

FRED UPTON
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ENERGY AND COMMERCE**

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The Honorable Susan W. Brooks
Committee on Ethics
1015 Longworth
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October 31, 2017

Chairwoman Brooks:

Thank you for your follow-up last week to discuss outstanding questions relating to my 2016 Financial Disclosure Statement filed on June 30, 2017.

As discussed, I have no control over any transaction of the assets in question. Rather they are under control of my parents as the trusts were established some 50 years ago. I am unable to buy, sell, or use these assets for personal use including loans or collateral. I am aware of the assets; however, do not have the ability to transfer them into a blind trust as I have no such control.

I will continue to regularly fill out Periodic Transaction Reports for any stock transactions.

Last week, you asked specifically for information on 9 mutual funds managed by J.P. Morgan Chase who indicated that two funds had share class conversions in August 2016 (MEDIX and JUEMX). JUEMX is the same as J.P. Morgan US Equity. The investment did not change, rather the share class of the mutual fund changed (and therefore the ticker symbol changed).

Each of your follow-up questions relates to mutual funds transacted by the financial institutions where I have no control and no prior knowledge of such transactions.

- AQR Long/Short Equity Fund (QLERX)
 - 3 separate purchases on August 22, 2016, each purchased between \$1,000 - \$15,000
- MFS Emerging Markets Debt (MEDIX)
 - August 16, 2017 share class conversion from MEDIX to MED HX.
- CRM Long/Short Opportunities Fund (CRHX)
 - 5 separate purchases on August 22, 2016 with each purchase between \$1,000 - \$15,000

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- IShares MSCI EAFE INTL Index Fund (BTMKX)
 - December 30, 2016 purchase of \$15,000 – \$50,000
- J.P. Morgan Muni Income Fund (HLTAX)
 - December 30, 2016 purchase of \$15,000 - \$50,000
- T Rowe Price Emerging Markets Bond Fund (PREMX)
 - December 30, 2016 purchase of \$15,000 - \$50,000
- Eaton Vance Global Macro (EIGMX)
 - December 30, 2016 purchase of \$15,000 - \$50,000
 - August 4, 2016 purchase \$1,000 - \$15,000
- J.P. MorganUS Equity Fund (JUEMX)
 - August 16, 2017 share class conversion from JUEMX to JMUEX

The other follow-up question I have is related to the STOCK Act itself. In Section 14. Transaction Reporting Requirements “the transaction reporting requirements established by section 101(j) of the Ethics in Government Act of 1978, as added by section 6 of this Act, shall not be construed to apply to a widely held investment fund (whether such fund is a mutual fund, regulated investment company, pension or deferred compensation plan, or other investment fund), if (1)(A) the fund is publicly traded; or (B) the assets of the fund are widely diversified; and (2) the reporting individual neither exercises control over nor has the ability to exercise control over the financial interests held by the fund.”

It seems to me that each of these criteria applies directly to my situation that I have carefully explained to the Committee for the last number of years.

Sincerely,


 Fred Upton
 Member of Congress