

A close-up photograph of two hands, one from a person with a white shirt cuff and the other from a person with a darker skin tone, both holding a glowing lightbulb. The background is split into a yellow upper half and a green lower half.

Embracing Change and Innovation: Interview with Terry Keating of Valley Bank

BY MICHELE OCEJO

In November, Valley National Bank announced the appointment of Terry M. Keating as head of Asset-Based Lending (ABL). In this role, Keating oversees the continued growth and strategic direction of Valley's ABL platform.

Keating brings more than three decades of leadership experience in commercial finance, specialty lending, growth, organizational development and transformation, including 25 years in commercial banking. Most recently, he was CEO of Access Capital leading the specialty asset-based lender through a period of transition and growth.

Based in New York City, Keating leads the ABL team delivering tailored financing structures to support working-capital growth, acquisitions, and recapitalizations for middle-market businesses across a wide range of industries nationwide.

He is an active member of the Secured Finance Network, and has served on its Data Committee, DEI Committee, and also participates in leading its Mentoring Program. He also serves on the boards of the New York Chapter of SFNet and the New York Institute of Credit.

Keating succeeds John DePledge, who retired at the end of 2025 after a long and distinguished career in asset-based lending.

Tell us about your career trajectory.

It has been an interesting journey thus far and not a short story. To paraphrase a favorite Beatles song, “It’s been a long and winding road.” After starting college at Valparaiso University in northwest Indiana as a history major, I graduated with a degree in economics and no specific career path in mind, just ambition and willingness to work hard.

A summer job at a local bank before my last semester of college turned into full-time when I graduated. This was a \$50-million community bank, which I thought was all the money in the world. I had a wide variety of duties, from manning a teller window on Friday evenings (cashing a lot of payroll checks), to managing its student loan and auto finance portfolios, making and managing commercial loans to local businesses and farmers.

After three years I wanted to get to Chicago, answered an ad and more or less talked my way into a job as a middle-market lender that, at least on paper, I wasn’t qualified for. The bank was UnibancTrust Company, based in the Sears Tower. I went from a city of 20,000 people to a building with 15,000 people. That turned out to be one of many big transitions for me. At Unibanc, I was exposed to the Chicago middle market and completed my MBA at night.

Following three years at Unibanc, I moved to LaSalle Bank in a similar role, but with larger and more sophisticated companies. A couple of years in, I was trying to figure out how to differentiate myself. I had the idea of starting an industry specialty and was given the opportunity to do so. I’d had some experience dabbling in a couple of industry specialties: diamond/jewelry, short line railroad, and a few non-bank lenders. I chose lender finance and for the next 15 years I built a division lending to consumer, commercial, leasing, mortgage

banking, premium finance, BDCs, etc. Pretty much any lender that didn’t have a banking license across the country. This was LaSalle’s first national specialty business and when I left the bank, and banking, in 2005, it was \$1 billion in commitments, \$500 million in outstanding loans and \$1 billion in deposits, primarily from mortgage servicing companies.

I then spent five years consulting on my own, before joining Amherst Partners, a Detroit-based investment bank and turnaround advisory firm. My role was sourcing and delivering services to financial companies, as well as building their market presence in Chicago.

Five years into my stint with them I was calling on Accord Financial, a Toronto Canada-based public company with a factoring business in the US. I was pitching some acquisition ideas to the CEO, who instead of hiring Amherst to do buy-side work, hired me to run the US business, based in Greenville, SC. After a very short two-week interview process, I move to Greenville with a mandate to grow and “modernize” the business, including greatly expanding its nascent ABL product.

Over eight years, we more than doubled AUM, transformed every aspect of the business. I played a significant role in two acquisitions by the parent company, worked on other corporate projects, from brand refresh, digital marketing, better integrating and working more closely with the other business units, and increasing our bank facility.

I left in mid-2021 and returned to advisory work. Notably I arranged senior debt placement for an equipment lender and served as an independent director for a highly distressed commercial finance platform on behalf of its lender group. In addition, I joined forces with a former client, Crosslake Group, an independent sponsor who was building an aerospace parts platform. I served as an advisor to Crosslake and became a board member as we acquired several businesses.

Then in May of 2022 I was recruited by Access Capital, to become CEO following the death of its founder and longtime CEO. Access specializes in asset-based lending for temporary staffing and related industries. My mandate was to chart a course for the future of the business, modernize many aspects of its operations, and grow the platform. All of which we were able to do, including as I had told the family ownership, I would build/curate a team that didn’t need me, and I left in May of 2025 at the end of my three-year employment contract.

In the months following departing Access, I spent considerable time with Crosslake as we sold the four businesses we had acquired to a funded sponsor, while also



■ **TERRY KEATING**
Valley Bank

considering several leadership and board roles. Then in September I saw that Valley Bank was looking for a successor to John DePlege, who was retiring. I know John fairly well from industry associations in New York, we've spoken on panels together etc. In addition, I knew/know Valley Bank well, as they became Access's lead bank during my tenure there.

Following a short, but fairly intense, interview process, I joined the bank on October 27.

As the new head of ABL for Valley Bank, what is your strategic vision for expanding the ABL platform, and how do you see it differentiating in today's competitive market?

ABL has existed at Valley for a good number years, but it has been under-emphasized as a growth vehicle. Over the past few years, the bank has moved to significantly expand its commercial banking operations on top of its community bank and real estate roots. In 2022 Valley acquired Bank Leumi US, including its ABL business that John DePledge was leading.

A key component of our commercial growth going forward is to build on the asset-based lending foundation and significantly expand the business nationally. While there are ultimately many aspects to this, in the nearer term there are several primary levers to pull.

First is closely working with the commercial banking teams in our geographic markets. This includes New York, New Jersey, western Pennsylvania, Florida/Southeast, Chicago/Midwest, and Southern California. These teams are good sources of deals as they are out in their local markets every day.

Second, leveraging my network within various segments. With different things I've done over the course of my career, I have decent networks across the country within SFNet, TMA, ACG, NYIC PE/Independent Sponsors, and several industry groups. Since joining Valley, I have already been receiving calls and leads from my network.

Third, following two departures in 2025, we are reconstituting the originations team. As we do this we'll be working developing a proprietary direct pipeline through a variety of techniques. With information and technology that is available today this is more achievable, but still a challenge to be effective. We have coverage today in New York, and Florida, and we are actively looking to add, in Chicago, in early 2026, Southern California.

The second part of your question, differentiation, that's the simple but hard part.

Yes, the market is competitive, but as I've observed in the past, when hasn't it been? Fundamentally, we sell a commodity product and the only real differentiation available is how you deliver service, through the entire customer journey. How a prospect is treated, how a referral source is treated and, most importantly, how a client is treated. I could talk about innovative structure and pricing and, not to diminish the importance, but there is honestly not a lot of room on structure or pricing that doesn't imperil a lender over time, so it comes

down to asking a lot of questions, listening to the company, working to understand the business and industry and within reasonable parameters accommodate their business model. I have always found that personal touch and taking the time to educate and teach is generally successful.

Bottom line, personalized long-term relationship-based service is how we go to market.

You've spent over three decades in commercial finance, including leadership roles at Access Capital and Accord Financial. How has asset-based lending evolved during your career, and what trends do you believe will shape the next five years?

Now that's a big question. For sure the competitive landscape and accepted deal structures have evolved over the years. Asset-based lending has become a much more commonly accepted form of finance. If you go back far enough, asset-based lending was considered a secondary form of finance and a sign that a company was having financial issues. Today it is very mainstream and often a preferred choice for companies looking for more leverage and covenant freedom versus normal commercial banking facilities.

Additionally, advance rates, covenants and other structural elements have gotten more liberal over time. Some of that is attributed to lenders seeking to defend or gain market share. But there is also a case to be made that with better information and use of technology, we are better able to evaluate and monitor collateral today than in the past. This means, to a certain extent, we can structure with a bit less margin for error and have a similar loss given default outcome. That's the theory at least and to be fair, it's not really been tested in a truly stressed credit environment. Since the Great Recession, we've not had a real credit event. The COVID years were the closest to that, and with the extensive government stimulus programs, everyone, including the lenders were bailed out.

Another thing that has changed is the geographic dimensions of the market. Real national competition was once the domain of larger companies, with lots of regional and local lenders. Today it is rare to see even a relatively small lender that does not do business nationally; even if they don't have originators and portfolio managers across the country. Again, thank technology for that.

In terms of the next five years, look to technology to continue to influence how business is conducted; how we gather and process information. This has been a journey of 30-plus years. When I first came into banking fax machines, electric typewriters and FedEx were new on the scene, and changing how we did business. Now only FedEx remains active, but who has seen a fax machine or typewriter in the last five years? Laptop computers, tablets, email and messaging apps have vastly changed how and where we can operate.

Over the past few years, AI has "come on to the scene," as if it is something entirely new. But it simply represents the most

advanced and accessible technology in a long evolution. In the past few months I have been hearing the term “machine learning,” again. I say again because this is something that goes back decades and was very prevalent in consumer finance products in the 1990s.

What all of this means is that we have even more powerful tools that accelerate the collection, organization and evaluation of data and information. It enables us to look at and evaluate companies in increasingly powerful and precise ways. But even though some scientists and others say it is replacing humans, I would argue that like most technologies since the dawn of time, it serves to make humans more productive and free us from tasks that require more labor than thinking.

Overall, the industry will look much the same as it does today, except we’ll do more, faster and with fewer errors (hopefully) than today.

As you step into this leadership role at Valley Bank, what qualities do you believe are essential for guiding teams through periods of economic uncertainty and rapid industry change?

First, as a leader, lean into change. Change is coming whether you like it or not. Change is a constant of the human condition. We can either embrace it and profit from it, or we can ignore it and get left behind. That doesn’t mean it is always easy and comfortable. In fact, in most cases, it is neither of those things. But people and organizations who learn to embrace being uncomfortable will advance and be more likely to prosper over the medium and long run.

As a leader it starts with me. Be a lifelong learner yourself. Set the example for your teams. Be honest that you don’t know everything and that you are willing to learn and evolve. This helps set up an environment where this is not only safe, but it is expected. I like to tell teams, “I don’t know all the answers, but I do know a lot of the questions. One thing I do know, is that we figure out the answers together.” I remind teams constantly that change has been a constant since the beginning of time, so whatever we are going through now is nothing new.



We’ve also been discussing a mid-career mentoring idea. Helping individuals who are moving up the leadership ladder, with support as they move from individual contributors to management and leadership.

Make sure the ship is prepared for rough water. Keep a steady hand on the tiller, a positive outlook and a determination to work through the challenges that confront us. The fear of the future is far worse than the reality in nearly every situation.

Lastly, remind the team that they are just that, a team. As we go along, you may get tired, weary, not know exactly what to do, but the team is there to support and assist – as a group we’ll chart a course and navigate what we need to navigate.

You’re active in the Secured Finance Network’s Mentoring Program. Tell us a bit about that experience and what you think the industry can do to attract and retain more young professionals.

Thank you for asking about the Mentoring Program. Without detracting from the other important and tremendous work done throughout SFNet, I think the Mentoring Program is the single most important program we run. It is literally creating the future of the industry. But it is one part of a multipronged effort by our industry

to develop its future. The young professionals community features social and education opportunities, an annual two-day Emerging Leaders Summit, a glossary of terms and is integrated into the local chapters.

The Mentorship Program was started to address one aspect of our industry’s workforce needs, retention and development. We had observed that young people were coming into the industry, but not staying, and to answer that challenge, the Mentorship Program was launched, initially led by Candice Hubert. It has been successful, grown to a spring and a fall class and it keeps evolving with new related initiatives.

Several years ago I had the privilege of moderating a panel of young professionals at the Annual Convention. One of the panelists, Boudewijn Smit, shared with us the idea of reverse mentoring. This is where a young professional mentors a seasoned executive – helping them see and understand the world views and concerns of the younger generation in a meaningful and in-depth manner. While we don’t have it off the ground yet, we’ve been discussing how to structure and

launch this initiative to further deepen the connection and communication between generations of leaders in our industry.

We've also been discussing a mid-career mentoring idea. Helping individuals who are moving up the leadership ladder, with support as they move from individual contributors to management and leadership.

Another aspect of overall initiative is the awareness of the industry as a career path. The Guest Lecture Program involves SFNet members going to college/university campuses and speaking to students about the commercial finance industry. It's something not taught in the classrooms and the industry doesn't get the sort of profile as some other finance career paths. This, paired with our internship program, is a great way to introduce young people to a career choice that is rich and rewarding with many different sub-paths available, depending on their skills and interests.

Lastly, I want to say that participating in these initiatives has made me better at my job and better as a person. In the daily rush of our work, we far too rarely slow down and really get to see the world through the eyes of another person, in particular from the professionals coming into our industry. I have learned so much and been mentored by my mentees. Several years ago I was paired as a mentor with Emily Neuherz. I had shared with her that I had a really important board meeting coming up and I was feeling a bit nervous about it. The morning of the board meeting I received a text message from her: "Good luck at the board meeting today. The dream is free.....the hustle is sold separate!" I also want to thank Conner Bannigan and Mitya Quick, who I also have had the privilege of mentoring.

When you're not focused on building Valley Bank's ABL platform, how do you like to spend your time?

First, spending time with my wife, whatever it is we are doing. I like to read fiction, non-fiction, historical novels, and I've always had a love of science, understanding how the world around us works. When we're not hanging out at home, we enjoy exploring New York and taking short day and weekend trips by train to explore. 🗽

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Ask yourself every morning; "What am I thinking about, learning today and doing today?" The other thing is to remember that leaders get leadership jobs. We don't become leaders when we get a leadership job.

What advice would you give to emerging professionals who aspire to leadership roles in asset-based lending, especially in an environment that demands agility and innovation?

One, ask yourself every morning; "What am I thinking about learning today and doing today?"

Two, leaders get leadership jobs. We don't become leaders when we get a job, we get the job because we are leaders. Lead from wherever you are – the job title and role will follow.