

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

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CARMEN'S CORNER STORE, *et al.*,

Plaintiffs,

v.

UNITED STATES SMALL BUSINESS  
ADMINISTRATION, *et al.*,

Defendants.

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No. 1:20-cv-1736-CCB

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DEFY VENTURES, INC., *et al.*,

Plaintiffs,

v.

UNITED STATES SMALL BUSINESS  
ADMINISTRATION, *et al.*,

Defendants.

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No. 1:20-cv-1838-CCB

**DEFENDANTS' SECOND NOTICE OF SUPPLEMENTAL AUTHORITY IN  
SUPPORT OF THEIR OPPOSITION TO PLAINTIFFS' MOTIONS FOR  
TEMPORARY RESTRAINING ORDERS OR PRELIMINARY INJUNCTIONS**

Dated: June 26, 2020

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The United States Small Business Administration, et al. (“Defendants”) respectfully submit as supplemental authority the decision released today in *Pharaohs GC, Inc. v. U.S. SBA*, No. 20-cv-665 (W.D.N.Y. June 26, 2020) (Doc. 18) (*attached*). In *Pharaohs*, U.S. District Judge Lawrence J. Vilardo denied the plaintiff’s motion for a preliminary injunction, which sought to restrain the SBA from denying eligibility for a PPP loan on the ground that the plaintiff was a business that “[p]resent[ed] live performances of a prurient sexual nature.” 13 C.F.R. § 120.110(p); slip op. 1. Instead, the District Court concluded that “SBA’s application of 13 C.F.R. 120.110 to the PPP is not arbitrary, capricious, or manifestly contrary to the CARES Act.” Slip op. 13. The District Court’s rejection of the plaintiff’s contentions under the Administrative Procedure Act provide further support for Defendants’ opposition here. *See id.*, slip op. at 6-13.

Dated: June 26, 2020

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Respectfully submitted,

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