

May 6, 2020

TO: ALL MEMBERS OF THE
PENN-DEL-JERSEY CHAPTER, NECA

FROM: AARON R. KELLEY,
GOVERNMENT AFFAIRS COORDINATOR

RE: PPP SAFE HARBOR EXTENDED TO MAY 14

The U.S. Department of the Treasury has issued additional Paycheck Protection Program (PPP) guidance postponing the Safe Harbor repayment deadline to **Thursday, May 14, 2020**.

This postponement was supported by NECA's request and allows PPP borrowers more time to review the revised "necessity certification" and determine if they want to repay the loan.

As a reminder, you must repay your PPP loan by the new deadline if you feel you can no longer certify in good faith that your PPP funds are "necessary to support ongoing operations" after considering:

1. "current business activity" and your firm's
2. "ability to access other sources of liquidity sufficient to support [its] ongoing operations in a manner that is not significantly detrimental to the business."

Prior to the May 14 deadline, the SBA intends to release more guidance on how it will review the certification. The Chapter will distribute this guidance as soon as it becomes available.

That said, the Chapter continues to recommend that you speak with your legal counsel to determine your best course of action as soon as possible.

If you received a PPP loan and feel you can make the updated "necessity certification" in good faith, the Chapter also recommends that you thoroughly document your analysis leading to this determination in order to protect yourself in the event of future audits.

In this documentation, you may wish to include materials demonstrating the negative market conditions originally influencing your decision to apply for a PPP loan. These could include such items as industry news articles and NECA publications.

One resource that may prove useful during this evolving situation is a Special Webinar entitled "Countdown to PPP Certification Deadline", hosted by Grassi Advisors & Accountants, a large New York accounting firm.

This free webinar will be held **today from 12:30 PM to 1:30 PM** and we have made arrangements that all Penn-Del-Jersey Chapter, NECA Members are invited to attend.

During the webinar, Grassi Emergency Loan Consultants and legal counsel will discuss the issues and strategies to consider when documenting your need for PPP loan funds.

To register, please click on the link below:

[REGISTER: "COUNTDOWN TO PPP CERTIFICATION DEADLINE"](#)

If you have any questions, please contact Ken MacDougall or me. Thank you.

Respectfully,

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