

SBA Guidance: M&A Transactions and PPP Borrowers

October 7, 2020 | Client Update

The SBA has issued a long-awaited [Procedural Notice](#) providing guidance on the procedures for changes of ownership of an entity that has received Paycheck Protection Program funds.

This memorandum contains flowcharts outlining when SBA consent is required for M&A transactions involving borrowers that want to sell their business to another entity. In certain circumstances, only the PPP lender would need to consent to the transaction.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Greg D. Andres

+1 212 450 4724
greg.andres@davispolk.com

John A. Atchley III

+1 212 450 3469
john.atchley@davispolk.com

Sidney Bashago

+1 212 450 4826
sidney.bashago@davispolk.com

William J. Chudd

+1 212 450 4089
william.chudd@davispolk.com

Lee Hochbaum

+1 212 450 4736
lee.hochbaum@davispolk.com

Justin Levine

+1 212 450 4703
justin.levine@davispolk.com

Katherine Swan

+1 202 962 7131
katherine.swan@davispolk.com

Margaret E. Tahyar

+1 212 450 4379
margaret.tahyar@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.

Related materials

[Read the full update](#)