

February 5, 2019

Michael Fisch
Chief Executive Officer
American Securities
299 Park Avenue, 34th Floor
New York, NY 10171

Dear Mr. Fisch,

We write to request a meeting with American Securities regarding the firm's investments in companies profiting from the incarceration and detention of people, most notably GTL.

We are deeply concerned about American Securities' investment in and expansion of GTL, about GTL's practices, and about financial firms like American Securities profiting from the incarceration and detention of people.

The United States incarcerates more people than any other country in the world, both in terms of the number of individuals incarcerated and by percentage of population. In 2016, there were roughly 2.2 million people in the country's prisons and jails,ⁱ and about 1 in 116 adults in the U.S. were incarcerated;ⁱⁱ if the number of imprisoned individuals in the U.S. were a city, it would be the fifth-largest in the country.ⁱⁱⁱ

Mass incarceration is overwhelmingly and discriminatorily aimed at communities of color. More than 60 percent of the U.S. incarcerated population is people of color, and according to the NAACP, "If African Americans and Hispanics were incarcerated at the same rates as whites, prison and jail populations would decline by almost 40%."^{iv}

The scaling up of immigration detention under the Trump administration has led to additional business for firms such as GTL that provide services to those detainees.

Investments by financial firms like American Securities in companies profiting from the incarceration and detention of people only exacerbate these problems, fueling the expansion and concentration of companies that provide often subpar services at high costs^v, draining money from low-income and minority communities.

In addition to these ethical concerns, the American Federation of Teachers (AFT) today released a report (enclosed) that highlights the investment risks to public pension funds and other institutional investors posed by privately-owned corrections companies, including American Securities' GTL.

As such, we believe American Securities should exit its investments in GTL and all investments in incarceration and detention service providers.

Please let us know when yourself or the most appropriate person at American Securities would be available to meet.

Sincerely,

Bianca Tylek
Director
Corrections Accountability Project

Scott Roberts
Senior Campaign Director – Criminal Justice
Color of Change

Randi Weingarten
President
American Federation of Teachers

Saqib Bhatti
Co-Executive Director
Action Center on Race and the Economy

Jim Baker
Director
Private Equity Stakeholder Project

CC: American Securities investors

ⁱ <https://www.bjs.gov/content/pub/pdf/cpus16.pdf>

ⁱⁱ <https://www.aclu.org/prison-crisis>

ⁱⁱⁱ <https://www.cnn.com/2018/06/28/us/mass-incarceration-five-key-facts/index.html>

^{iv} <https://www.naacp.org/criminal-justice-fact-sheet/>

^v [“The High Cost of Calling the Imprisoned.” New York Times. Mar 30, 2015.](#)