



NEW PAYCHECK PROTECTION PROGRAM LOAN APPLICATIONS – MONDAY, 10:30 AM

On April 24th, the President signed the “Paycheck Protection Program (PPP) and Health Care Enhancement Act” that allocates an additional \$310 billion in loan proceeds for “small businesses.”

New applications can be submitted starting on Monday April 27th at 10:30 am.

Borrower criteria remains the same; however, the Small Business Administration (SBA) has updated its FAQs to include a requirement that borrowers make an additional certification. Borrowers must now certify that “[c]urrent economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.” Borrowers must make this certification in good faith, taking into account their current business activity and their ability to access other sources of liquidity sufficient to support their ongoing operations in a manner that is not significantly detrimental to the business.

Any borrower that applied for a PPP loan prior to the issuance of this guidance and repays the loan in full by May 7, 2020 will be deemed by SBA to have made the required certification in good faith.

We recommend that any borrower who has already received PPP funding and is unsure it can make this certification (or a prospective borrower), segregate the funds and contact the Garfunkel Wild attorney with whom you regularly work, or contact us at info@garfunkelwild.com.

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