PRESS RELEASE

Akris Inc. Agrees to Pay Over $1.8 Million to Resolve Allegations of PPP Loan Fraud

Thursday, January 22, 2026

For Immediate Release

U.S. Attorney's Office, District of Massachusetts

BOSTON – Akris Inc. has agreed to pay over $1.8 million to resolve allegations that it violated the False Claims Act by obtaining a Paycheck Protection Program (PPP) loan for which it was not eligible.

As detailed in the settlement agreement, Akris admitted that, in March 2021, it applied for a second draw PPP loan and certified that it was eligible to receive the loan under the PPP rules. When it applied, Akris, together with its foreign affiliate, had over 300 employees. On Jan. 8, 2021, the Small Business Association (SBA) announced the availability of a second round of PPP loans, known as the "second draw" PPP loans. Businesses with more than 300 employees were not eligible for second draw loans.

The settlement credits Akris for cooperation under the Department of Justice's Guidelines for Taking Voluntary Disclosure, Cooperation and Remediation into Account in False Claims Act Matters.

The claims resolved in today's settlement include claims that were brought under the qui tam or whistleblower provisions of the False Claims Act. Under those provisions, a private party can file an action on behalf of the United States and receive a portion of any recovery. As part of today's resolution, the whistleblower will receive approximately $183,000.

Congress enacted the Coronavirus Aid, Relief, and the Economic Security Act (CARES Act) on March 29, 2020, to provide emergency financial assistance to the millions of Americans who were suffering the economic effects of the COVID-19 pandemic. The CARES Act authorized forgivable loans to small businesses for job retention and certain approved expenses through the PPP. On May 5, 2020, the Small Business Administration (SBA) issued guidance that explained that, for purposes of meeting size eligibility requirements (i.e. whether the applicant is a "small business concern" or otherwise falls below the cap on employee headcount) an applicant must count all its employees and the employees of its U.S. and foreign affiliates, absent a waiver of, or an exception to, the affiliation rules. SBA's guidance also made clear that it would only enforce this rule prospectively, i.e., for applications made on or after May 5, 2020. On Jan. 8, 2021, SBA announced the availability of a second round of PPP loans, known as the "second draw" PPP loans. Businesses with more than 300 employees were not eligible for second draw loans.

United States Attorney Leah B. Foley and the U.S. Small Business Administration made the announcement today. Assistant U.S. Attorney Steven Sharobem of the Affirmative Civil Enforcement Unit handled the matter.

Updated January 22, 2026

Attachment

USA v. Akris - Settlement Agreement

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USAO - Massachusetts

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