

## SOLUTION BRIEF

# Cash-Strapped Small Businesses Need Capital. How Can You Quickly Help Them?



### Unprecedented Times

You've seen the effects in your community. You personally know people who've had their ability to make a living shut down or weakened due to no fault of their own. They are our friends, customers, members, and owners of beloved local businesses.

A significant portion of the more than 30 million U.S.-based small businesses have been impacted and are looking for help. The programs and initiatives in the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 are designed to assist with these needs and get desperately needed capital into the hands of struggling local businesses.

Three types of loans were included in the CARES Act. For many businesses, their best option is the type of loan associated with the Paycheck Protection Program (PPP).

### Extraordinary Demand

- In the digital age, these borrowers are expecting – and needing – immediate responses.
- Cash-starved businesses also face additional challenges in getting loans, as many are in areas affected by local or state stay-at-home orders, making in-person branch visits simply not an option.
- They need a simple online application for a PPP loan that bypasses manual, paper-based lending processes and can render quick decisions based on Small Business Administration (SBA) requirements.



### DID YOU KNOW?

Today, one in four businesses doubt they will make it. Only four in 10 are confident they will.<sup>1</sup>

## Relief for the Small Businesses You Serve

By offering an automated, all-digital, borrower-friendly lending approach that can handle significant volume, you can aid businesses in your community that have been rocked by instability and financial insecurity.

### A Path Forward

By working with Jack Henry Lending, you gain enhanced lending capabilities with the specific functionality your institution needs to immediately support PPP loans and help deliver fast economic relief to local businesses and their employees. You can digitally capture both the application and supporting documents for PPP loan requests, based on SBA guidelines and CARES Act provisions. The technology also includes built-in fraud and risk controls.

Small business borrowers simply utilize an intuitive, self-service user interface to enter the required information online and securely upload the supporting documents. Perhaps best of all for your borrowers and their employees in the communities you serve, these government-backed PPP loans will be forgiven if used for payroll and other business-critical costs.

## PPP Perks for SMBs in Your Communities<sup>2</sup>



- No personal guarantee or collateral is required for the loan.
- Payments are deferred for six months.
- Loan forgiveness provisions are included for crucial items like payroll, utilities, group health insurance costs, and more.

### The Convenient Self-Service Portfolio Option

Using this approach, you can accept an SBA guided application and supporting documents via your website. Regardless of whether applicants are current customers or members, you can offer borrowers a digital experience to an SBA relief loan under the PPP portion of the CARES Act. You'll have final approval and verification of the the application package and be responsible for maintaining the portfolio loan once it is funded.

*Jack Henry Lending also offers a turnkey processing solution for CARES Act PPP loans that receives application data and submits it directly to the SBA. Click [here](#) to learn more about the turnkey option.*

To view on-demand solution overviews, review FAQs, and learn more, click [here](#). You can also contact us today at [lendinginfo@jackhenry.com](mailto:lendinginfo@jackhenry.com).

#### SOURCES:

1. PYMNTS.com, What Banks Still Don't Know About Getting The 350B to SMBs, April 2, 2020.

2. Forbes.com, Getting Cash For Your Small Business Through The CARES Act, March 29, 2020.