

Update: Overview of the CARES Act's Paycheck Protection Loan Program; Guidance for Private Equity and Venture Capital-Backed Companies

Article By:

Sarah J. Wilk

Things are moving fast (perhaps the only good news in this uncertain environment). On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). On Monday, March 30, we issued a Client Alert providing an overview of the CARES Act's Paycheck Protection Loan Program (which you can find here [March 30 Overview](#)). The Paycheck Protection Loan Program ("PPP") is a \$349 billion new forgivable business loan program under the Small Business Administration's ("SBA") existing Section 7(a) loan framework. On March 31, the Treasury Department issued guidance on the PPP (the "March 31 Guidance") which includes: a top-line overview ([Top Line Overview](#)), information for lenders ([Lenders Information](#)), information for borrowers ([Borrowers Information](#)) and an application for borrowers ([Application](#)).

As you can imagine, interest in the PPP is very strong (perhaps overwhelming). We are communicating regularly with our sources within the government, our lender clients, our private equity and venture capital fund clients and their portfolio companies and other clients interested in the PPP. Yesterday, we issued another Client Alert on "How