

United States Senate

WASHINGTON, DC 20510

February 23, 2017

Wilbur L. Ross, Jr.
Chairman and Chief Strategy Officer
WL Ross & Co. LLC
1166 Avenue of the Americas
New York, NY 10036

Dear Mr. Ross:

I write concerning an investment you made in the privately-held Diamond S Shipping Group Inc. in 2011 that you plan to retain as Secretary of Commerce should you be confirmed. While your public financial disclosure supplied to the Commerce Committee noted the investment, it omitted the fact that you partnered with the Chinese Investment Corporation (CIC) to inject \$1 billion into the company. Your partnership with the Chinese Investment Corporation and your refusal to divest from this investment raises serious concerns that you would have a conflict of interest if you were confirmed as Secretary of Commerce where you would be negotiating trade policy with foreign countries like China.

The CIC is a wholly state-owned enterprise charged with investing the country's foreign exchange reserves. With over \$800 billion under management, it is the second largest sovereign wealth fund in the world. Given the CIC's ties to the Chinese Ministry of Finance and its political goals, it is reasonable to assume that its investment decisions could be subject to geopolitical, economic, and national security considerations that other funds would not be.

I am concerned that state-owned funds like CIC may serve strategic goals that aim to penetrate and overtake strategically important domestic industries in the United States. As the Secretary of Commerce, you would sit on the Committee on Foreign Investment in the United States (CFIUS). As a member of that Committee, you would have the ability to influence decisions to allow or block foreign investments made by state-owned enterprises that undermine United States interests. Maintaining your investment partnership with Chinese government owned CIC, raises concerns that your financial ties to this company and China could create a conflict of interest and inappropriately influence your decisions as Secretary of Commerce and a member of CFIUS.

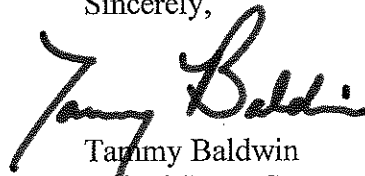
In addition, President Trump has repeatedly called for a new trade policy that cracks down on countries like China when they cheat. I share the belief that we need a new trade policy that gets tough on China because it routinely harms workers in Wisconsin by manipulating its currency and providing unfair government support for its companies. As the Commerce Secretary, you would be charged with implementing the Trump Administration's trade policy and it is critical that you be free from conflicts of interest that could undermine your ability to crack down on unfair Chinese trade and economic policies.

Therefore, I request that you provide information and answers to the following questions as soon as possible:

- 1) If confirmed, will you divest your investment in Diamond S Shipping Group, Inc. and fully and separate yourself from your partnership with the Chinese Investment Corporation?
- 2) Please provide a summary of your contacts with the Chinese Investment Corporation, and any other Chinese government officials with whom you worked on the Diamond S Shipping Group deal.
- 3) Please provide any information about the goals of the CIC investment as they were explained to you during the course of the deal.

Thank you for your attention to this matter. It is important to have this information before the Senate votes on your confirmation. Therefore, I would respectfully request that you respond by Friday, February 24, 2017.

Sincerely,

A handwritten signature in black ink, appearing to read "Tammy Baldwin". The signature is written in a cursive, flowing style with a large initial "T".

Tammy Baldwin
United States Senator