

## To All Businesses in Areas Affected by Katrina

Jones Walker is working with the companies in the three-state area on an economic relief bill for businesses in areas affected by Katrina. Congress has appropriated over \$60B of aid, but much of it (at least \$35B) remains unspent, and little of it has been allocated to businesses. Without immediate relief, thousands of businesses will be forced to lay off workers or declare bankruptcy.

The current federal programs do not provide the needed help. FEMA assists only individuals, homeowners and non-profits; the SBA programs and application process do not provide the urgent help that affected businesses need. These businesses need immediate interest-free loans that are forgiven if the proceeds are spent on employee compensation and fixed operating expenses.

We need businesses in the Katrina affected areas to immediately sign the attached letter that informs Congress of the dire need for relief of this type. We will present all signatures to the appropriate Congressional delegations and committees. To “sign” the letter, please email the name and address of your company or companies and the name, phone number and title of an authorized signatory to the following email address: [mpage@joneswalker.com](mailto:mpage@joneswalker.com). For further information, you can call Chris Johnsen at 202.203.1000.

The bill advocated by us would allocate between \$8-\$10B of money previously approved by Congress to financial institutions with lending operations in the areas affected by Katrina. This money would be loaned interest-free to businesses with operations adversely impacted by Katrina. Loan proceeds shown to have been properly spent on employee compensation, fixed operating expenses and certain other approved expenditures would be forgiven.

Please forward this information to anyone who you believe would be interested in signing this letter.

**To the Alabama, Louisiana and Mississippi Congressional Delegations:**

I am the owner or senior executive of the business named below with significant operations in the areas affected by Katrina. Katrina has devastated our region, dramatically reducing or eliminating our ability to operate. We have had little if any revenues from our business operations in the affected region since the date of the storm.

We are trying to continue operations, but without federal assistance, we may not be able to continue to pay our employees or to meet our fixed operating expenses. That could lead to significant staff reductions or to severe, even fatal consequences to my business. We implore Congress to immediately make available relief to businesses outside of the presently available SBA programs, to help us to pay our payrolls and our fixed operating costs.

We understand that some Congressional delegations are promoting a bill to provide interest-free loans for employee compensation, fixed operating expenses and certain other critical business expenses, with the loans being forgiven if the businesses demonstrate that the proceeds have been used for those purposes. We would strongly support legislation like that.

Sincerely,

[Name of Business]

[Address]

[Signatory]

[Phone Number and email address]