



WHY A GOOD BUSINESS BANKING PARTNER IS CRITICAL FOR ORGANIZATIONAL SUCCESS

Among the small number of core commonalities shared by all businesses is the need to effectively deposit, use and earn interest from the money they earn. A company that can't find a strong, dependable partner for services ranging from business banking to treasury management will have far more difficulty tracking, accessing and benefiting from their deposited cash. That's why it's so important to both understand the many business banking options available to companies in today's financial world and to identify a reliable financial institution with which your organization can form a long-term, mutually beneficial bond.

Understanding business banking options

BUSINESS CHECKING ACCOUNTS

Although the amount of money flowing through a business checking account is often far more than seen in a personal checking account, these two methods of managing money are similar in many other ways. On the most basic level, business checking adds legitimacy to your company. Instead of clients writing or initiating a wire transfer to your personal accounts, they can use your organization's name instead. This benefit is especially important for new ventures that are just getting off the ground.

Of course, keeping a wall between personal and business assets also helps protect owners if some costly legal and financial issues arise.

In a more general sense, a business checking account is an excellent tool for controlling day-to-day spending and depositing. Established financial institutions offer online platforms for viewing transactions, making it easier to track the flow of funds and reconcile those records with internal bookkeeping efforts.

Business checking, along with associated functions like debit cards tied to the account, also makes it easier for employees to play a role in depositing funds as well as using them for legitimate job-related purposes. For business owners who don't want to handle every bank run or deposit themselves, these accounts open up the possibility of simple, effective delegation of various tasks related to cash and banking.

TAB Bank is proud to offer a number of beneficial options as part of our standard business checking account, including debit cards, mobile banking functionality, online banking and bill-pay tools, convenient funding options, minimal monthly service charges and a 1.75 percent rebate on fuel purchases.



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BUSINESS SAVINGS ACCOUNTS

A business savings account is an important component of a company's overall financial well-being. By placing funds into a savings account, your organization can benefit from the interest it provides while still maintaining a level of quick access and simple, direct oversight. While there are a few differences, the function of a business savings account is very similar to the personal savings accounts already used by the majority of business owners. By applying its benefits to your enterprise, you can gain some financial stability without having to make long-term, irreversible investments.

A business savings account offers a place to set aside money for a specific purpose, whether it's to pay taxes or to save for an eventual major purchase or business expansion. It can also function as a reserve fund, keeping some money set aside in case a large, unpredictable emergency or a series of small problems starts to place financial stress on operations.

The security of a business savings account is also an important consideration. Because the Federal Deposit Insurance Corporation guarantees \$250,000 for each depositor's total amount placed in an individual bank, you can rest assured that all funds up to this limit are safe regardless of circumstance.



TAB Bank offers companies some attractive options when they decide to partner with us for their business savings needs. Along with the common advantages of a business savings account, your company will also receive top-notch support, competitive interest rates and the peace of mind that comes from working with an established, trustworthy partner.



MONEY MARKET ACCOUNTS

A money market account can be looked at as a combination of certain features seen in both business checking and savings accounts. Their distinctive feature is a combination of an interest rate similar to that seen in a savings account - and sometimes more - with a certain degree of check-writing capability included. Although not offering the same level of use as a checking account, a money market account can be used to directly pay off any type of business debt. For banks, the structure of the money market account allows for a wider range of investments with depositors' money, which ties into the opportunity for improved interest rates.

For business owners, a money market account makes it that much easier to pay for a major expense with money that would otherwise first have to transfer from a savings account to a checking account. While not a critical operational consideration, the additional flexibility is nonetheless an asset.

TREASURY MANAGEMENT

Treasury management is a unique offering for businesses that goes beyond the functions and benefits of a specific type of bank account or investment vehicle. Treasury management offerings are broad, variable and can be tailored to the needs of an individual business. The underlying principle behind them is as simple as the specific components and products are diverse: Leverage the skill and experience of a trusted partner to handle various financial tasks. Business owners still retain ultimate oversight, authority and decision-making power, but they don't have to be involved in the minutia of day-to-day management.

While surrendering a degree of involvement in financial processes may seem counterintuitive, it's strongly in line with a variety of practices that owners use to develop and enhance their operations. For example, a business owner in the trucking industry won't hesitate to bring on capable, reliable drivers to handle more routes as operations



expand. There's no way a decision-maker would expect him or herself, or the existing staff, to address a never-ending amount of additional work. Similarly, businesses regularly hire experts in everything from accounts payable to repairing equipment. In all of these cases, the business owner delegates work that either requires a specialized skill set, is especially time-consuming or simply interferes with the need to oversee all areas of operation.

Treasury management takes the combined knowledge and experience of a team of specialists at a trusted financial institution and puts them to work for your enterprise. Instead of having to handle a wide range of financial matters on a daily basis, you can rest assured that qualified experts are on the case, handling the duties that require the most attention or a careful review.

Because so many financial matters require deep technical understanding and a wide range of high-level experience in order to reach the most positive and long-lasting outcome, treasury management is an especially good fit in terms of using targeted, effective outside assistance. Instead of having to hire a group of professionals on an ongoing basis and dealing with everything from onboarding to benefits and salaries, a business owner can instead turn to a specialized service provider for treasury management.

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What does treasury management entail for businesses?

There's no single set of services that must come along with an agreement to use treasury management. Every business is different, and factors ranging from current financial situation to plans for growth, size and industry all affect the needs of an organization. For that reason, the best treasury management offerings are flexible, allowing a business owner to decide where the resources provided should be focused.

TAB Bank offers the following elements as part of the treasury management experience, but there's no need for a business to utilize all or most of them. The most important aspect – one that TAB's own experts will assist you with – is choosing the services that provide the most benefit to your business.

- ▶ **Dedicated relationship manager.**
- ▶ **Secure online banking.**
- ▶ **ACH origination and payroll distribution.**
- ▶ **Online domestic and international wire transfer services.**
- ▶ **Remote deposit capture.**
- ▶ **Lockbox processing.**
- ▶ **Positive pay.**
- ▶ **Loan and account sweeps.**
- ▶ **Card products and controls.**
- ▶ **Card distribution.**
- ▶ **Financial balance reporting.**
- ▶ **Merchant services.**

What are the benefits of treasury management?

The reasons for partnering with a financial institution that supplies treasury management services are clear. So are the specific services themselves. But what are the benefits, beyond the application of targeted, expert labor to financial tasks and the reduced burden on a business owner and his or her staff?

Improved, stabilized cash flow is one important advantage that can quickly have a major impact on operations. With a trusted financial institution managing financial needs, companies can avoid some of the hills and valleys that otherwise are common in a variety of industries. A steadier cash flow makes it easier to plan ahead, as well as avoid problems related to a lack of immediate liquidity and access to cash.

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Another substantial gain to consider is the reputational and functional impact of a well-managed financial side of operations over time. With steady hand watching over these critical elements, businesses can more effectively plan for the future in a broader sense. It's easier to enter into long-term agreements with clients, vendors and service providers when financial statements provide a clear indication of your company's solvency. In an economy where so many companies face operational turmoil of one kind or another, stability can't be overvalued.

This benefit also means planning for the future can become significantly easier. Instead of a short-term focus that's limited from reaching further due to a lack of financial clarity, decision-makers can more accurately make projections. The ability to consult with the highly skilled team providing their treasury management services means even more insight. With a realistic picture of both present and future finances, it's easier to choose reasonable, actionable projects and plans that have a better chance of spurring growth.

Treasury management allows business owners to focus on overall performance, checking in on finances as much as is desired or practical. With professionals handling the heavy lifting, decision-makers can rest assured in the day-to-day security of financial operations.

CDs FOR BUSINESSES

Certificates of deposit offer an attractive and stable investment vehicle for businesses that want to set aside money in exchange for a guaranteed return. As a form of time deposit, CDs require those who use them to give up access to money over a period of time in exchange for its return, along with the interest generated in the interim, at the end of the agreed upon period. This strategy allows organizations that have bountiful savings to enjoy higher interest rates than are possible with most savings and money market accounts. In emergencies, it can be possible to make a withdrawal from a CD, although the penalties associated with such an action can be significant.

CDs can be attractive due to the competitive interest rates or because they require very little ongoing involvement between making the initial deposit and collecting at the end of the term, which can stretch from three months to five years or more. Investments into stocks can provide higher returns but also require far more attention on a daily basis, drawing business owners' attention away from their most important tasks.

CDs offer a dependable alternative that becomes even more attractive when they're used as part of a portfolio of financial services offered by a trusted institution. When business savings and checking accounts are already established, it's that much easier to make a transfer for a CD and, when it matures, redistribute the principal and interest as desired.

Finding the right business banking partner

There's no shortage of business banking options available to today's companies. While all banks and credit unions have to follow federal and relevant state regulations related to their operations, discerning business owners should look for a partner who can offer more than compliance with the bare minimum. A truly exceptional partner will offer a mix of useful services, convenient access, meaningful support and a genuine interest in your operations and continued success as a business.

TAB Bank has 20 years of experience helping companies just like yours stabilize, develop and prosper. We place a high value on the experience of banking and the relationships built between our teams of highly qualified staff and you, the business owner. That's why we offer dedicated relationship managers for each account, to make sure personalized attention is a continued point of emphasis.

To learn more about our wide range of effective and flexible business banking services, get in touch with us today.



GET STARTED TODAY.