



Part III
Exhibits to
Small Business Investment Company
Management Assessment Questionnaire

Form 2183

Name of Applicant	
Date of Submission	

SMALL BUSINESS INVESTMENT COMPANY PROGRAM
INVESTMENT DIVISION
U. S. SMALL BUSINESS ADMINISTRATION
 409 Third Street, S.W., Washington, DC 20416 Tel: (202) 205-6510

The estimated burden for completing this form is 18 hours per response for each individual respondent required to complete Exhibits D through G and 2 hours per response for the remaining exhibits to be completed on behalf of the proposed SBIC entity. You are not required to respond to any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to the US Small Business Administration, Chief, Administrative Information Branch, Washington, DC 20416 and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, DC 20503. OMB Approval 3245-0062. **PLEASE DO NOT SEND FORMS TO OMB.**

PRIOR TO SIGNING OR SUBMITTING ANY OF THE EXHIBITS INCLUDED IN THIS FORM, PLEASE SEE "NOTICES REQUIRED BY LAW" ON PAGE 2 FOR EXPLANATIONS ABOUT DISCLOSURE OF INFORMATION AND THE USES OF SUCH INFORMATION.

NOTICES REQUIRED BY LAW

The following is a brief summary of the laws applicable to this solicitation of information.

PAPERWORK REDUCTION ACT (44 U.S.C. Chapter 35)

In Exhibits to the Small Business Investment Company Management Assessment Questionnaire and License Application (“Exhibits”) where there is an advisory of “Notices Required by Law”, SBA will use the information that has been provided in connection with an investigation of your experience and character. The scope of this investigation may include contact with banks, other financial institutions, individuals, business associates, law enforcement offices (including but not limited to SBA's Office of Inspector General and the Federal Bureau of Investigation), and any others that will assist SBA in making an adequate appraisal of your general business reputation and character.

PRIVACY ACT (5 U.S.C. 522a)

Any person can request to see or get copies of any personal information that SBA has when those records are retrievable by individual identifiers, such as name or social security number. See 13 C.F.R. Part 102, Subpart B. However, requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act (5 U.S.C. 552).

Generally, under the provisions of the Privacy Act, you are not required to provide your social security number and the failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. However, the Debt Collection Improvement Act of 1996 (31 U.S.C. 7701(c)(1)) permits a Federal agency to require each person doing business with that agency to furnish to that agency that person's taxpayer identification number (TIN). Therefore, it is mandatory that you furnish your TIN pursuant to the Debt Collection Improvement Act of 1996. Additionally, disclosure of your name and other personal information requested is mandatory. SBA is required under Section 301(c)(3) of the Small Business Investment Act, 15 U.S.C. 681(c)(3), to consider the general business reputation of certain key individuals in order to make a determination about whether each individual has the business experience and character necessary to participate in the SBIC program. Your social security number and other personal identifiers assist SBA in making these determinations required by law. If you do not provide this information, SBA will be unable to reach a favorable determination concerning your participation in the SBIC program.

The Privacy Act authorizes SBA to make certain “routine uses” of information protected by that Act. One such routine use is that when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature, SBA may refer it to the appropriate agency, whether Federal, State, local or foreign, charged with responsibility for or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. Another routine use of personal information is to assist in obtaining credit bureau reports, including consumer credit reports and scores on the principals of the SBIC applicant, for the purpose of determining whether to approve a principal's participation in the SBIC program. See 74 FR 14890 (and as amended from time to time) for additional background and other routine uses.

Any person concerned with the collection of information, its mandatory or voluntary nature, disclosure or routine use under the Privacy Act, or requesting information under the Freedom of Information Act may contact the Chief, Freedom of Information/Privacy Acts Division, Small Business Administration, Washington, D.C. 20416.

FREEDOM OF INFORMATION ACT (5 U.S.C. 552)

This law provides, with some exceptions, that we must make records or portions of records contained in our files available to persons requesting them. This generally includes aggregate statistical information on the SBIC program and other information such as names of licensed SBICs and names of companies that have been financed by SBICs. We do not routinely make available to third parties your proprietary data or information that would cause competitive harm or would constitute a clearly unwarranted invasion of personal privacy.

To request information under this Act, you must send the request to the SBA office maintaining the records requested or the Chief, FOI/PA Office, 409 3rd Street, SW, -Washington, DC 20416, or by e-mail to foia@sba.gov, and identify it as a Freedom of Information Act (FOIA) request. The request must describe the specific records you want.

EXHIBIT A
CHECKLIST FOR EXHIBITS TO
MANAGEMENT ASSESSMENT QUESTIONNAIRE

SBIC Name	Date
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INSTRUCTIONS: (1) Insert SBIC name and date above. (2) When submitting this form, check appropriate boxes below for exhibits that have been completed. (3) Note that Exhibits D, E, F, and G should be grouped together by individual respondent.

EXHIBITS	Completed
A. Checklist for Exhibits to SBIC Application	
D: Legal Proceedings Questionnaire	
E: Business Experience & Education of Principals	
F: Investment Experience of Principals	
G: Information Regarding Other Activities and Relationships	
K: Organizational Chart	
L: Supplemental Information	
P: Due Diligence Checklists, Reports, Term Sheets, Deal Summaries, Models, etc. (Submit relevant documents electronically only.)	
V: Discussion of Issues for Public SBICs (if relevant)	

**EXHIBIT D
LEGAL PROCEEDINGS QUESTIONNAIRE**

SBIC Name		Date	
Name of Principal			

INSTRUCTIONS

1. Submit this exhibit for each principal. Please enter the date of submission, name of principal and name of fund in the header at the top of this page.
2. Answer all of the following questions. If the answer to any question is "yes", furnish complete details on a separate sheet, attached to this exhibit. Include all pertinent information, including, name(s) under which charged, dates, locations, titles of proceedings, docket numbers, fines and penalties (paid and unpaid), sentences, type of offense (misdemeanor or felony), dates of parole/probation, and relevant documents.
3. For the purposes of this exhibit, a "substantial ownership interest" in an organization is considered to be an interest, direct or indirect, of 20% or more as reflected in equity interests, voting interests, or profit interests. The term "senior management" generally refers to *meaningful participation in budget or investment decisions*. If you have questions about whether or not you would have been considered part of senior management, discuss the issue with an SBA program development analyst, licensing analyst, or operations analyst.
4. This exhibit must be signed when submitted as part of either a MAQ or a license application. Any changes in the responses between the MAQ and the license application should be noted and explained.

D1. Has any organization either while you were a member of senior management or when you had a substantial ownership interest, ever been indicted for, charged with, or convicted of any criminal offense involving fraud, breach of fiduciary duty or breach of trust?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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D2. Has any organization, either while you were a member of senior management or when you had a substantial ownership interest, ever been found liable, convicted or permanently or temporarily enjoined by a court, by reason of any act or practice involving fraud, breach of fiduciary duty or breach of trust?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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D3a. Are you now the subject of any investigation or disciplinary hearing or proceeding by a governmental agency, regulatory body, or professional association?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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D3b. Have you ever been the subject of any investigation or disciplinary hearing or proceeding by a governmental agency, regulatory body, or professional association?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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D3c. Are you now or have you ever been the subject of any suspension, debarment, or any other regulatory enforcement, or any other regulatory enforcement action by a State or Federal agency based on fraud, lack of business integrity, or violation or noncompliance with regulations or other governmental requirements?

Yes

No

D4a. Has any organization, either while you were a member of senior management or when you had a substantial ownership interest, ever been the subject of any investigation or disciplinary hearing or proceeding by a governmental agency, regulatory body, or professional association?

Yes

No

D4b. Is any organization of which you are currently a member of senior management, or in which you have a substantial ownership interest, now the subject of any investigation or disciplinary proceeding by a governmental agency, regulatory body, or professional association?

Yes

No

D5. Have you ever entered into an agreement concerning, or otherwise consented to any order or decree by a court, governmental agency or regulatory body in connection with, any federal or state securities law?

Yes

No

D6. Has any organization, either while you were a member of senior management or when you had a substantial ownership interest, ever entered into an agreement concerning, or otherwise consented to any order or decree by a court, governmental agency or regulatory body in connection with any federal or state securities law?

Yes

No

D7. During the past 10 years, have you been a named defendant in any civil legal action involving commercial disputes or creditor's claims (including but not limited to debt collection lawsuit, foreclosure, receivership, and involuntary liquidation) of greater than \$500,000?

Yes

No

D8a. During the past 10 years, has any organization, either while you were a member of senior management or when you had a substantial ownership interest, been a named defendant in any civil legal action involving commercial disputes or creditor's claims (including but not limited to debt collection lawsuit, foreclosure, receivership, and involuntary liquidation) of greater than \$500,000?

Yes

No

D8b. If "yes", did the subject matter involve your personal conduct or fall within your area of responsibility?

Yes

No

N/A

D8c. If the answer to question D8a is "yes", were you active in settlement negotiations or arbitration?

Yes

No

N/A

[Date of Submission]

[Name of Principal]

[Name of Fund]

D9a. Have you, as a result of your role as a member of senior management or as a member of the board of directors of any entity been a named defendant in any civil legal action involving (i) shareholder litigation, (ii) fraud or misrepresentation, or (iii) breach of fiduciary duty?

Yes	
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No	
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D9b. If "yes", did the subject matter involve your personal conduct or fall within your area of responsibility?

Yes	
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No	
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N/A	
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D9c. If the answer to question D9a is "yes", were you active in settlement negotiations or arbitration?

Yes	
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No	
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N/A	
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D10. Have you, in your individual capacity, ever been a named defendant in any civil legal action involving (i) shareholder litigation, (ii) fraud or misrepresentation, or (iii) breach of fiduciary duty?

Yes	
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No	
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D11. During the past 10 years, have you filed voluntarily, or had filed against you involuntarily, a bankruptcy petition?

Yes	
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No	
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D12. During the past 10 years, has any organization, either while you were a member of senior management or when you had a substantial ownership interest, filed voluntarily, or had filed against such organization involuntarily, a bankruptcy petition?

Yes	
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No	
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D13. Have you ever failed to pay when due any debt or obligation, including any amounts in dispute, to the Federal government or any state government, or guaranteed by the Federal government or any state government (including but not limited to taxes, business loans, student loans, etc.)?

Yes	
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No	
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D14. Has any organization, either while you were a member of senior management or when you had a substantial ownership interest, ever failed to pay when due any debt or obligation, including any amounts in dispute, to the Federal government or any state government, or guaranteed by the Federal government or any state government (including but not limited to taxes, business loans, educational loans, etc.)?

Yes	
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No	
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[Continued on Next Page]

[Date of Submission]

[Name of Principal]

[Name of Fund]

PRIOR TO SIGNING THIS DOCUMENT, PLEASE SEE THE "NOTICES REQUIRED BY LAW" ON PAGE 2 OF THESE EXHIBITS FOR EXPLANATIONS ABOUT DISCLOSURE OF INFORMATION AND USES OF SUCH INFORMATION.

CERTIFICATION

I certify that all of the information I have provided on this Exhibit D and any other information I have submitted in connection with this Exhibit D is true, correct and complete to the best of my knowledge. I understand that knowingly making a false statement is a violation of Federal law and could result in criminal prosecution under 18 USC §§ 287, 371, 1001, 1006, and 1014, including fines of up to \$1 million and up to 30 years imprisonment, 15 USC §§ 645 and 687(f), civil penalties under 31 U.S.C. § 3729, government-wide debarment or suspension, and denial, suspension, or revocation of a Small Business Investment Company license.

I have read the "Notices Required by Law" and I authorize the U.S. Small Business Administration Office of Inspector General to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for the Small Business Investment Company program.

Printed Name/ Title	
Signature	Date

EXHIBIT E
BUSINESS EXPERIENCE & EDUCATION OF PRINCIPALS

PRIOR TO SUBMITTING THIS DOCUMENT, PLEASE SEE THE "NOTICES REQUIRED BY LAW" ON PAGE 2 OF THIS FORM FOR EXPLANATIONS ABOUT DISCLOSURE OF INFORMATION AND USES OF SUCH INFORMATION.

INSTRUCTIONS

1. For each individual, include a resume (not just a narrative) of relevant experience and education, *with dates and addresses shown*. (The resume belongs in this exhibit and in no other place.) A length of two pages is preferable, but do not exceed three pages in type no smaller than 11 pt. Arial or 12 pt. Times Roman.

- ◆ Relate your business and professional experience during the past twenty years, as well as any prior experience that relates to your qualifications to manage an SBIC. Give the title of each position, and describe the basic functions and responsibilities.
- ◆ Regarding education, list your degrees, major areas of study, and names and addresses of the institutions attended.
- ◆ If desired, you may also include any other information that would be considered relevant to demonstrating qualifications for being a principal of an SBIC.

2. References:

If available, provide five references in each of categories (A) through (E). Be sure to identify in which category a reference is being placed, and *do not provide more than one name from any single firm*. Also, do not provide a reference from someone who is a principal, employee, or member of any committee of the applicant.

- (A) Supervisors or partners
- (B) Associates (peers)
- (C) Portfolio company presidents or chairpersons
- (D) Portfolio company co-investors
- (E) Fund investors (if relevant to prior experience)

For each reference, give the following information.

- Name, plus title and company, if relevant
- State the dates (years) of the active relationship
- Very briefly state the context of the relationship
- Provide the address, plus the phone numbers, and indicate (W) work, (H) home, or (C) cellular.

Please use a two-column table format. Column one should contain the name and contact information, and column two should provide the time period(s) and describe the nature of the relationship.

**EXHIBIT F
INVESTMENT EXPERIENCE OF PRINCIPALS**

INSTRUCTIONS

Exhibit F, including all instructions and a comprehensive example, is available in a separate Excel file. To obtain this file, please send an email request to MAQrequest@sba.gov.

PRIOR TO SUBMITTING THIS DOCUMENT, PLEASE SEE THE "NOTICES REQUIRED BY LAW" ON PAGE 2 OF THIS FORM FOR EXPLANATIONS ABOUT DISCLOSURE OF INFORMATION AND USES OF SUCH INFORMATION.

EXHIBIT G
INFORMATION REGARDING
OTHER ACTIVITIES AND RELATIONSHIPS

SBIC Name	Date
Name of Principal	

INSTRUCTIONS. Complete this exhibit for each principal.

G1. List all business endeavors or investments in which you are actively involved¹. In a few words, describe each entity, and estimate the percentage of work time that it now occupies and the percentage it will take 12 months after an SBIC is licensed.

G2. List all for-profit and non-profit boards, committees and councils on which you sit, and estimate the percentage time that they now occupy and the percentage they will take 12 months after an SBIC is licensed.

G3. If you own, or will own, 10% or more of the *Private Capital* (§107.50) of the SBIC, were the funds used, or to be used, in purchasing said *Private Capital*, borrowed?

Yes

 No

If “yes”, give full details, including your net worth, amount borrowed or to be borrowed, source of funds borrowed or to be borrowed, terms of repayment, security and/or guarantors.

G4. In answering this question, if “yes” to any item, directly below the relevant check boxes, provide the name of the SBIC, your positions, and the dates of affiliation.

Are you, or have you been:

G4.1 an investor of 10% or more in another SBIC?

Yes

 No

G4.2 an officer, director, member, manager or principal of an SBIC, a general partner of an SBIC, or the investment advisor/manager of an SBIC?

Yes

 No

G4.3 an employee of an SBIC, the general partner of an SBIC, or the investment advisor/manager of an SBIC?

Yes

 No

G4.4 a member of any investment committee or advisory committee of an SBIC?

Yes

 No

G5. Are you a *Close Relative* (see 13 CFR §107.50) of any person *Affiliated* (§121.103) with the Applicant or of any SBIC.

Yes

 No

If “yes”, provide the name of the SBIC and the relationship.

¹ This is not to be interpreted as listing each portfolio company unless you are currently an active officer or manager with duties beyond traditional venture oversight.

G6. To the best of your knowledge and belief, during the past ten years, has any organization, either while you were a member of senior management or when you had a substantial direct or indirect ownership interest (20% or greater), borrowed funds from or sold securities to any Small Business Investment Company?

Yes No

If "yes", describe below, giving all pertinent details, including the names of all parties to the transaction, dates, amounts involved, terms, use of proceeds, etc., and the outcomes of the financings.

G7. To the best of your knowledge and belief, during the past ten years, has any organization, either while you were a member of senior management or when you had a substantial direct or indirect ownership interest (20% or greater), received a loan from or guaranteed by the SBA.

Yes No

If yes, give full details, as requested in G6 above.

G8. To the best of your knowledge and belief, during the past ten years, have you individually, or has any organization, either while you were a member of senior management or when you had a substantial direct or indirect ownership interest (20% or greater), had any contracts with SBA, other than loans?

Yes No

If "yes", give full details.

G9a. Is any SBA employee or any member of any SBA advisory council related to you by blood, marriage, or adoption?

Yes No

G9b. To the best of your knowledge and belief, does any SBA employee or member of any SBA advisory council have any present, or have they had any past, direct or indirect, financial interest in, or affiliation with, any concern of which you are a director, manager, member, officer, or in which you are an investor of 10% or more ?

Yes No

If the answer to either (a) or (b) is "yes", give the name of the employee, the name of the member and of the council and list the names, addresses, and relationships.

PRIOR TO SIGNING THIS DOCUMENT, PLEASE SEE THE "NOTICES REQUIRED BY LAW" ON PAGE 2 OF THESE EXHIBITS FOR EXPLANATIONS ABOUT DISCLOSURE OF INFORMATION AND USES OF SUCH INFORMATION.

CERTIFICATION

I certify that all of the information I have provided on this Exhibit G and any other information I have submitted in connection with this Exhibit G is true, correct and complete to the best of my knowledge. I understand that knowingly making a false statement is a violation of Federal law and could result in criminal prosecution under 18 USC §§ 287, 371, 1001, 1006, and 1014, including fines of up to \$1 million and up to 30 years imprisonment, 15 USC §§ 645 and 687(f), civil penalties under 31 U.S.C. § 3729, government-wide debarment or suspension, and denial, suspension, or revocation of a Small Business Investment Company license.

[Date of Submission]

[Name of Principal]

[Name of Fund]

Printed Name/ Title			
Signature		Date	

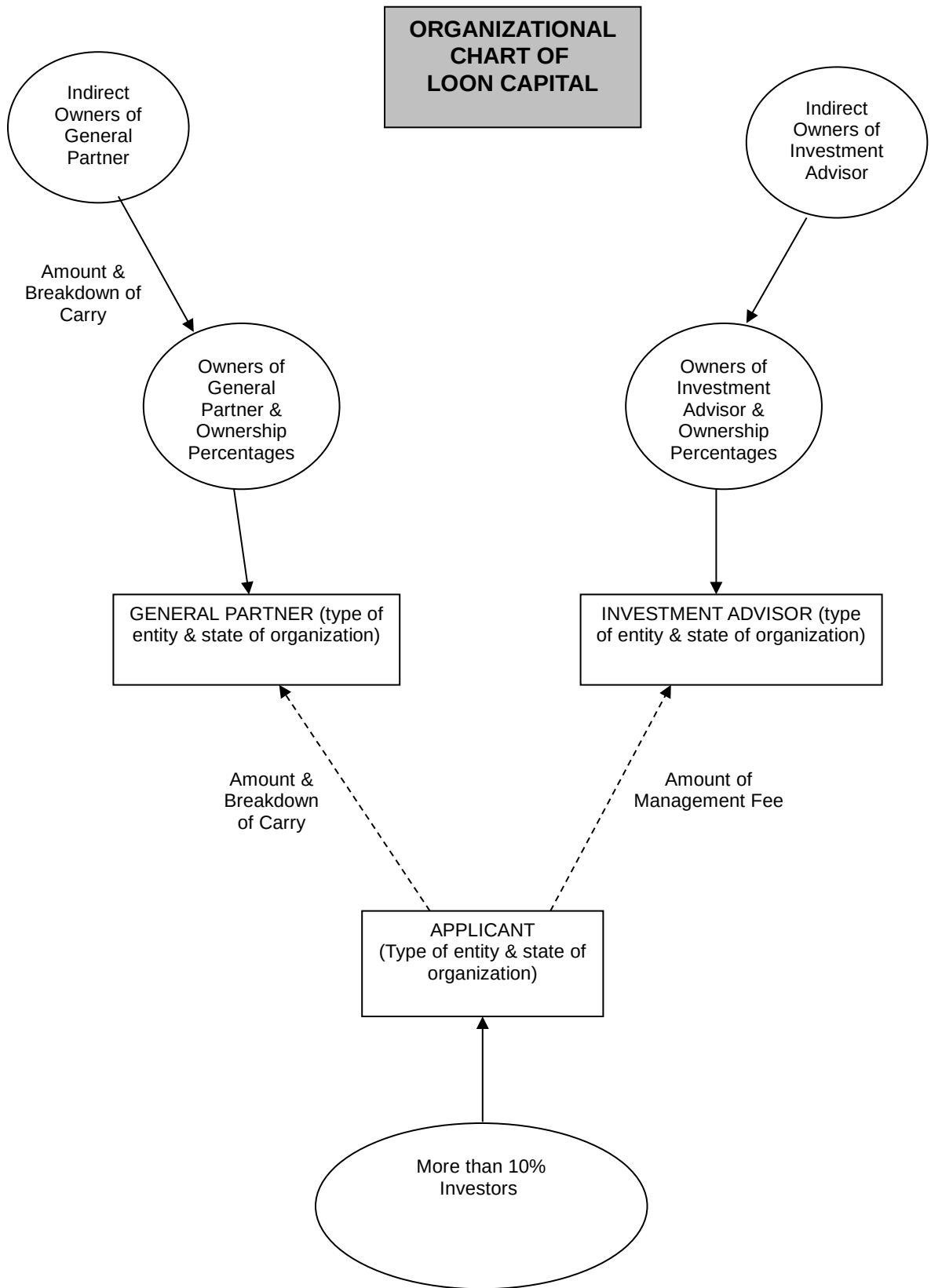
EXHIBIT K ORGANIZATIONAL CHART

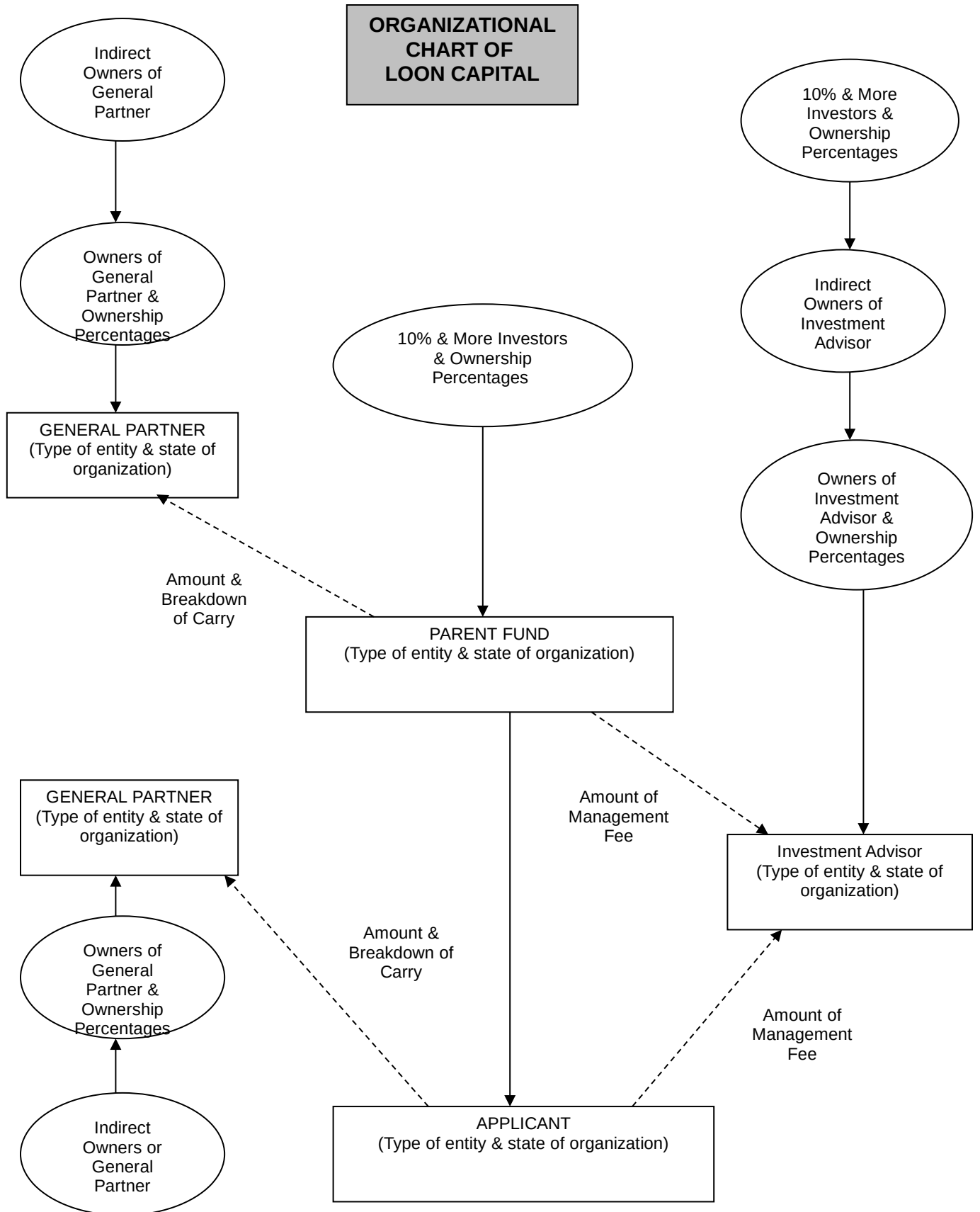
INSTRUCTIONS

1. On the next page, provide an organizational chart of all entities related to the SBIC. Please refer to Question 403 of the *SBIC Management Assessment Questionnaire and License Application, Form 2181* for related information to provide.
 2. Two charts are provided as starting points: one for a stand-alone SBIC, and the other for a “drop-down” SBIC (a subsidiary of another investment company).
 3. You can use either one of the templates provided or your own chart, as long as you show the nature of the relationships and include the types of information indicated. If you use the enclosed charts, please remove the descriptive words and enter the appropriate data.
 4. It is not necessary to draw the charts in Word, but if you wish to do so, here are some hints.
 - Click on the menu item *Tools, Options*, and on the tab labeled *Toolbars*, click on *Drawing*. This will give you a drawing toolbar at the bottom of your screen.
 - On the toolbar, click on either the oval shape or the square shape to draw a box. (It is not necessary to utilize the conventions for shapes shown on the chart.) After you have drawn a box, move the cursor over the box, right click for a menu, and click *Add Text*.
 - Use Arial typestyle, 9 pt. and center the text.
 - Click on the arrow shape to add arrows.
 - To move an object, the object can either be selected or not, but move the cursor until it turns into a cross with four arrows; hold down the left mouse key and move the object.
 5. When completed, delete these instructions.
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[Date of Submission]

[Name of Fund]





**EXHIBIT L
SUPPLEMENTAL INFORMATION**

SBIC Name	Date
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INSTRUCTIONS

If you use this page to provide additional information, please be sure to identify the questions being referenced. If you are not using this page, please write "N/A" and include the page in your submission.

**EXHIBIT P
DUE DILIGENCE CHECKLISTS, REPORTS, TERM SHEETS, DEAL SUMMARIES,
MODELS, ETC.**

SBIC Name	Date
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INSTRUCTIONS

Submit relevant documents electronically. Hard copies are not required.

EXHIBIT V DISCUSSION OF ISSUES FOR PUBLIC SBICs²
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SBIC Name	Date
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If not applicable, insert "X" →	
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(If the box above is checked, skip the remainder of this Exhibit.)

INSTRUCTIONS

See 13 CFR 107.115 and discuss all of the following issues. The discussion must be as complete as possible, *both from a business and from a legal standpoint.*

V1. Describe your plans for an initial public offering. If the SBIC or parent fund is already public, give a brief history of its formation and operation as a public company.

V2. Explain your anticipated resolution of the differences between the valuation requirements of the SEC (or state regulators) for publicly traded investment companies and the valuation policy for the SBIC program, as given on the SBA Investment Division web site.

V3. Explain fully any anticipated transfers of funds between the SBIC and other entities.

V4. As relevant, explain co-investment strategies between entities.

V5. Distribution policies.

V5.1 Are you planning to elect to be taxed as a regulated investment company pursuant to section 851 of the Internal Revenue Code.

V5.2 Discuss fully your proposed distribution policies.

V5.3 If you plan to utilize debenture leverage, discuss fully the integration of various SEC and tax laws, as well as state securities laws, regarding distributions from investment companies with SBA regulations governing distributions and returns of capital. (See 13 CFR 107.585.)

² The term "Public SBIC" also includes subsidiaries of public investment companies.