

February 5, 2019

Andrew Feldstein
Chief Investment Officer
BlueMountain Capital Management
280 Park Avenue
12th Floor
New York, NY 10017

Dear Mr. Feldstein,

We write to request a meeting with BlueMountain Capital Management regarding the firm's investments in companies profiting from the incarceration and detention of people, most notably Corizon.

We are deeply concerned about BlueMountain Capital Management's investment in and expansion of Corizon, about Corizon's practices, and about financial firms like BlueMountain 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 Corizon that provide services to those detainees.

Investments by financial firms like BlueMountain Capital Management 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 BlueMountain Capital's Corizon.

As such, we believe BlueMountain should exit its investment in Corizon and all investments in incarceration and detention service providers.

Please let us know when yourself or the most appropriate person at BlueMountain Capital Management 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: BlueMountain Capital 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 “As inmate lawsuits and other warnings poured in, state officials allowed Corizon Health to deliver care with minimal oversight.”
[Santa Fe New Mexican, Apr 17, 2016.](#)