

From: Fred Morris [mailto:morris@brookventure.com]
Sent: Wednesday, September 01, 2010 10:10 AM
To: Comments
Subject: RIN 3064-AD60

Dear Sirs and Madams:

As you consider investments by banks into Small Business Investment Companies (SBICs), the following points are relevant:

- SBICs such as ours invest exclusively in small, growth-oriented businesses that add to employment and create wealth for a broad level of employees. We do this for business purposes, and are additionally closely regulated by the SBA to assure that purpose is adhered to.
- SBICs invest where large funds don't – outside typical VC-centers, often in economically distressed areas – because labor is more available, rents are lower, and larger firms are not competing.
- SBICs make long-term investments in growth – we are patient capital, not traders. It takes 5 to 7 years or longer for a company to grow sufficiently for the SBIC to realize an exit (which is often a larger private equity firm coming in to fund the next level of growth).
- Without the CRA credit provided to banks for investments in SBICs, fundraising would be far more difficult given the smaller size of our funds.

I hope you will view favorably regulations permitting and encouraging investment in SBICs.

Sincerely,

Frederic H. Morris
Partner



**BROOK
VENTURE
PARTNERS**

Brook Venture Partners,
LLC
301 Edgewater Place,
Suite 425
Wakefield, MA 01880
Phone 781.295.4000 x
202
Cell 617.733.4235
Fax 781.295.4007
morris@brookventure.com
www.brookventure.com