



Important PPP Update

In an effort to provide our members with the latest regulatory guidance as it relates to the Paycheck Protection Program (PPP), the most recent guidance from the U.S. Treasury is [provided here](#).

This recent guidance, as of April 28, 2020, specifies that any PPP loan applicant must carefully review the required certification on their PPP application that “current economic conditions make this loan request necessary to support the ongoing operations of the Applicant.”

This guidance further directs each PPP applicant to take into account its current business activity and its ability to access other sources of liquidity sufficient to support its ongoing operations in a manner that is not significantly detrimental to the business. Failure to make this certification in good faith may result in the loan applicant’s requirement to demonstrate to the Small Business Administration (SBA) the basis of the certification.

In this same guidance, specifically, *Questions 31 and 37*, state that “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.”

If there is any question or concern as to whether or not current economic conditions make a PPP loan request necessary to support the ongoing operations of your business, we encourage you to consult with your legal and financial advisors. FAIRWINDS is not in a position to provide this guidance.

For complete regulatory guidance from the U.S. Treasury, and to continue to monitor for future updates, please regularly [check the following page](#) on the U.S. Treasury’s website.
