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PPP Loan Program – Additional Interim Final Rules

April 24, 2020

On April 24, 2020, an additional \$310 billion was authorized under the Paycheck Protection Program (PPP), a key aspect of the CARES Act relief package. The program, administered by the Small Business Administration (SBA), provides for loans of up to \$10 million per small business applicant to be used on payroll, benefits, rent and other authorized costs from February 15, 2020, through June 30, 2020.

The SBA also issued [additional interim final rules under the PPP](#) to supplement previous guidance on several important, discrete issues. Of particular note, this most recent guidance clarifies that:

- Portfolio companies of private equity funds are eligible to receive PPP loans, but are reminded to carefully review the required borrower certification stating that "current economic uncertainty makes the loan request necessary to support the ongoing operations of the [portfolio company]."
- Hedge funds and private equity funds are, themselves, ineligible to receive PPP loans.

We discussed the above certification requirement and the latest guidance on this topic in [our alert on April 23](#).

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