

Client Alert

Payroll Protection Program – Extension of Certification Safe Harbor Through May 18, 2020

Please note that this alert updates prior publications made by our firm pertaining to the subject matter discussed below.

The CARES Act requires borrowers under the Paycheck Protection Program (PPP) to make a good faith certification “that the uncertainty of current economic conditions makes necessary the loan request to support the ongoing operations” of the borrower.

As we noted in a [prior alert](#), on April 23, 2020, the Small Business Administration (SBA) published guidance in the form of FAQs regarding the above certification. In those FAQs, the SBA announced that, “[a]ny 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.”

On May 5, 2020, the SBA published updated [FAQs](#), in which it extended the date by which such borrowers may repay the loan to May 14, 2020.

UPDATE: On May 13, 2020, the SBA published updated FAQs in which it extended the deadline to May 18, 2020.

If you would like additional information, please contact:

Brian A. Haskel, Esq. | bhaskel@sillscummis.com | (212) 500-1541

Alan E. Sherman, Esq. | alansherman@sillscummis.com | (973) 643-5959

Jason L. Sobel, Esq. | jsobel@sillscummis.com | (973) 643-5295

Lori M. Waldron, Esq. | lwaldron@sillscummis.com | (973) 643-5158

May 15
2020

This Client Alert has been prepared by Sills Cummis & Gross P.C. for informational purposes only and does not constitute advertising or solicitation and should not be used or taken as legal advice. Those seeking legal advice should contact a member of the Firm or legal counsel licensed in their state. Transmission of this information is not intended to create, and receipt does not constitute, an attorney-client relationship. Confidential information should not be sent to Sills Cummis & Gross without first communicating directly with a member of the Firm about establishing an attorney-client relationship.