

# CATHAY BUSINESS CONNECT

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CATHAYBANK.COM



## Change Can Be Refreshing

Welcome to the spring issue of *Cathay Business Connect*. If you think this issue looks a little different, you're right. We gave *Cathay Business Connect* a design refresh with new colors and images.

Perhaps it's time for your business to refresh some systems that have been in place for a while. Change can be exciting, but it can also be challenging. At Cathay Bank, we can help you approach changes that affect your business finances in a balanced way that is right for you.

A change that can help your business improve cash flow and save you trips to the bank is **Remote Deposit Capture** (read more on this page). It allows you to securely scan checks for deposit as well as submit ACH data electronically.

Does your business experience financial peaks and valleys, such as a gap between paying suppliers and receiving payment from customers? Opening a **credit line** could benefit your business by allowing you to cover expenses during slower months and then quickly repay when business is more robust. Read more on page 3 about how a credit line can change your financial management for the better.

One of the biggest changes for many businesses is updating POS systems to accept **EMV payments**. Adopting EMV payments reduces the risk of fraud and increases security (read more on page 2). Cathay Bank can help you get set up with EMV-capable devices to start accepting EMV cards now.

Your Cathay Bank Account Officer can help you determine financial changes that can breathe new life into your business. Contact us today!

Mr. Irwin Wong  
Senior Executive Vice President,  
Chief Operating Officer

## Streamline Cash Flow with Remote Deposit Capture

Taking advantage of Remote Deposit Capture through Cathay Bank can benefit your business in a number of ways and get you on track for smoother and more efficient cash management.

Remote Deposit Capture allows corporate banking clients to scan checks for deposit at their place of business using a check scanner and PC with Internet connection. You simply scan and send checks and/or ACH data electronically. The scanned checks are processed as usual, and you receive a receipt of the deposit transmission. You can choose to save the original checks for your records or destroy them. It's a fast and secure way to make deposits without actually making a trip to the bank, so your money starts working for you sooner.

### LEARN ABOUT THE BENEFITS

**Improve cash flow.** With Remote Deposit Capture, you can increase efficiency of cash management by depositing receivables and accessing funds faster. Extended cut-off times for electronic deposits can help quicken collection and streamline cash flow.

**Save time and money.** There are plenty of reasons why making deposits when and where you want can be good for your business. Flexibility is a big one – rather than conform to a particular schedule, you can deposit when it's convenient

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Remote Deposit Capture is fast and secure.



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## Streamline Cash Flow with Remote Deposit Capture // continued from page 1

for you. By depositing checks electronically from your office or shop, you eliminate courier, insurance and transportation expenses involved in physically transporting checks.

If you have multiple locations, you can scan checks from any of these locations to one centralized account. Even with locations across the country or the world, you don't need multiple banking relationships for convenient deposits.

**Count on security.** When transmitting checks and data through remote deposit capture, a secure, encrypted connection ensures privacy and accuracy. As an additional layer of protection, you can assign levels of access to each user within your company. Using remote deposit capture may result in fewer data entry errors and lower risk of check fraud or loss.

### GET STARTED

Remote Deposit Capture is easy to implement. We can work with you to create a solution that fits, whether you have existing software for scanning checks or need to be set up with the tools required for remote deposit capture. And if you outsource accounting functions such as accounts receivable, we can accept images and data from an outsource provider on behalf of your company, as well.

Remote Deposit Capture through Cathay Bank brings you convenience and the potential to reduce costs and increase profits. To learn more about how this service can work for you, call your Cathay Bank Account Officer today at **1-800-922-8429**.

## EMV: Part of a Broader Payment Security Strategy

EMV (which stands for Europay, MasterCard, Visa) is just one important component of a comprehensive, multi-layered approach to payment security. Adding EMV as part of an overall data security solution allows merchants to better protect against fraudulent card use in addition to protecting their customers' card data and their businesses from the risk of a data breach.



EMV payments can help protect your business.

### EMV PROTECTION AT THE POS

There are powerful advantages for merchants who adopt EMV payments. By updating their POS systems to accept EMV payments, merchants are taking the necessary steps to build a future-proof infrastructure that will support emerging payment innovations, enhance global acceptance and reduce risk.

### EMV TECHNOLOGY BENEFITS FOR MERCHANTS

The EMV-enabled payment card (also known as the "chip card") has successfully reduced face-to-face fraud around the world – and is now making its way into your customers' wallets. With a future-proof terminal or peripheral, you can accept EMV

cards now. And because EMV technology makes payment cards virtually impossible to copy and a PIN can verify the cardholder's identity, merchants can significantly reduce the possibility of accepting counterfeit, lost or stolen cards.

Increases security and fraud protection to reduce some types of fraudulent transactions and charge-backs:

- Reduces skimming at the point of sale
- Enables increased PIN use for stronger cardholder verification
- Helps prevent the use of counterfeit, lost and stolen cards

Helps merchants support the way cardholders will want to pay:

- Meet expectations of cardholders who want more secure payment transactions
- Accept foreign cards that are already EMV enabled

### EMV-CAPABLE POINT OF SALE

Smart businesses are always looking for cost-effective ways to adopt new technology, and Cathay Bank is here to help. With our EMV-capable terminals and peripherals, you can reach beyond PIN debit and future-proof your point-of-sale investment with our consumer-facing device. It's fast, flexible and more secure.

# Close the Cash Gap with a Credit Line

For many businesses, cash flow can be problematic. You may be caught between paying suppliers and awaiting payment from customers. A credit line could be just the lifesaver you need. Used wisely, a credit line can help a company bridge the gaps across the peaks and valleys of its cash flow and even help it grow.

## FILLING SHORT-TERM NEEDS

A credit line is usually intended for short-term financing of up to a year. If it has been used prudently and paid off promptly, it may be extended from year to year. Manufacturers often use a credit line to buy raw materials, then pay it off when the products are sold. Seasonal companies may use a credit line to cover expenses during slow months, and repay it when business picks up. Import/export firms might find a credit line convenient for managing the sometimes long wait times for payments or goods to arrive.

Credit lines can also help finance growth. You might need a cash boost in order to accept that one big order

that's going to put your company in a different league.

## HOW IT WORKS

**Structure** – Credit lines are set up along the lines of consumer credit cards. A credit limit is established, and you can draw against that limit. As the money is repaid, it becomes available for you to borrow again, as many times as needed. However, there may also be a “cleanup” provision that requires you to pay off the balance or pay it down to a certain level for 30 days or more at some point, to ensure the credit line isn't being used for long-term needs.

**Interest** – The interest rate on a credit line is usually variable, and tied to prevailing interest rates through the prime rate or some other standard. When interest rates rise, the cost of a credit line goes up.

**Collateral** – Most credit lines must be secured by collateral. Often, companies use a percentage of their accounts receivable or inventory as collateral. The loan agreement

defines the amount of control the lender has over the collateral and cash proceeds.

**Guaranty** – Lenders also frequently demand that the business owner or a majority stockholder serve as the personal guarantor of a credit line. This helps ensure that the business treats the borrowed funds prudently.

## TYPES OF CREDIT LINES

- **Credit cards** can be used to finance anything from a \$50 business dinner to a \$10,000 trade show expense. The monthly statement allows you to easily track and categorize business expenses.
- **Asset-secured lines of credit** are generally backed with an asset such as inventory or accounts receivable.
- **Nonsecured lines of credit** are much less common than collateralized credit lines. The financial institution waives a requirement to secure the credit line with assets.
- **Credit lines that convert to loans** are available through some lenders. This may allow you more time to repay, but puts a halt to further borrowing from the credit line.



## WHAT'S RIGHT FOR YOU?

Your business banker can help you review your company's borrowing needs to determine if a line of credit is the best financing option for you. Call us at **1-800-922-8429** to learn more.



# LUCKY DATES

These "lucky dates" are provided for entertainment purposes only. The "lucky dates" were provided to us by a third-party source unrelated to Cathay Bank and derived mainly from the Bai He Ming Almanac, and other sources including the Internet and the Tung Shing. Cathay Bank does not endorse, sponsor or guarantee the use of this information, and makes no warranty or representation regarding the accuracy, reliability or results that may be obtained from the use of this information.

OPENING A BUSINESS	Days Suitable for...	Days Unsuitable for...
May	2,6,13,15,20,21,27	5,16,22,24,26,30,31
June	6,7,12,13,19,25	5,16,26,28
July	1,8,13,20,25	2,11,19,23,26,27,29
SIGNING CONTRACTS	Days Suitable for...	Days Unsuitable for...
May	3,6,13,15,16,20,21,25,27	(none)
June	6,7,15,19,30	(none)
July	5,7,13,15,18,20	(none)
TRAVEL	Days Suitable for...	Days Unsuitable for...
May	2,4,6,9,13,14,15,18,21,24,27,28	12,19,30
June	12,13,18,23,24,27,28,30	10,14,20,22,26
July	6,13,14,18,20,22,27,30	15,16,19,23,28,31

**PAGE 1:** Streamline Cash Flow with Remote Deposit Capture

**PAGE 2:** EMV: Part of a Broader Payment Security Strategy

**PAGE 3:** Close the Cash Gap with a Credit Line

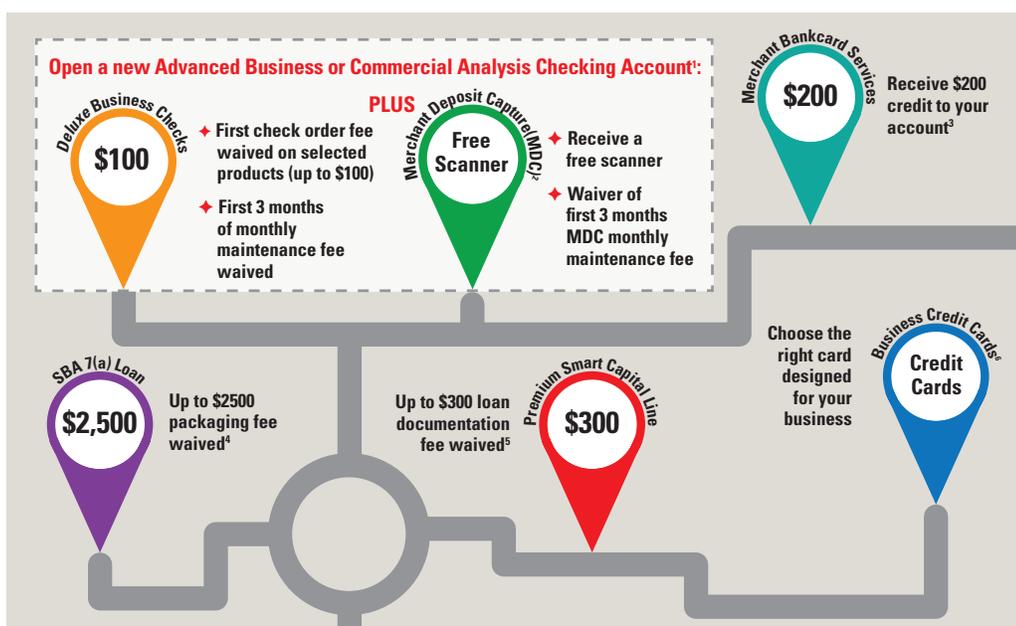


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## Cathay Bank, Your Business Navigator

**SAVINGS**  
*everywhere you turn*

**Limited time offer<sup>7</sup>:**  
May 1, 2015 – June 30, 2015



1. Offer valid for new money only. Account must be opened during the promotion period. Advanced Business Checking: \$3,000 minimum opening deposit. \$15 monthly maintenance fee and monthly activity fees apply. Commercial Analysis Checking: \$200 minimum opening deposit. \$15 monthly maintenance fee and activity fees apply (may be offset by earnings credit). 2. Subject to approval. Requires 2-year contract and activation of Cathay Business Online Banking. Please inquire for further details. 3. Cathay Merchant Bankcard Services are offered through First Data™ Card Processing Services. The funding account must be a Cathay Bank Business Checking Account. \$200 will be credited to the business checking account on approval and activation of the merchant bankcard service and after the account has been opened for minimum of 2 months. 4. Application must be submitted during the promotion period. Subject to credit approval and other terms as required under the Small Business Administration (SBA). Packaging fee waiver applies for SBA loan funded before 9/30/2015. 5. Application must be submitted during the promotion period. Loan documentation fee waiver applies for eligible loan that is funded before 8/17/2015. Must have a linked Cathay Bank business checking account (any type) with setup of automatic repayment of any monthly minimum amount due on the line from the checking account. For account terms and fees associated with our business checking accounts, please inquire for details. 6. Cards are issued by First Bankcard®, a division of First National Bank of Omaha. 7. Cathay Bank reserves the right to withdraw these offers at any time.



**1-800-9CATHAY**  
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[www.cathaybank.com](http://www.cathaybank.com)

