Ethics Agreement – Lisa Hershman

July 5, 2019

Mr. Scott F. Thompson
Alternate Designated Agency Ethics Official
Office of the General Counsel
Department of Defense
Washington, DC 20301

Dear Mr. Thompson:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Chief Management Officer for the Department of Defense.

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.

Within 90 days of my confirmation, I will divest my interests in the entities listed in Attachment A. With regard to each of these entities, 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 entity until I have divested it, 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 am the sole proprietor of the DeNovo Group, LLC (DeNovo), which has been dormant since April 2018. During my appointment to the position of Chief Management Officer, DeNovo will not engage in any business, including providing consulting services to clients, will remain dormant, and will not advertise. I will not perform any services for DeNovo, except that I will comply with any requirements involving legal filings, taxes, and fees that are necessary to maintain DeNovo while it is in an inactive status. DeNovo is still owed outstanding fees by Scrum Alliance, but the fees are fixed, and I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the ability or willingness of Scrum Alliance to pay the agreed upon amounts. In addition, for as long as DeNovo is owed the fees, I will not participate personally and substantially in any particular matter involving specific parties in which I know Scrum Alliance is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). As Chief

Management Officer, 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 DeNovo.

Upon confirmation, I will resign from my position with 1st Source Bank. Because I will continue to own stock in 1st Source Bank, 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 1st Source Bank., 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).

Upon confirmation, I will resign from my position with the Indiana Commission for Higher Education. I resigned from my position with Scrum@Scale LLC in February 2019. 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 is employed as an attorney as of counsel to the law firm of Barnes and Thornburg, LLP, from which he receives a fixed salary and an annual bonus tied to his performance. For as long as my spouse continues to work for Barnes and Thornburg, LLP, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on my spouse's compensation or employment with the firm, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1). I also will not participate personally and substantially in any particular matter involving specific parties in which I know my spouse's employer or any client of my spouse is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

If I have a managed account or otherwise use the services of an investment professional during my appointment, I will ensure that the account manager or investment professional obtains 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 meet in person with a senior DoD ethics official during the first week of my service in the position of Chief Management Officer in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. 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 continue to abide by the Ethics Pledge (Exec. Order No. 13770) that I previously signed 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 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.

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.

Sincerely,

Lisa W. Hershman

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ATTACHMENT A

1. The GE Stock fund
2. Avnet, Inc.