

In The News

David Birke Quoted in *Mergermarket* Article on Status of M&A Work in 2021

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David Birke, M&A and Private Equity Practice Co-Chair, commented on deal protection methods in the wake of the Covid-19 pandemic in a *Mergermarket* article. Despite fears at the beginning of the crisis that deal activity would slow down, transactional work remained strong in 2020 as lawyers quickly figured out how to navigate the new challenges. One approach has sellers taking on the risk of repayment loans taken out from the federal government's Paycheck Protection Program (PPP).

“If a PPP borrower agrees to sell in the interim, the buyer at closing typically subtracts the loan amount from the purchase price and place the funds in escrow with the PPP lender, who later releases the funds to the owners of the selling company if the loan is forgiven or uses the funds to repay the loan in the vent the seller does not qualify,” said Birke.

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