

## The CARES Act Paycheck Protection Program: Key Features for Lenders and Small Business Borrowers

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The Coronavirus Aid, Relief, and Economic Security Act ([CARES Act](#)) established a new Paycheck Protection Program (PPP) that launched on Friday, April 3—one week after its enactment. The PPP is backed by \$349 billion in new funding and is a cornerstone of the CARES Act stimulus for American small businesses. The fast rollout of the program by the Small Business Administration and Treasury Department, with regulations, guidance, fact sheets, and forms released online over the last week, has made it more challenging for both lenders and small business borrowers to track, understand, and implement the terms and requirements of the program. This memorandum summarizes the key features and mechanics of the PPP for lenders and small business borrowers.

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.

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