount paid inclusive of transaction fees to the Pear.ai Platform Team, who will allocate the emergency payment amount inclusive of transaction fees to a mock bill that is submitted through the system for the account in question. The amount paid will show on your next payment file, the mock bill will be coded as emergency in the Pear.ai Platform and the account will be frozen for review on the next bill arrival in order to prevent double payment.

If you have opted out of Emergency Payment Service, the Pear.ai Platform Team will review and validate Notices and work with you to pay as quickly as possible. If your Customer Success Manager is unable to get in touch with you, the payment will be made through normal channels, which may result in the payment not being received in time to prevent a shut off.

```
Shut Off Notice
Received
```
→

**Is the Service Account Onboarded?**

— **Yes** → **Is there a corresponding invoice within The Pear.ai Platform?**

— **No** ↓

```
CSM notifies
Customer
```

**Yes, invoice is in system** → **The Pear.ai Platform Team check whether payment has already been remitted**

— **Payment remitted** ↑

```
The Pear.ai Platform Team work
with the vendor and the Payment
Processor to ensure payment has
been received
```

**No, invoice not received** →

**Payment Not Remitted** ↓

**Is there a Reserve Fund?**

— **Yes** →

```
The Pear.ai Platform issues
an Emergency Payment
```

— **No** ↓

**CSM contacts Customer to ask if they can pay by credit card**

— **Yes** →

```
Customer pays bill by
credit card
```

— **No** ↓

```
The Pear.ai Platform
issues a payment using
normal processes
```

## Misapplied Payments

If a utility bill payment is applied to the wrong account, the Pear.ai Platform Team will work with the utility to get the payment applied to the correct account or to be refunded, as applicable.

The Pear.ai Platform Team may need to arrange for an Emergency Payment to be remitted to the utility if the utility will not reallocate funds to the appropriate account.

The Pear.ai Platform Team will identify what changes need to be made in the payment process to avoid any future issues with the utility vendor.

## FBO Account Reserve Funds

If you have opted into the Emergency Payment Service, FBO Account Reserve funds must be in place. The amount required will be customer-specific and determined by the Pear.ai Platform Team based on the monthly utility spend and vendor mix.  Pre-authorization to use FBO Account Reserve funds for Emergency Payment situations, as determined by the Pear.ai Platform Team, must also be in place.

When an emergency payment is made, and the funds are withdrawn from the FBO account, the customer agrees to replenish the account so as to maintain the appropriate reserve amount.

## Contacting the Pear.ai Platform Customer Services

If you have any questions or concerns, contact your Customer Success Manager or e-mail success@pear.ai

For specific billing inquires, you can tag your Customer Success Manager and the Pear.ai Platform's Operations team on the Activity History within the bill itself or by sending an email to support@pear.ai.

# The Pear.ai Platform Bill Pay Reporting

All payment files that are sent from the Pear.ai Platform to your Accounts Payable System are stored and accessible on the Pear.ai Platform for future reference. If you have any questions on the status of a payment with our Payment Processor, contact your Customer Success Manager (CSM). Your CSM will be able to provide you with our Payment Processor's payment status, payment date, payment amount, payment method and vendor paid.

If you have questions regarding your FBO Account Balance, contact your CSM. Your CSM will be able to provide you with your FBO Account's current Available Balance and Spending Power.