February 27, 2018

LT Apparel Group

100 West 33rd Street

Suite 1012

NY NY 10001

Re: Project Work Order for E-banking project

Re: Work Order No. LT-201801

This Work Order, Number LT-201801 is made, by and between NexVue Information Systems, and LT Apparel, (“Client”). The statement of work is specific to services in connection with certain e-banking functionality between Acumatica and HSBC.

## Scope

This work order documents the understanding of the services to be provided, the details of the project scope and assumptions.

NexVue will assist in the design, development and implementation of the following items

1. Outbound - Accounts Payable e-banking interfaces with HSBC specific formats
   1. Transmission for Paper checks
   2. ACH transmission
   3. Wire transfers (to suppliers)
2. Inbound – Bank transactions into Acumatica bank reconciliation screen
3. Implementation of Acumatica Cash Manager
4. Interface with HSBC SFTP for file transmission
5. Development of custom email notification that integrates with HSBC e-payments to notify vendor of pending payment.

## Methodology

## Out Bound e-payment files

The out-bound e-payment types will be set up as 3 separate Acumatica payment types. The process will be similar to the current check process with the exception that files will be created and transmitted in the appropriate formats to the HSBC SFTP sites with the appropriate naming conventions.

The three payment formats are documented in the following specifications

**ACH:**  HSBC\_pain.001.001.03\_LowValuePayment\_NorthAmerica

**Checks:**   HSBC\_pain.001.001.03\_ChequeOutsourcing\_NorthAmerica

**Wire Transfer:**  HSBC\_pain.001.001.03\_HighValuePayment\_NorthAmerica

### Inbound Bank activity

Acumatica has a Cash Manager module to assist in the reconciliation of bank statements. The implementation of this functionality requires two main tasks as follows:

1. Implement Acumatica Cash Manager functionality
2. Develop BAI2 format to upload activity into the target Acumatica screen

## Client Responsibilities

This implementation is a joint effort between NexVue and the Client. The Client will assign a project manager and a Super User. The client Project Manager and the Super User may be the same person. It will be the responsibility of the Client project manager to coordinate and schedule internal resources.

The Super User will be the primary liaison between NexVue and the LT team. This person must be a financial team member and understand the Client processing requirement. The user will perform or internally manage implementation tasks.

## Bank Account Company Definition

The interfaces will be applied at most 6 accounts across two companies as follows

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Company | Acumatica GL Account | Name | HSBC Bank Acct # | Transactions |
| FT.com | 10100 | FT.com Operating Account | 610113291 | Wires, ACH |
| FT.com | 10100 | FT.com Controlled Disb | 797049622 | Checks |
|  |  |  |  |  |
|  |  |  |  |  |
| LT Apparel | 10100 | Lolltytogs Operating Account | 610041584 | Wires, ACH |
| LT Apparel | 10102 | Lollytogs Operating Wire | 610041584 | Wires |
| LT Apparel | 10100 | Lollytogs Controlled Disb | 797035630 | Checks |
| LT Apparel | 10105 | Lollytogs Operating Supply Chain | 738059846 | Wires, ACH |

## Data Migration

None required. Outstanding checks will be manually entered

## Customizations

As required to create bank interfaces. All work will be performed in the Acumatica Framework

## Additional Client Responsibilities and Scope Assumptions

* Client will ensure all users with access are using an approved internet browser and version.
* Client will assign resources that have the background to complete the assigned tasks.
* Client will collect and organize client information system flows and requirements
* Answer questions and provide feedback in a timely manner.
* Client will ensure resources are scheduled to work on assigned tasks.
* Client will perform all bank reconciliation
* Client is responsible for developing and executing testing procedures
* Client is responsible for Final testing and sign-off on different phases of the project.
* Client is responsible to setup and maintain end-user access and profiles
* Most work will be performed remotely via Go To Meeting.
* Client will carry out and perform tasks that do not require Acumatica specific knowledge or that they have been trained on to perform in Acumatica.
* Client will perform tasks such as data entry and reconciliation that do not require experienced Acumatica personnel.

## Professional Services Estimate

Fees and Expenses

NexVue will perform the services required on a time and materials basis by charging $195 per hour for the time of the employees and consultants who perform the services. We estimate the project to require 110 – 150 hours. We have budgeted 16 hours per interface. We may realize some time savings if the formats can be leveraged across the different types. Project management includes time to interface with the bank. Our experience with several banking projects is that bank communications (the human kind) can be more time consuming then expected. Below is our expected estimate. It does not anticipate nor include travel time or expenses.

|  |  |
| --- | --- |
| Task | Hours |
| Project Management and Bank interactions | 20 |
| Development of outbound specifications | 48 |
| Set-up development and testing of transmission process | 20 |
| Implementation Of Cash Management | 14 |
| Development of in-bound BAI2 import | 16 |
| Development of Processing routine to create vendor notifications per spec provided | 12 |
|  | 130 |
|  | $25,350 |

Accepted

We have read and are in agreement with the arrangements contained in this Statement of Work.

|  |  |
| --- | --- |
| For NexVue:  Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: Daniel J. Schwartz  Title: President  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | For LT Apparel (Client):  Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

Attachment I – Notification Format

{Vendor Name}

Please be advised, an ACH payment will be deposited to your {Bank Name} account, as per the Bank Instructions you provided. Total remittance {$total remittance amount} **Example $210.00**

Remittance Details:

Invoice # Invoice Amount

{List of each related invoice and payment amount}

**Example:**

**12345 $100.00**

**23456 $110.00**

Total # Invoice(s) **Example: Total 2 Invoice(s)**