

Lending & Deposits

Jack Henry LendingNetwork[®]

Supporting small-to-medium sized businesses (SMBs) has become a key growth driver for many banks and credit unions – and it's no wonder, with more than six million new businesses formed since 2020. But funding SMB growth can challenge traditional lending models and the risk appetites of even the most community-focused banks and credit unions.

Enter the Jack Henry LendingNetwork, a strategic service that helps your SMB clients access alternative lending sources through your institution, not outside it, ensuring your institution remains at the center of your SMB clients' financial needs.



Comprehensive SMB Support

The LendingNetwork supports a vast array of credit needs, including SBA 7(a) loans, equipment leasing, and factoring, helping you support businesses that need capital but may not qualify for traditional lending.



Generate Non-Interest Income

Turn applications that might've been declined due to a thin credit file or that lack sufficient time in business into a revenue stream via referral fees generated.



Retain Deposits and Build Future Credit Opportunities

Facilitating alternative financing options for your SMB clients helps you retain deposits and build relationships with newer businesses, affirming your support for their growth and offering the chance to bring them back into the traditional lending fold as they meet your standard credit criteria.

filling the traditional lending gap

When traditional credit requirements often leave newer, smaller businesses behind, SMBs turn away from your institution to pursue financing and capital via fintechs or other non-bank competitors.

The Jack Henry LendingNetwork empowers you to refer these businesses to a network of alternative lending sources in the U.S., opening the door to new financing options that support SMBs and create a new revenue stream of non-interest income via referral fees.

provide a helping hand

Many SMBs struggle to access the funds they need for daily business operations and growth and may be declined for reasons like these:

- Not enough time in business
- Low guarantor FICO scores
- Inadequate collateral
- Not attaining profitability
- Existing loan workouts

But rather than turning away a potentially valuable future relationship, these businesses may just need something a little different.

alternative lending sources

To help you support a wider variety of businesses as they grow, the LendingNetwork supports referrals to a wide variety of credit facilities:

- Unsecured term loans
- Secured term loans (equipment, machinery, real estate, etc.)
- Secured lines of credit (accounts receivable, inventory, etc.)
- Asset-based lines of credit
- SBA 7(a) loans
- Commercial real estate
- Equipment leasing
- Factoring facilities (invoice purchasing)

- Purchase order finance
- Workouts (special assets)

By providing access to alternatives and helping them avoid predatory lending traps as they focus on running their business, you're offering these SMBs valuable guidance and proof that you're in their corner.

frequently asked questions

What is Jack Henry's role in the LendingNetwork?

Jack Henry LendingNetwork facilitates referrals to a curated network of third-party lenders. All credit decisions and underwriting are performed by the lender.

How can our institution benefit from the LendingNetwork?

Financially, participating banks and credit unions can execute referral agreements with Jack Henry to share the referral fees from the facility, helping you generate a new stream of non-interest income. In addition, helping SMBs at an early stage and monitoring their growth gives you the opportunity to incubate relationships for future lending opportunities that happen on your books.

What will pricing look like for this service?

Pricing will vary based on the type of credit facility and the borrower's credit profile.

How can I get started?

To learn more about the Jack Henry LendingNetwork, reach out directly to Patrick True at rtrue@jackhenry.com.

offer new alternatives today

Let's talk about this together. Reach out to rtrue@jackhenry.com.

For more information about Jack Henry, visit jackhenry.com.