IKSIL Bruno- Email: Iksil.Bruno.contact@gmail.com
If you need to check my identity, please send me an email and I will return to you the contact details of my lawyer to make the needed verifications. Please provide me with your country of call (France, United Kindom, USA) so that I direct you to the best person.

Dear Madam, Sir,

My name is Bruno Iksil. I am taking this opportunity to speak to you regarding the situation I have been connected with over the past several years. I would like to comment on a few issues regarding media coverage. I thank you in advance for hearing me out.

I refer to all the articles that have been published on the so-called “London Whale”, which incorrectly attribute “losses” and “massive positions”, to my name, Bruno Iksil, or “Bruno Michel Iksil” as originally printed by the media back on April 6th 2012 (“Bruno Michel Iksil” is only used for administrative purposes, never in day to day life ).

For example, in a recent article it stated, as if as a fact, that “Mr Iksil” had “amassed positions” that were “market-moving” when this is actually a theory unsupported by the facts. The prejudicial effect of this false characterization was compounded by other sentences in the same recent article which reported that the plaintiffs in a now settled lawsuit against JPM had claimed that their respective fund managers had been given “false and misleading information.” The articles thus falsely suggest that “Mr. Iksil” was responsible for such wrongdoing. I would emphasize the many communications and reports that I made and elevated within the Chief Investment Office (CIO) in the period between the 5th January 2012 and the 15th May 2012. They commented in detail an ongoing market manipulation that was in fact done by others. That was not limited to the now famous IG9 index. The suspicion of market manipulation against CIO positions was widely shared by members of the CIO at the time.

This false impression about my role in the markets is further enhanced by the articles’ repeated attribution of the nickname “London Whale” to “Mr. Iksil”. Publicity surrounding the losses sustained by the CIO of JP Morgan typically refers to “the London Whale’ in terms that imply that one person was responsible for the trades at issue. In fact the losses suffered by the CIO were not the actions of one person acting in an unauthorised manner. My role was to execute a trading strategy that had been initiated, approved, mandated and monitored by the CIO’s senior management.

Not only were my actions “not unauthorized” in 2012, but I was instructed repeatedly by the CIO senior management to execute this trading strategy. Since the early weeks of 2007, when the ‘strategic credit tail hedging book’ was being ramped up, I was to execute in the markets the strategies as approved in details by the CIO management in the first place. The ‘tail hedging book’ of JP Morgan had been using mostly *‘synthetic credit correlation products’*, commonly named as ‘credit indices’ and ‘tranches’.

The financial crisis of 2008 was fuelled in particular by the complex risks conveyed by credit indices and tranches. Those markets were opaque and lacked oversight: the execution cost suddenly exploded for all participants in late 2007 and triggered historical bankruptcies among financial institutions on the follow. The US Dodd-frank laws, new accounting rules and new financial reporting standards (Basel rules) were published in 2009 as a result. They focussed on liquidity issues and the ‘basis risk’ in particular which was also called the ‘skew risk’. The reforms required much more transparence for market players, much more capital to devote to those instruments, and gave much more power for regulators to scrutinize businesses like the CIO or the Investment banks. The critical mutation of the book started in the first months of 2011.

In March 2011, I was suddenly ordered to work on the RWA (Risk Weighted Asset) figure of the book, which was calculated based on the new 'Basel standards' for "synthetic credit correlation products" (known under the label "Basel 2.5" or "Basel III" later). The 'tail hedging book' RWA figure alone, here at CIO, had to be reduced "as much as possible". I learnt then that the RWA figure was computed and communicated by "QR", a JPM risk control team running the computation for the whole firm. During a CIO meeting in London late March which was devoted to this 'RWA reduction', Mrs Drew explained that this 'top priority' resulted from the recent share buyback project of Jamie Dimon. I elevated then to Mrs Drew in person and other CIO managers many issues faced by the 'Synthetic Tranche Book': it would be very difficult to 'liquidate' the legacy exposures in the markets. The difficulties for the CIO book related to its size and its visibility in the markets. My comments were based on months of active reduction during 2009 and months of 'passive' reduction during 2010 of the book positions. The market activity and traded volumes were going down since 2009 which induced a poorer and poorer liquidity for all synthetic tranches and for all credit indices. None of this was new. It was just getting worse and worse.

In June 2011, some important decisions were taken by CIO managers about this book. Starting in July 2011, I was instructed in particular to execute a freshly approved strategy called the *'forward spread investment trades'*. Throughout the summer of 2011, I was ordered to keep executing this strategy despite my repeated warnings on my very limited ability to trade in almost non-existent markets. The instructions were conflicting: I was ordered to grow some credit indices and some tranche positions in the context of the *'forward spread investment trades'* and I still had to work to reduce the RWA figure (as per the new Basel standards) but without reliable information from the JPM firm-wide Market Risk control "QR" team.

In September 2011, I undertook a trip to NY and met with Mrs Drew, Mr Weiland, some JPM Market risk "QR" employees (Anil Bangia and JF Christory) and John Wilmot (CFO for the CIO) in person. I described the very difficult market conditions, the elevated execution costs and lack of proper relevant information on the RWA figures.

Beginning in December 2011, the market making desk on 'tranches' of the JPM Investment Bank had just closed its activities (commonly named 'credit hybrids' at JPM). I was instructed to try collapse the CIO tranche positions with the Investment Bank (IB) but the IB market markers declined my invitations to enter in negotiations. The tranche market offered almost no liquidity after that. I raised alarms verbally to my management, including Mrs Drew and Mr John Wilmot between the $9^{th}$ and the $15^{th}$ December, about the potential for large losses induced by future unwind costs. Contrary to the last 5 years, CIO closed its book early that year, on the $16^{th}$ December 2011. Large protections in tranches expired on the $20^{th}$ December 2011 and were not renewed. I was ordered to set the book 'long risk', renew those expired tranche protections with credit indices this time, and keep growing the 'forward investment spread trades'. All this would grow the notional size of the book rather than reduce it.

In January 2012, my written alerts elevated concerns about a large potential loss that was predictably growing with the notional amounts. These alerts went to the highest management levels of CIO, including Ina Drew and market risk. The market manipulation suspicion was discussed too at the time in direct relation to the estimate P&L loss that was reported day after day. These alerts sparked very significant reactions, concerns, meetings across all the CIO management line between the 30th January and the 9th February 2012, substantially before the first articles that came out in April 2012. However, the CIO decision makers insisted in directing the execution of their strategy until the end of February 2012 (a well documented fact in the JPM Task Force report of January 2013 and Senate report of March 2013).

I kept raising alarms in the first half of March 2012 opposing CIO management envisioned plans to add further to the IG9 position that I characterized as 'huge' internally at the time. The situation at CIO then was 'not normal' at all. Since the 14th March Ashley Bacon prepared a transfer of some positions of the book to hedge funds. Since the 19th March, Compliance employees were alerted about 'information leaks', and 'targeting' of CIO positions in the markets by few very well identified players. Ina Drew allegedly had 'freaked really' on the 22nd March as per Irv Goldman, the CIO chief risk officer. For considerations related to a recent 'RWA' massive increase, CIO senior management decided to stop trading temporarily on this book by the 23rd March 2012, namely 2 good weeks before the first articles. I was told then that Ina Drew elevated 'all the way up' CIO management's own concerns about the growing losses, being connected to a suspected market manipulation organized from within JPM. The whole CIO officially swung into a 'Crisis mode' on the following last week of March 2012 and actively prepared the 'post mortem' of this book. Starting the Wednesday 28th March late afternoon, I was told to work onwards into the whole week-end on a very high level meeting involving Doug Braunstein and CIO top chiefs. The 'key' meeting was scheduled for the very first days of April 2012 (Monday 2nd or Tuesday 3rd), dealing with the issues of this book as I was told then. I did not attend this meeting. I did not see the meeting materials and got no further instruction from CIO chiefs resulting explicitly from this meeting.

The first articles propagating the "London Whale" story went public on the 6th April 2012. For no good reason, I was singled out by the media (under the name "Bruno Michel Iksil" and not the name I commonly use, which is quite unusual for a "story" that targeted a relatively large audience) as being the sole person responsible for the losses and consequently, in the mind of the reading public. Still in 2016 "Bruno Iksil" is associated with the moniker the "London Whale" even though it was not a nickname I claimed for myself nor was I responsible for the losses resulting from a trading strategy directed by the JPM CIO's management. By continuing to refer to the "London Whale" you are persisting with the prejudicial association of the name with "Mr. Iksil".

You should have noted long ago that the regulators in both the U.K. and U.S., who carefully reviewed the facts of this matter, and my conduct, unanimously determined that it was not appropriate to pursue any proceedings against me. The U.S. Attorney characterized "Mr Iksil" very publicly in August 2013 as a "voice of reason" who "did sound the alarm more than once". "Mr. Iksil," has cooperated with all of the authorities who investigated this matter. In contrast, the Task Force Report criticized the management at CIO and JPM at all levels in January 2013. The US Senate report faulted the bank and the OCC, the primary regulator of the CIO, in March 2013. JPM admitted some wrongdoing in September 2013 and paid heavy fines to the SEC, the DOJ, the FCA, and the CFTC. Achilles Macris, a member of CIO senior management, has recently been sanctioned by the FCA for failing to notify the FCA of the full extent of the losses.

The text of your articles makes an unequivocal connection between "Mr. Iksil" and an alleged market manipulation and as such is defamatory of me. I request that you remove all such defamatory articles and postings immediately. Furthermore, in all future reporting of anything to do with the relevant JP Morgan CIO losses, I request that you refrain from naming me as the 'London Whale', or describing me as complicit in any market manipulation. I have always acted in good faith both in the markets and for my employer.

I expressed many times to the bank my disagreement with its public statements regarding the CIO losses, starting on 11th May 2012 right after the 10-Q report and Jamie Dimon's public comments. Other letters followed on the 13th July and 27th July 2012. In the meantime, I fully cooperated with the investigations conducted by the Bank, the SEC, DOJ, the CFTC, and the FCA. I wrote to JP Morgan again on January 7th 2016 to complain about the way it terminated me, the way the media conveyed so many erroneous descriptions about my role, about my conduct and the real context of this scandal.

Although I have long wished to talk about my knowledge of the relevant events, I am unable to do so plainly until the resolution of the ongoing proceedings in the United States for which I am likely to be called as a witness. Once those proceedings have run their full course, I welcome any contact and invitation to speak with you further. Unless the situation changes with regards to the US proceedings, I must respectfully ask you not to contact me.

Bruno IKSIL