

6/22/2017

Ms. Katherine D. McManus
Deputy Legal Adviser and
Designated Agency Ethics Official
Office of the Legal Adviser
Department of State

Re: Ethics Undertakings

Dear Ms. McManus:

I am committed to the highest standards of ethical conduct for government officials. If confirmed as Ambassador to the Kingdom of Spain and the Principality of Andorra, as required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter in which I know that I have a financial interest directly and predictably affected by the matter, or in which I know that a person whose interests are imputed to me has a financial interest directly and predictably affected by the matter, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I understand that a heightened prospect of a conflict of interest could exist as to companies that maintain a presence in the Kingdom of Spain or the Principality of Andorra, because they may be more likely than other companies to seek official assistance from or make contact with the Embassy or otherwise be affected by policies and engagement implemented by the Embassy. I will remain alert to the possible need to recuse where appropriate.

Upon confirmation, I will resign from my positions with the following entities: the University of North Carolina's Arts and Sciences Foundation; the Buchan Foundation; Flournoy Development Company, LLC; and South Forty Property Owner's Association, Inc. For a period of one year after my resignation from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which I know that entity is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

My spouse and I own the following entities: Hunter Global Investors, LP; Hunter Global Capital Management, LLC; Hunter Global Associates, LLC; Hunter Global Investors Fund I P; Hunter Global Investors, LLC; Hunter Advisors, LLC; HGI Opportunities GP, LLC; HGI Opportunities Fund LP; HGI DB Fund I, LLC; HGI DB II, LLC; Buchan Holdings, LLC; Buchan Livestock, LLC; 22 Briarcliff, LLC; and DB Thrive, LLC. These entities are created to manage the assets of my family. Upon confirmation, I will resign any positions I hold with these entities. Currently, one member of my extended family is invested in HGI Opportunities Fund

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LP. Upon confirmation, I will redeem his investment. Besides my immediate family, no other individual or organization is invested in any of these entities. For the duration of my appointment, no other investor will be permitted to invest in any of these entities. I will not at any time receive compensation for services that I perform for any of these entities during my government appointment. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of these entities, or their underlying assets, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

My spouse and I own Longfield Farm Produce, LLC, and Longfield Farm Florida, LLC. Upon confirmation, I will resign any positions I hold with these entities. For the duration of my appointment, I will continue to have a financial interest in these entities, but I will not provide services material to the production of income. Instead, I will receive only passive investment income from them. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of Longfield Farm Produce, LLC, or Longfield Farm Florida, LLC, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

I will also retain my unpaid positions with the following entities: R. Duke Buchan III Revocable Trust; CSB Revocable Trust; RDB IV Revocable Trust; and the JFB Revocable Trust. I will not at any time receive compensation for services that I perform for any of these entities during my government appointment. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of these entities, or their underlying assets, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

I will divest my interests in Bank of America, Citigroup, Goldman Sachs, Morgan Stanley, ProShares Short Euro, and Keen Onyx Fund, LP, within 90 days of my confirmation. I will divest my interests in Viking Global Investors, LP, within 120 days of my confirmation. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of these entities until I have divested them, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

You have advised me that, at this time, I do not need to divest my interests in the following investment funds: RCP Fund II AIP, LP; Steamboat Ventures V, LP; Steamboat Ventures VI, LP; Jericho Capital Partners; Highfields Capital II, LP; Sage Rock Capital Fund, LP; Impala Fund, LP; and Drawbridge Special Opportunities Fund, LP. Because the likelihood that my duties will involve matters that, to my knowledge, have a direct and predictable effect on the financial interests of these funds is remote, the agency has determined that it is not necessary at this time for me to divest my interests in these entities. At this time, the funds do not pose any conflicts. However, you have explained that there is a heightened risk of a conflict of interest if any of these funds are acquiring new holdings or if changes in the funds' disclosure policies affect my knowledge of the funds' holdings. I understand that I am personally responsible for avoiding conflicts of interest with respect to these funds and their holdings and I will monitor the investment information made available to me regarding these funds and consult as appropriate

with the Office of the Legal Adviser for Ethics and Financial Disclosure at the Department of State. If in the future the holdings of any of these funds of which I have knowledge are determined to pose a conflict with the performance of my official duties, then I may be directed to divest my interest in such funds. In that event, I will do so within 90 days of such order, or, if divestment within 90 days is not possible, within a period agreed upon after consultation with the Office of the Legal Adviser for Ethics and Financial Disclosure at the Department of State. With regard to each of these funds, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of the fund or its underlying holdings, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). Finally, with respect to each fund that does not qualify as an excepted investment fund, pursuant to 5 C.F.R. § 2634.310(c), I will also timely file periodic transaction reports (OGE Form 278-T) for all covered transactions involving holdings of the fund.

In addition, I will recuse myself on a case-by-case basis from participation in any particular matter involving specific parties in which I determine that a reasonable person with knowledge of the relevant facts would question my impartiality in the matter, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I understand that I may be eligible to request a Certificate of Divestiture for qualifying assets and that a Certificate of Divestiture is effective only if obtained prior to divestiture. Regardless of whether I receive a Certificate of Divestiture, I will ensure that all divestitures discussed in this agreement occur within the agreed upon timeframes and that all proceeds are invested in non-conflicting assets.

If I have a managed account during my appointment, I will direct the account manager to obtain my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents, investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds. I will monitor whether the account manager is following this direction regarding prior approval.

I will receive a live ethics briefing from a member of the ethics office after my confirmation but no later than 15 days after my appointment as required under 5 C.F.R. § 2638.305, unless granted an extension under that regulation. Within 90 days of my confirmation, I will document my compliance with this ethics agreement by notifying you in writing when I have completed the steps described in this ethics agreement.

I understand that as an appointee I must sign the Ethics Pledge (Exec. Order No. 13770) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this ethics agreement.

I have been advised that this ethics agreement will be posted publicly, consistent with 5 U.S.C. § 552, on the website of the U.S. Office of Government Ethics with ethics agreements of other Presidential nominees who file public financial disclosure reports.

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Sincerely,

A handwritten signature in black ink, appearing to read "R. Buchan III".

Richard Duke Buchan III

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