



Business finance basics

Bank on your success™



Welcome

Jeromy Bailey
Branch Leader



Fredward Stokley
Cluster Branch Leader



Truist Purpose

Inspire and build better lives and communities

Mission

Clients

Provide distinctive, secure and successful client experiences through touch and technology.

Teammates

Create an inclusive and energizing environment that empowers teammates to learn, grow and have meaningful careers.

Stakeholders

Optimize long-term value for stakeholders through safe, sound and ethical practices.

Values



Trustworthy

We serve with integrity.



Caring

Everyone and every moment matters.



One Team

Together, we can accomplish anything.



Success

When our clients win, we all win.



Happiness

Positive energy changes lives.

Building our communities by supporting your small business

Truist celebrates small businesses—the creators, the risk takers, the backbone of our communities. As a large bank with a personal touch, we evolve with you as your needs evolve, because that's true partnership. We bring you hands on-advice and expertise for every stage of your business, and reward you for your loyalty. With our committed investment in you, you can invest back into your community. Together we make our communities stronger.

Scale + service



We offer services for every small business, from simple to more complex needs.

The personal touch of a local bank for one-on-one advice and attention.

Big bank resources to support your evolving business needs.

Partnership + commitment



We get to know your business—and what you put into it every day.

We match your dedication with our commitment to support and reward you for your loyalty.

Expertise + resources



We have deep expertise to help you manage your business and plan for future growth and stability.

Our resources let you keep your focus on the future of your business and your impact in the community.

Our small business digital solutions make it easy to bank anytime, anywhere.

Agenda

1

Improve the cash flow of your business

2

Continue to build and expand your business

3

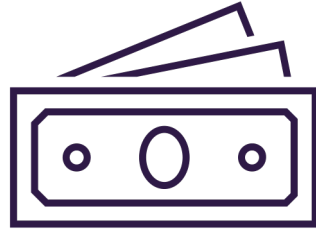
Protect your business

Your business expectations

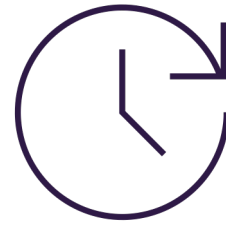
Ask yourself the following questions:



How long have you been in business?



What are your annual sales?



Where do you see your business in five years?



What do you need to know, do, or learn to get there?

Fundamentals for business growth



Your business is unique, but there are a few things every business needs to manage finances effectively:

- Business bank accounts
- Efficient methods to receive payments from your customers
- Efficient methods to make payments to your suppliers
- Cash flow management tools
- Access to credit
- Insurance coverage

Depending where you are in your business, you may need one or two—or all—of these.

What are some common finance challenges for business owners?



Manage your business cash flow



Business banking



Business financial accounts help you:

- Manage your business
- Understand and manage business cash flow
- Establish a professional reputation
- Comply with IRS regulations

Personal financial accounts help you:

- Pay your bills at home
- Grow your retirement funds
- Support your household
- Reach your personal goals

Ways to keep your business and personal finances separate



What you need to open a business deposit¹ account



For each business owner:

- Social Security Number (SSN)
- Date of birth
- Personal address
- Government-issued ID
- Individual percentage of ownership

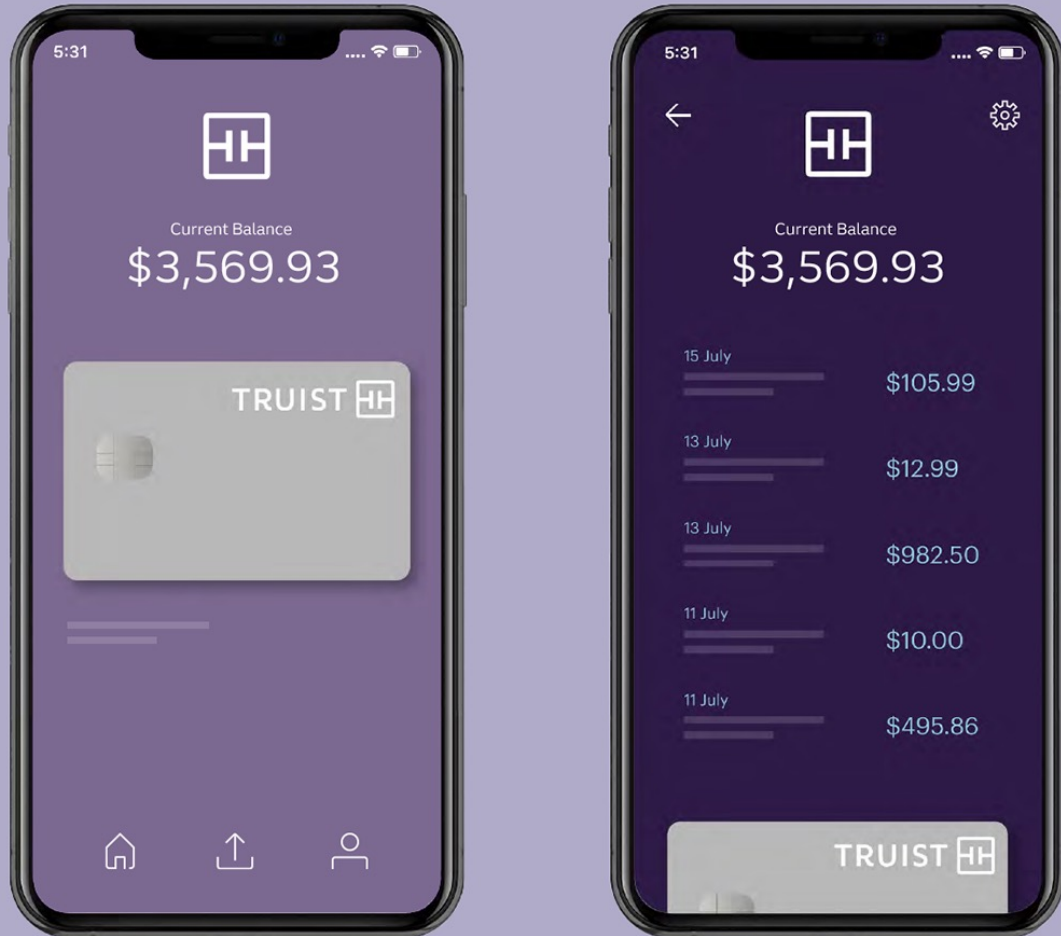
For the business:

- Legal business name
- Federal tax ID or Employer Identification Number (EIN)
- Business organization paperwork and start date
- Business physical address

¹ Loans and lines of credit are subject to business type and credit approval. Standard underwriting guidelines and credit policies apply.

Small Business Real Estate Loan may be secured by commercial or 1-4 family residential real estate, as long as loan is for business purposes only. Multifamily (5+) residential investment property or loans to purchase a primary or secondary residence are not permitted. Other investment property restrictions or limitations may apply. Contact your local branch to discuss options.

Tips for business debit and credit cards through responsible card use.



Business debit cards are great to:

- Use for everyday purchases and ATM deposits
- Provide to employees who make purchases for the business
- Protect you from fraud

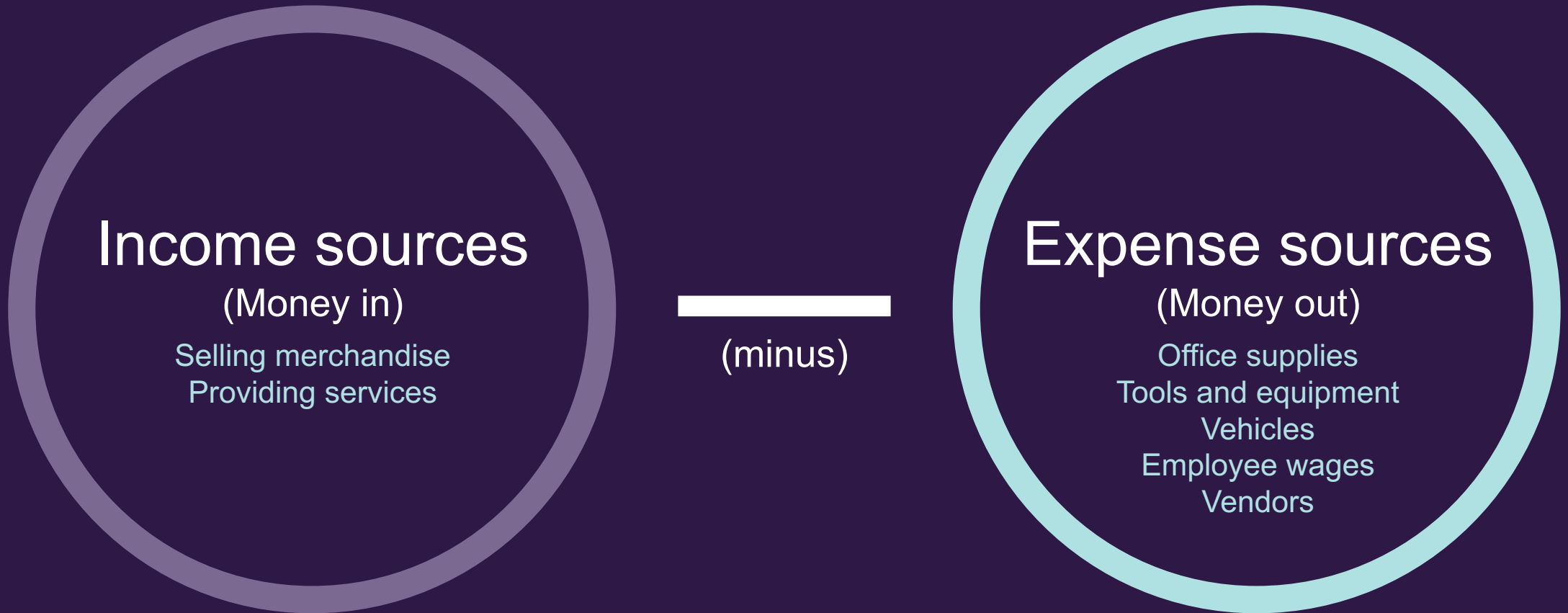
Business credit cards great to:

- Use for everyday purchases
- Control cash flow
- Establish credit history for your business
- Protect you from fraud

*Business credit cards are subject to credit approval.

What's cash flow?

Simply put, **cash flow** is money in minus money out. Important parts of cash flow are:



What's cash flow?

How do you manage your cash flow?

Business deposit accounts:

<input type="checkbox"/>	Primary
<input type="checkbox"/>	Payroll
<input type="checkbox"/>	Savings/reserve account
<input type="checkbox"/>	Other

Collecting money (money in):

<input type="checkbox"/>	Cash and checks (at a bank)
<input type="checkbox"/>	Zelle, Venmo & PayPal (through your phone or tablet)
<input type="checkbox"/>	Debit and credit cards (merchant services)
<input type="checkbox"/>	Wire and ACH payments (electronic)

Making payments (money out):

<input type="checkbox"/>	Checks and debit cards (from your bank account)
<input type="checkbox"/>	Credit cards (for your business)
<input type="checkbox"/>	Transfers, bill pay, wires and ACH (electronic)
<input type="checkbox"/>	Payroll (from payroll services)

Cash flow statement



A cash flow statement can:

- Reflect operational trends
- Identify cash flow fluctuations
- Provide insight into business liquidity
- Project ability to pay expenses as they become due

What are some ways you can use a cash flow statement for your business?

Cash flow statement

	Month 1	Month 2	Month 3	Month 4	Month 5
Starting cash on hand					
Cash receipts					
Cash, check and card receipts from sales					
Returns and allowances					
Collections on accounts receivable					
Loan proceeds					
Owner contributions					
Total cash receipts					
Cash paid out					
Advertising					
Contract labor					
Employee benefit programs					
Business insurance					
Interest expense					

Cash flow statement (continued)

	Month 1	Month 2	Month 3	Month 4	Month 5
Materials and supplies					
Meals and entertainment					
Office expenses					
Pension and profit-sharing plan					
Rent or lease					
Vehicle and equipment rent or lease					
Repairs and maintenance					
Taxes and licenses					
Travel					
Utilities					
Wages (less employee credits)					
Owner distributions					
Subtotal					
Loan principal payment					
Capital purchases					
Savings and escrow					
Total cash paid out					
Total cash on hand – end of period (Starting cash + cash receipts – cash paid out)					

Optimize your cash flow



- Reduce operational costs
- Streamline accounts payable and accounts receivable processes
- Outsource time-consuming tasks
- Get rid of outdated or unused equipment
- Evaluate your pricing for potential increases


Optimize your cash flow (continued)

Ask yourself the following questions:

What are your **biggest expenses**?

Are there areas you could **cut costs**?

Are there ways to **optimize** accounts payable and accounts receivable processes?

A man with a beard and pink glasses is smiling broadly in a clothing store. He is wearing a dark blue button-down shirt. In the background, a woman in a pink top and grey pants is looking at a rack of clothes. A menu board is visible on the wall to the left.

**Build and
expand your
business**

Merchant services



Payment acceptance including debit, credit, and mobile payments like Apple Pay, Google Pay, and Samsung Pay



Payment processing such as credit card terminals and mobile swipers



Customer analytics so you can understand your target market



Transaction protection against fraud and data theft

Do you need merchant services?



- How do you currently accept payments?
- Which methods do you accept so customers can pay quickly and easily?
- What type of business do you have?

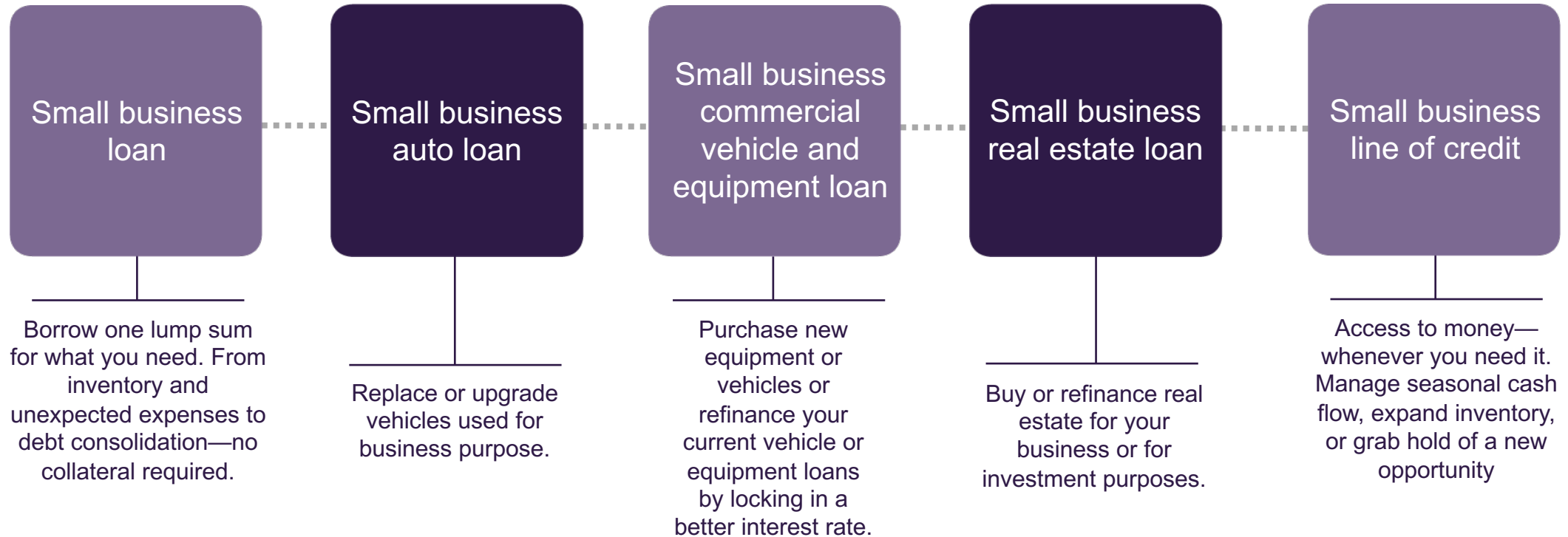
Why does a business need to borrow?

Businesses borrow to:

- Expand or lease a new location.
- Purchase new equipment, tools, or supplies.
- Gain access to startup capital.
- Weather seasonal lulls.
- Prepare for seasonal highs.
- Consolidate existing business debt.
- Have available funds for growth opportunities.



Borrowing solutions



What to know about business loans

- The best type of financing for your business (credit card, loan, or line of credit) depends on your situation and what you want to accomplish.
- Business credit cards are a great way to start building business credit through responsible card use.
- Many business loans are unsecured, meaning they're supported by your creditworthiness without the use of collateral.
- Always make sure the loan terms align with your expected cash flow so you can meet the payment terms.
- Successfully repaying a business-related loan helps your business' credit score.
- If you decide to borrow, expect that each month you'll need to pay interest and usually some portion of the outstanding loan balance.
- Lenders may require owners to provide a personal guarantee as well.

Knowledge check and matching game

What are five ways a business loan can be helpful?

Can you match the terms to the definitions?

Selecting the right loan type for your business need

Every situation is different, so it's important to choose the right option for your business—and for you. Match the term with its description.

Secured against your assets as collateral, which gives the lender security

Supported by your creditworthiness and unsecured by collateral

Paid off in fixed amounts over a set period of time

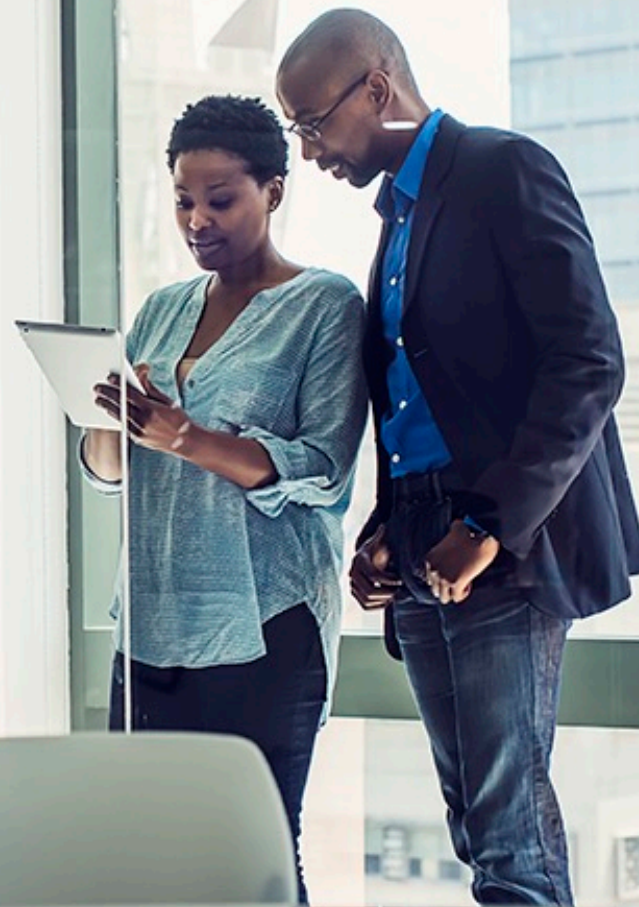
Helps finance the cost of equipment by spreading out the cost

One-time, lump-sum extensions of credit paid through periodic, consistent installments

Flexible borrowing option with a set limit that the borrower can access again after the loan is repaid

Word bank: Equipment loans / Unsecured / Line of credit / Term loans / Secured / Small business loans

Protect your business



Business insurance

Remember these three things:

Business insurance

protects you against unforeseen events.

Even minor mishaps

can lead to large lawsuits.

At a minimum, general liability insurance is a must

for all business owners.

Work with an insurance professional to determine appropriate coverage for your business.

Potential risks include:



- Fire
- Cybercrime
- Bodily injury
- Theft
- Property damage
- Disability
- Missed wages
- Vehicular accidents

Types of business insurance

Commercial property insurance

Covers everything from building and inventory to signage and furniture, and safeguards against loss, theft, or damage. Can also protect against business interruption, loss of income, and loss of use of property due to these.

General liability coverage

Manages risks and protects your business from claims or lawsuits.

Life and disability insurance

Allows your business to continue operating in the event of death or disability.

Types of business insurance (continued)



Workers' compensation insurance –

Covers lost productivity, employee medical expenses, and missed wages.

Commercial auto insurance – Covers a company vehicle in the event of an accident, damage, or theft.

Business interruption insurance – If a covered event causes your business to close or miss out on income, this insurance protects you.

Cyberfraud insurance – Helps protect your business from data breaches and other cyberattacks.

Business insurance knowledge check

True or false?

T OR F Business insurance helps protect your business so you can focus on running it.

T OR F Even minor mishaps can lead to large lawsuits.

T OR F If your business has employees, you should have workers' compensation insurance.

T OR F If you rent your space, you don't need commercial property insurance.

T OR F If you're young and able-bodied, you don't need life or disability insurance.

Fill in the blank

Write down examples of how insurance can protect you, your business, and your employees.

General liability insurance can help protect my business from

Life and disability insurance can help with

Workers' compensation can cover

Other types of insurance include

Next steps

What are **three action items** that can help you achieve your business goals?

Conclusion

