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April 3, 2020

VIA FEDERAL EXPRESS

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd Street, S.W.
Washington, D.C. 20416

Dear Secretary Mnuchin and Administrator Carranza:

Thank you for your assistance during the Covid-19 pandemic. We are writing to you today to express our strong support for the recent letter submitted to you by the Association for Corporate Growth (ACG) on March 30, 2020 relating to the Small Business Administration's (SBA) affiliation rules and their impact on certain companies seeking relief under the Paycheck Protection Program (PPP). As stated in the ACG letter, the application of the SBA's current affiliation rules would force many smaller companies to aggregate their employees with those of other unrelated companies, merely because they have common equity investors. This aggregation will result in many instances of companies tripping the 500-employee threshold under the PPP. Given that the President's and Congress' intent is to have the CARES Act provide relief to as many businesses as possible, we believe that this issue with respect to the affiliation rules was not intended here.

Seward & Kissel is a law firm that has represented many of these companies and their investors for more than 75 years. These firms have been vital to our country's growth and have contributed immeasurably to numerous industries, including technology, healthcare, energy, manufacturing and infrastructure. We believe that now, more than ever, many of these companies

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need assistance, and they should not be denied that aid, especially since they will be so crucial to ensuring a speedy economic recovery for our nation.

We thank you for hearing our concerns and respectfully request that the Department of the Treasury and the SBA make clear that these small businesses are eligible for loans under the PPP.

Sincerely,

Kevin Neubauer

Kevin Neubauer

cc: Thomas Bohn, ACG
Martin Okner, ACG

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