

## What DOJ's 1st PPP Fraud Settlement Can Teach Borrowers

As the government revives its Paycheck Protection Program with hundreds of billions of dollars in additional loans available to small businesses, there are fresh signs that government fraud investigations and whistleblower litigation related to the loan program are ramping up.

On Jan. 12, the [U.S. Department of Justice](#) announced its first-ever civil settlement of alleged False Claims Act violations with a borrower of a PPP loan.

According to the [U.S. Attorney's Office for the Eastern District of California](#), SlideBelts Inc., a California-based internet retailer and debtor in bankruptcy, and its President and Chief Executive Officer Brigham Taylor agreed to pay a combined \$100,000 in damages and penalties to resolve alleged violations of the FCA and the Financial Institutions Reform, Recovery and Enforcement Act.

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