

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**  
**FORM 8-K**  
**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 6, 2022**



**LIVE OAK BANCSHARES, INC.**

(Exact name of registrant as specified in its charter)

**North Carolina**

(State or other jurisdiction of incorporation)

**001-37497**

(Commission File Number)

**26-4596286**

(IRS Employer Identification No.)

**1741 Tiburon Drive, Wilmington, NC**

(Address of principal executive offices)

**28403**

(Zip Code)

Registrant's Telephone Number, Including Area Code: **(910) 790-5867**

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Voting Common Stock, no par value per share</b>	<b>LOB</b>	<b>The NASDAQ Stock Market LLC</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01. Regulation FD Disclosure.**

On September 6, 2022, Live Oak Ventures, Inc., a wholly owned subsidiary of Live Oak Bancshares, Inc., issued a press release regarding the acquisition of Payrailz, LLC by Jack Henry & Associates, Inc. A copy of the press release is filed as Exhibit 99.1 hereto and incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release dated September 6, 2022</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**LIVE OAK BANCSHARES, INC.**

Date: September 6, 2022

By: /s/ J. Wesley Sutherland  
J. Wesley Sutherland  
Chief Accounting Officer

**Live Oak Ventures Exits Payrailz Continuing Its Investment Momentum**

WILMINGTON, N.C., September 6, 2022 -- Live Oak Ventures has exited its investment in Payrailz, LLC (Payrailz) a digital payments platform, recently acquired by Jack Henry & Associates, Inc. (Jack Henry). Live Oak anticipates an estimated pre-tax gain of approximately \$28 million, subject to final adjustments.

“This is the third investment by Live Oak that has had a greater than 9x return. We are proud of the success we are seeing in our investment strategy – partnering with industry veterans to address challenges in banking, and particularly in small business banking,” said Stephanie Mann, Live Oak’s Chief Strategy Officer. “Fran Duggan and Paul Franko, Payrailz founders, have modernized payment solutions for banking and we look forward to continuing on our product roadmap as they join Jack Henry.”

Live Oak Bank has been an early adopter of Payrailz’ bill pay products, and other payments technologies within its small business checking product. Live Oak Ventures realized a \$121 million gain when exiting Finxact earlier this year, as well as \$61 million in cash and noncash gains in Greenlight Financial Technology since Live Oak’s first investment in 2018. Live Oak holds investments in 11 portfolio companies with a total estimated implied market value of approximately \$150 million, excluding Payrailz, as of June 30, 2022. Estimated implied value is based on most recent transaction data and not necessarily indicative of current or future value.

**About Live Oak Ventures**

Live Oak Ventures, a wholly owned subsidiary of Live Oak Bancshares (NASDAQ: LOB), is a fintech-focused company that aims to bring innovation, efficiency, and excellence to the forefront of the banking industry. By investing in companies that accelerate the delivery of open digital solutions to the market, Live Oak Ventures intends to change the landscape of financial services.

Contact:

Claire Parker, SVP of Corporate Communications

910.597.1592

[claire.parker@liveoak.bank](mailto:claire.parker@liveoak.bank)