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Safe harbor for PPP loan recipients to return funds extended until May 14

By Patrick “Rick” Cox, Robert Drobnak, Kevin Fitzgerald, Christopher Keefe, Morgan C. Nighan, Richard Pedone, Richard Price, and Philip Taub

On May 5, the Small Business Administration (SBA) published [FAQ 43](#), which extends the safe harbor date for Paycheck Protection Program (PPP) loan recipients to return funds to **May 14, 2020**.

Previously, on April 23, the SBA published FAQ 31 clarifying that “need” is a key qualification for use and receipt of the PPP forgivable loan funds. The SBA provided a grace period until May 7 for companies that have taken out these loans to return the funds if they no longer believe they can make the good-faith certification that they meet the qualifications for a PPP loan. See our previous [Alert](#). Borrowers now have an additional week.

FAQ 41 also states that the “SBA intends to provide additional guidance on how it will review the [good faith] certification prior to May 14.”

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