Jack Henry Enterprise Account Origination

Jack Henry Section 1071 Module™ for Small Business Lending

Help meet the data collection and reporting requirements mandated by Section 1071 of the Dodd-Frank Act (1071) with our secure, user-friendly module that simplifies the 1071 compliance process for Jack Henry core clients.

Intuitive Data Collection

Conveniently request and collect required data digitally, whether an application is submitted via a third-party Loan Origination System (LOS) or outside of an LOS (like attorney-prepared applications).

Simplified Compliance Tracking

Assist your compliance processes using an API or our user interface to input reportable applications. Track the status of 1071 forms so your team can easily follow up with applicants who haven't completed their data collection forms.

Data Security

Use role-based security within your organization to separate demographic data stored in the stand-alone solution from your credit decision-makers.

Work with Any Loan Origination System (or None at All)

Whether you use multiple LOS systems, solutions from other providers, or attorney-prepared applications, manage your Section 1071 obligations by building into our API to populate your loan data or opt to use the solution's user interface to add the required loan data for reportable transactions.

Reporting & Audit Trails

Extract your data for reporting to the Consumer Financial Protection Bureau (CFPB) or other third-party tools in .CSV format.

Jack Henry Section 1071 Module for Small Business Lending

compliance made easier

You're already aware that the need to comply with Dodd-Frank Section 1071 is a fast-approaching reality. That's why Jack Henry is building a Section 1071 Module, helping you efficiently and accurately meet regulatory requirements. This comprehensive solution will include tools for data collection, controls that help you meet the CFPB's "firewall" requirements, data scrubbing capabilities, and reporting features that help you comply with Section 1071 of the Dodd-Frank Act.
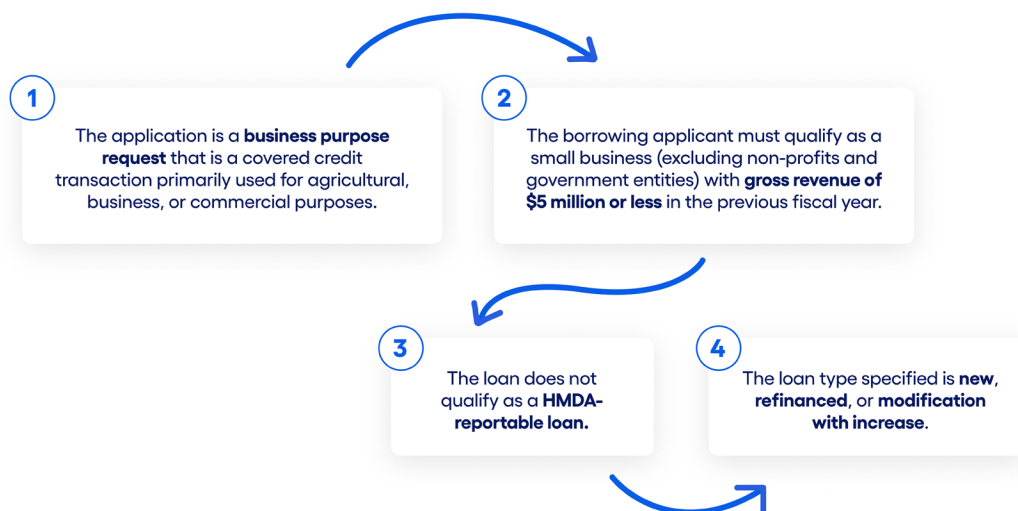
User Experience

Our solution provides an intuitive experience for both your applicants and employees. The Section 1071 Module simplifies the process for your key stakeholders, including a digital data collection form and reporting capabilities that makes finding the status of your required data crystal clear.

1071 Applicability

When you determine that a loan is a 1071-reportable, your permissioned employees will enter the loan data into the 1071 Module.

Here is a summary of the business rules used to determine whether an application qualifies:

1 The application is a **business purpose request** that is a covered credit transaction primarily used for agricultural, business, or commercial purposes.

2 The borrowing applicant must qualify as a small business (excluding non-profits and government entities) with **gross revenue of $5 million or less** in the previous fiscal year.

3 The loan does not qualify as a **HMDA-reportable loan.**

4 The loan type specified is **new, refinanced,** or **modification with increase.**

Intuitive Data Collection

A digital data collection form simplifies the process for both your team and your applicants, capturing key details like minority ownership, race, ethnicity, and gender of the principal owners for qualified small business applicants. The form will be sent when your permissioned employees enter key data points like name and email address.

The email is sent to the primary applicant or first-listed small business. Applicants will receive a secure link to complete the form, along with a clear explanation of why this data is being collected and what information is needed from them. With just a few clicks, they'll be able to complete the form, providing the necessary details about their small business and its principal owners.

Your team will be able to track the form's status, see when it was sent, and easily resend the form to remind any stragglers to complete the process.

security, audit, and reporting

Every compliance rule and regulation comes with its own unique requirements, and 1071 is no exception. With our 1071 Compliance Module, you can balance data segregation and firewall compliance.

Data Security & Segregation

Our solution can help you met firewall requirements by segregating demographic data from credit decision-makers. Collected data is stored securely behind a data "firewall" and not tied directly to the loan file itself. Only the employees that you designate with role-based access will be able to view or handle it.

Quality Control

With our Section 1071 Module, you can streamline your quality control process through an efficient data review process. We provide easy access to a list of all applicable loans and their reportable data elements. You can review and edit the reportable data in one place and track your progress with "QC Complete" flags. This feature streamlines the data review process, ensuring your compliance efforts are both thorough and efficient.
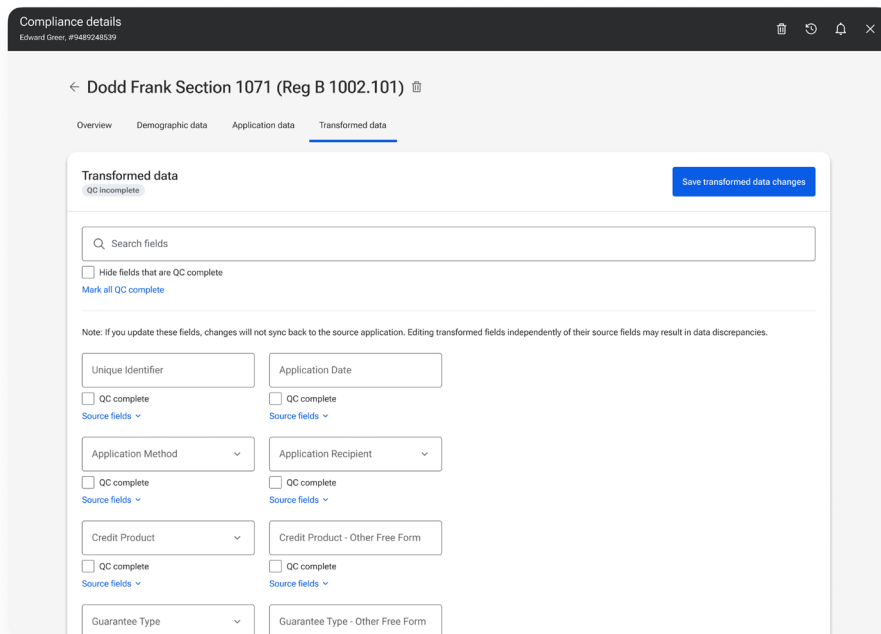
Regulatory Reporting

Data extraction and regulatory reporting doesn't have to be a chore for your back-office team.

Our Section 1071 Module will store the collected demographic data and combine it with the additional required data fields you provide, like loan application date, terms, action taken, and more so that you can easily extract it for complete reporting.

The files will combine over 80+ demographic, loan application, and action data points that can be exported via .CSV, for import directly to the CFPB.

frequently asked questions

What products will this solution be available for?

This is a standalone module, available to banks and credit unions using any Jack Henry core system and not specific to any LOS or lending product.

When will it be available?

- **Tier 1 clients**: Must begin collecting data on July 18, 2025, and begin reporting data on June 1, 2026. The compliance solution will enter beta in **Spring of 2025** and will be available by the mandatory collection date.

- **Tier 2 clients**: Must begin collecting data on January 16, 2026, and begin reporting data on June 1, 2027. The compliance solution for Tier 2 clients will be available shortly after all Tier 1 clients have been onboarded, with availability expected in August 2025 at the earliest.

- **Tier 3 clients**: Must begin collecting data on October 18, 2026, and begin reporting data on June 1, 2027. The compliance solution for Tier 3 clients will be available as early as October 2025, for those who wish to begin collecting data at the earliest date allowed by the rule.

How will pricing work for this service?

The Jack Henry 1071 Module will initially be available for a one-time fee of $7,500 for beta participants and early adopters, followed by a monthly fee of $750. Pricing is subject to change, so please stay in touch with your Account Executive for the most up-to-date information.

We're working through the process of getting the Jack Henry 1071 Module into our contracting system; just let your Account Executive know if you're interested in moving ahead and they'll be sure to keep you apprised.

What does the implementation process look like?

The implementation process is still being finalized, but we anticipate a project to enable the Section 1071 Module.

How do we see the new solution?

Please reach out to your Account Executive to get the process started. We will also be hosting a more in-depth webinar about Jack Henry's Section 1071 Module, once more development work is completed and additional details are finalized. In addition, a brief walkthrough video of the solution is in process.

How will 1071-reportable loans be identified and added to this solution?
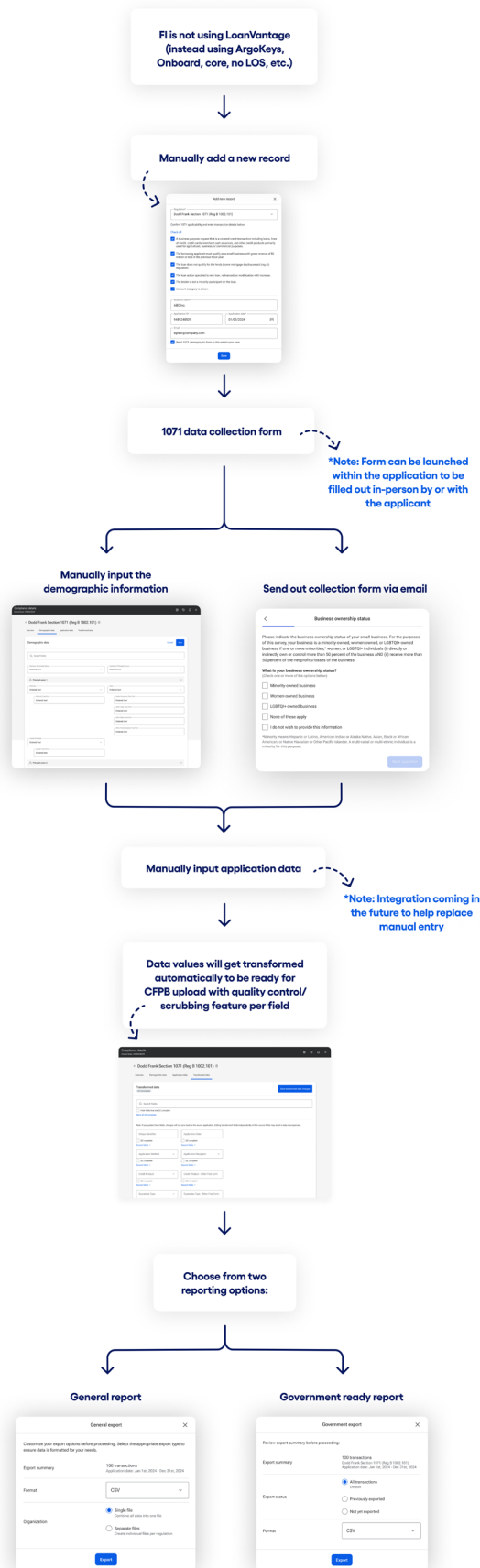
Each bank or credit union will need to develop standard operating procedures to identify 1071 reportable loans. Once those loans have been identified, you can use our user interface to enter those loans or use the API to create those records in the 1071 Module.

What happens if an applicant doesn't complete their questionnaire?

Your financial institution can update the status of the form to "No Response". Simplify the follow-up with non-responders with a quick resend of the form.

How does data flow between LoanVantage and the Section 1071 Module?

See the following page for a look at how the data flows are being visualized today:

FI is not using LoanVantage
(instead using ArgoKeys,
Onboard, core, no LOS, etc.)

Manually add a new record

1071 data collection form

*Note: Form can be launched
within the application to be
filled out in-person by or with
the applicant

Manually input the
demographic information

Send out collection form via email

Manually input application data

*Note: Integration coming in
the future to help replace
manual entry

Data values will get transformed
automatically to be ready for
CFPB upload with quality control/
scrubbing feature per field

Choose from two
reporting options:

General report

Government ready report

What's next for the Section 1071 Module?

One of our next key initiatives is bringing Section 1071 Module data into BigQuery as a data set that can be purchased as a part of Jack Henry Data Hub (formerly known as Data Broker). We'll update these FAQs with timing and additional details as they become available.

streamline 1071 compliance

Let's talk about how we can help. Reach out to us at lendinginfo@jackhenry.com.

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