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Congress of the United States
House of Representatives

SELECT COMMITTEE ON THE CHINESE COMMUNIST PARTY

April 17, 2025

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Mr. Jamie Dimon
Chairman and Chief Executive Officer
JPMorgan Chase & Co.
383 Madison Avenue
New York, NY 10179

Dear Mr. Dimon,

We are writing to express significant concerns regarding JPMorgan Chase & Co. (JPMorgan)'s involvement in the upcoming Hong Kong initial public offering (IPO) of Contemporary Amperex Technology Co., Limited (CATL)—a Chinese military company as designated by the U.S. Department of Defense under Section 1260H of the National Defense Authorization Act (NDAA). If JPMorgan proceeds with underwriting CATL's IPO, it risks supporting a company linked to the ongoing genocide of Uyghur Muslims in Xinjiang, China, the erosion of American manufacturing, and the endangerment of U.S. service members.

Over the last two decades, Chinese submarines have repeatedly stalked U.S. warships, at times operating undetected within striking distance.¹ In one incident, a Chinese attack submarine surfaced within torpedo range of an American aircraft carrier.² Indeed, the Commander of the U.S. Indo-Pacific Fleet, Admiral Sam Paparo, has said that China's advanced submarines "were built to threaten the United States."³ During his tenure as the senior U.S. Senator from Florida, Secretary of State Marco Rubio and twenty-six other Republican and Democrat Members of Congress warned that **CATL's lithium-ion batteries may soon power China's conventional submarine fleet**, replacing older lead-acid batteries with advanced lithium-ion technology.⁴

CATL's designation by the Pentagon under the 1260H List is intended to alert U.S. entities and investors about a company's affiliations with the People's Liberation Army (PLA) and broader Chinese state objectives, particularly involving dual-use technologies essential to military and surveillance applications. CATL's industry-leading role in battery manufacturing—

¹ Peter Suci, *China's Submarines Keep Proving They Could Sink a Navy Aircraft Carrier*, THE NATIONAL INTEREST (Oct. 31, 2024).

² *Id.*

³ Anthony Capaccio, *China Has Put Longer-Range ICBMs on Its Nuclear Subs, U.S. Says*, BLOOMBERG (Nov. 18, 2022).

⁴ Letter from The Honorable Marco Rubio, Senator, et. al., to The Honorable Lloyd J. Austin, Secretary, U.S. Department of Defense (Dec. 12, 2023).

a sector explicitly targeted by China's state-driven "civil-military fusion" policies⁵—poses significant U.S. investor and national security risks.

Moreover, **CATL maintains a close tier-one supplier relationship with the Xinjiang Production and Construction Corps (XPCC), a paramilitary entity of the Chinese state that operates forced labor camps, and other sanctioned Chinese companies linked to the ongoing genocide of Uyghur Muslims in Xinjiang, China.**⁶ One of these companies, XPCC, was the foundational entity written into the Uyghur Forced Labor Prevention Act (UFLPA) and is connected to “serious human rights abuse against ethnic minorities in Xinjiang, which reportedly include mass arbitrary detention and severe physical abuse, among other serious abuses targeting Uyghurs, a Turkic Muslim population indigenous to Xinjiang, and other ethnic minorities in the region.”⁷

For your convenience, we are attaching as an appendix our 2024 letter—which was co-signed by the Chairman of the House Committee on Homeland Security, Mark Green, and the former senior U.S. Senator of Florida, Secretary of State Marco Rubio—that maps out over a half dozen connections between CATL and Chinese companies directly involved in the ongoing genocide of Uyghur Muslims in Xinjiang, China.

We are troubled by reports indicating **JPMorgan and other American banks aggressively pursued the IPO of Chinese military company CATL** despite clear and public knowledge of CATL's military-related designation and association with sanctioned entities.⁸ Senior executives pitched the deal and bankers “shelved deals they worked on to focus instead on landing CATL.”⁹ The reported low fee structure raises additional concerns about whether appropriate due diligence and compliance standards were compromised in JPMorgan's pursuit of this transaction.

President Trump’s recent National Security Presidential Memorandum (NSPM), the *America First Investment Policy*,¹⁰ explicitly aims to prevent Wall Street from funneling American retail investors’ retirement and other funds into companies that support the Chinese Communist Party’s military-industrial complex and human rights abuses.

CATL’s IPO exemplifies precisely the type of investment the NSPM seeks to deter. The memorandum states: “The United States will establish new rules to stop United States companies and investors from investing in industries that advance the PRC’s national Military-Civil Fusion

⁵ 2019 Annual Report to Congress, U.S. CHINA ECONOMIC AND SECURITY REVIEW COMMISSION (Nov. 2019) see Section 2: Emerging Technologies and Military-Civil Fusion: Artificial Intelligence, New Materials, and New Energy.

⁶ Letter from The Honorable John Moolenaar, Chairman, House Select Committee on the CCP, to The Honorable Robert Silvers, Under Secretary for Strategy, Policy, and Plans, U.S. Dep’t of Homeland Security (June 5, 2024).

⁷ *Id.*

⁸ Julia Fioretti, et al., *Wall Street Bankers Race to Grab Slice of \$5 Billion CATL Deal*, BLOOMBERG (Feb. 25, 2025).

⁹ *Id.*

¹⁰ America First Investment Policy, Nat’l Sec. Presidential Mem. No. 33, 90 Fed. Reg. 12,345 (Feb. 21, 2025) available at www.whitehouse.gov/presidential-actions/2025/02/america-first-investment-policy/.

strategy.”¹¹ By underwriting this IPO, **JPMorgan is exposing itself and its American investors to significant regulatory, financial, and reputational risks.**

Given CATL’s direct links to China’s military modernization, its complicity in the ongoing genocide in Xinjiang, and the grave risks it poses to U.S. national and economic security, **we urge JPMorgan to withdraw from underwriting CATL’s upcoming IPO.**

If JPMorgan is unwilling to immediately withdraw from underwriting CATL’s Hong Kong IPO, we request complete and detailed responses and documents addressing the following questions no later than April XX, 2025.

1. How does JPMorgan justify financing a company officially designated by the U.S. Department of Defense as a "Chinese military company" under Section 1260H—especially given the bipartisan consensus that China is the greatest strategic threat to the United States
2. Please produce copies of all documents, records, responses, correspondence or other communications, and other materials sent or otherwise provided to JPMorgan by or on behalf of CATL to address risks related to CATL’s designation as a Chinese military company and its affiliations with sanctioned entities? Please produce all such materials from before and after JPMorgan and CATL signed the engagement letter related to this IPO.
3. Provide copies of all internal memos, emails, or meeting notes detailing how JPMorgan’s risk and compliance teams evaluated and addressed these risks.
4. Provide copies of all correspondence or other communications between JPMorgan and CATL discussing potential risks associated with CATL’s association with XPCC and potential implications under U.S. sanctions regimes, including the Uyghur Forced Labor Prevention Act.
5. Provide copies of all documents, records, memoranda, or other materials in which JPMorgan conducted a risk assessment or due diligence review related to CATL’s military designation and ties to sanctioned organizations.
6. Does JPMorgan acknowledge that CATL’s inclusion on the Department of Defense’s 1260H list formally designates it as a Chinese military company and links it to China’s Military-Industrial Complex?
7. Does JPMorgan acknowledge that CATL’s lithium-ion battery technology is being used to modernize the PLA’s submarine fleet, which is explicitly designed to target U.S. aircraft carriers and military assets in the Indo-Pacific? If so, why is JPMorgan willing to

¹¹ *Id.*

underwrite a company that strengthens China's military capabilities against the United States?

8. JPMorgan's shareholder letter states that 'staying on the sidelines during battles of autocracy and democracy is not an option for America today.' How does underwriting the IPO of a Chinese company that benefits from forced labor in Xinjiang and is integrated into China's military-industrial complex align with that principle?
9. Has JPMorgan assessed the potential regulatory and reputational risks of underwriting CATL's IPO, particularly in light of increasing bipartisan efforts in Congress to restrict U.S. investment in Chinese military-linked firms? What steps has the firm taken to mitigate the risk of future legal consequences?
10. Did JPMorgan discuss potential regulatory, legal, or national security risks with the U.S. government (e.g., Treasury, Commerce, or DoD) before proceeding with the underwriting? If not, why did JPMorgan choose not to consult relevant authorities on a deal involving a DoD-designated Chinese military company?
11. Given that China's state-driven overcapacity in the battery sector is directly undermining U.S. manufacturers, does JPMorgan accept responsibility for facilitating the erosion of American manufacturing by financing a CCP-backed company that floods global markets with below-cost batteries?
12. Was JPMorgan internally aware of CATL's designation as a Chinese military company before engaging in its IPO? What internal risk analyses and compliance strategies were conducted to assess and mitigate risks associated with underwriting a DoD-designated entity?
13. What explicit disclosures has JPMorgan made—or does it plan to make—to investors regarding CATL's designation as a Chinese military company? How does the firm differentiate between internal risk procedures and external investor communications on this matter?
14. What valuation methodologies and pricing models did JPMorgan use to assess CATL's IPO? Specifically, how were geopolitical risks and CATL's military affiliations incorporated into the IPO pricing and investor disclosures?
15. What marketing strategies has JPMorgan planned for CATL's IPO? Were any measures taken to exclude U.S. investors, given the Pentagon's 1260H designation?
16. Has JPMorgan structured any indemnities, representations, or warranties specifically to shield itself from liability arising from CATL's affiliation with the Chinese military? If so, does JPMorgan acknowledge that such protections indicate a known material risk to national security and compliance?

17. Who are the external legal, accounting, auditing, and national security advisors JPMorgan has relied upon for due diligence on the CATL IPO? Have any of these advisors raised concerns regarding CATL's designation on the Pentagon's 1260H List? Will JPMorgan commit to publicly disclosing any concerns raised?
18. Has JPMorgan received any direct or indirect communications—formal or informal—from Chinese government officials or Communist Party representatives regarding its role in facilitating the CATL IPO? If so, did JPMorgan disclose these interactions to U.S. regulators?
19. Has JPMorgan conducted any internal assessment of whether its involvement in CATL's IPO could create obligations under the Foreign Agents Registration Act (FARA)? If not, why has the firm not considered whether it is acting as a foreign agent for a company linked to the Chinese military?
20. Has JPMorgan conducted any internal compliance reviews or audits in response to concerns over its aggressive pursuit of the CATL IPO, particularly regarding its unusually low underwriting fees? If so, what were the findings? Additionally, did JPMorgan lower its fees to secure favor with the Chinese government, and if so, does the firm acknowledge the geopolitical and ethical implications of such a decision?
21. Were any edits made to the IPO prospectus drafts for CATL in response to concerns about its designation as a Chinese military company, dual-use technology risks, or potential U.S. regulatory scrutiny? If not, why did JPMorgan believe these risks did not warrant any disclosure revisions? If so, will JPMorgan provide a copy of all drafts and identify the specific changes made?

In order to deliver your response or ask any follow-up related questions, please contact Select Committee majority staff at (202) XXX-XXX.

The House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party has broad authority to investigate and submit policy recommendations on countering the economic, technological, security, and ideological threats of the Chinese Communist Party to the United States and allies and partners of the United States under H. Res. 5 Sec. 4(a).

Thank you for your attention to the important matter and we appreciate your prompt and full reply.

Sincerely,

Mr. Jamie Dimon
April 17, 2025
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John Moolenaar
Chairman
House Select Committee on the CCP