

June 22, 2020

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

The Honorable Jerome H. Powell
Chair
Board of Governors of the Federal Reserve System
20th Street & Constitution Avenue NW
Washington, D.C. 20551

RE: Main Street Lending Program – NONLF and NOELF

Secretary Mnuchin and Chair Powell:

Thank you for the opportunity to comment on your proposal to expand the Main Street Lending Program to provide access to credit for nonprofit organizations. As an organization with more than 500 employees in the United States, we are a critical component in the professional excellence of the more than 80,000 U.S.-based investment analysts, advisers, portfolio managers, and other investment professionals affiliated with our 67 CFA local societies in the United States. Like other nonprofit organizations nationwide, we play a critical role in the local economies in which we and our members operate. Collectively, organizations like ours employ millions of people who support innovation and the development of a highly skilled workforce.

As we understand the NONLF and NOELF term sheets, the current definition of a nonprofit organization does not explicitly include organizations like CFA Institute, which is a Sec. 501(c)6 organization that is not primarily engaged in lobbying or political activity. Rather, the term sheets note, such organizations “may be considered for inclusion as a Nonprofit Organization under the Facility at the discretion of the Federal Reserve.” **I am writing to request that the Federal Reserve recognize CFA Institute as an eligible borrower under the Main Street Lending Program.**

CFA Institute started nearly 60 years ago and today stands as the largest association of investment professionals in the world. At the core of our mission, we serve finance professionals seeking investment management-related education, knowledge, professional development, connection, and inspiration. We strive to lead the investment profession's thinking in the areas of ethics, capital markets integrity, and excellence of practice. As the creator of the Global Investment Performance Standards (GIPS), we also take pride in being a steward and champion of high ethical standards of professional conduct within the investment management community.

Like other nonprofit organizations, we have experienced a significant blow to our finances due to the ongoing effects and uncertainty arising from the COVID-19 pandemic. In March, CFA Institute was forced to cancel all three levels of our June exams which were scheduled to take place at 343 test centers in 192 cities and 94 countries, due both to government policies and our concern for the health of the more than 250,000 young finance professionals scheduled to sit for those exams. This exam program accounted for more than 85% of our total revenues in the fiscal

year ended 31 August 2019. While the pandemic has had a significantly negative effect on our finances, CFA Institute has continued to employ all of our 500-plus U.S. employees, including maintenance of their health and wellness benefits and contributing to their retirement funds.

The unexpected financial hardship has severely limited our ability to function as an organization. Beyond the cancellation of our primary revenue-producing exam, the crisis has forced us to cancel dozens of meetings and events, many dedicated to providing continuing professional education to our members. Though we are planning to administer our December exams as scheduled, we are nevertheless aware that another viral wave could have a devastating effect on our organization, members, and aspiring charterholders.

While some nonprofit organizations have had the opportunity to obtain financial relief under the Payment Protection Program, 501(c)6 organizations like CFA Institute have been deemed ineligible to apply and therefore shut out from the process. Therefore, we ask that you consider our request to extend the eligibility requirements of the Main Street Lending Program to CFA Institute and other 501(c)6 organizations like us who are not primarily engaged in lobbying or political activity.

Thank you for your consideration and continued support of our country during this challenging time. If you have questions regarding this request for critically needed support for CFA Institute, please contact James C. Allen, CFA, Head Capital Markets Policy in the Americas (james.allen@cfainstitute.org or 434-227-1338).

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Franklin', with a horizontal line drawn through the middle of the signature.

Margaret Franklin, CFA
Chief Executive Officer
CFA Institute

CC: The Honorable Mark Warner, Senator, United States Senate
The Honorable Tim Kaine, Senator, United States Senate