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# United States Senate

COMMITTEE ON  
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS  
WASHINGTON, DC 20510-6250

RICHARD J. KESSLER, STAFF DIRECTOR  
KEITH B. ASHDOWN, MINORITY STAFF DIRECTOR

September 30, 2013

VIA U.S. MAIL & EMAIL (Faith.Burton@USDOJ.gov)

The Honorable Eric H. Holder, Jr.  
The Attorney General  
U. S. Department of Justice  
Robert F. Kennedy Building  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

Dear Mr. Attorney General:

News reports indicate that you personally met last Thursday with JPMorgan CEO Jamie Dimon in the course of settlement talks between JPMorgan Chase and the Department of Justice (DOJ). Your meeting with Mr. Dimon reportedly centered on multiple investigations into JPMorgan's issuance of mortgage-backed securities in the lead-up to the financial crisis. These discussions are taking place while DOJ is also investigating the bank's actions related to the \$6 billion "London Whale" trading losses, which the Senate Permanent Subcommittee on Investigations independently investigated.

Your personal meeting with the CEO of the corporate target of a major criminal investigation, at the request of the CEO, while negotiations on a global settlement agreement are pending, is highly unusual and, under the circumstances that the meeting occurred, gives rise to concern. It is noteworthy that at the same time the bank is facing a litany of regulatory woes that carry hefty fines and potential liability in private civil suits, individuals within JPMorgan and other similarly culpable financial institutions have escaped accountability.

JPMorgan's misconduct seriously harmed investors, wreaked havoc on our nation's financial security, and continues to have painful effects on homeowners in Arizona and around the country. Any government response relating to these events must hold the proper institutions and individuals accountable. In matters involving major corporate malfeasance, individual accountability is vital to deterring similarly severe misconduct by financial institutions and their officers, directors, or key employees in the future. Government enforcement actions must no longer be viewed by institutions and their management teams as simply the cost of doing business.

With this in mind, please provide responses to the following questions when the settlement agreement is announced:

1. Is the DOJ considering requiring admissions of wrongdoing on the part of any individuals within the bank as part of the settlement negotiations? If not, why not?

2. Will the settlement agreement with the company preclude either civil or criminal enforcement action against individuals at JPMorgan? Why or why not?
3. Will you seek to hold any top officer, director or key employees within JPMorgan personally accountable for the wrongdoing?
4. Please describe how each of the following will be determined and structured in any potential settlement.
  - a. Penalties
  - b. Fines
  - c. Disgorgement
  - d. Compensatory damages and/or restitution
  - e. Admissions of wrongdoing
5. How will the DOJ ensure that the settlement provides the proper relief for consumers?
6. Will any settlement reached specify whether JPMorgan is permitted to receive a tax deduction or favorable tax treatment for any resulting restitution, fines or penalties, or will such a determination be left to the IRS? How will this decision be reached? If deductions are permitted, please specify which aspects of the proposed settlement will be given favorable tax treatment.

Thank you for your timely response to this matter. If you have any questions or concerns, please contact Stephanie Hall, Counsel to the Minority, Permanent Subcommittee on Investigations, at 202/224-9877.

Sincerely,



John McCain  
Ranking Member  
Permanent Subcommittee on Investigations

cc: Edward DeMarco  
Acting Director  
Federal Housing Finance Agency  
400 7th Street, SW  
Washington, DC 20024

Eric T. Schneiderman  
New York State Attorney General  
Office of the Attorney General  
The Capitol  
Albany, NY 12224-0341