

January 10, 2014

Ms. Cary Williams
Assistant General Counsel
Designated Agency Ethics Official
Board of Governors of the Federal Reserve System
Washington, D.C. 20551

Dear Ms. Williams:

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 positions of Governor and Vice Chairman of the Board of Governors of the Federal Reserve System.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, 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.

After confirmation but before I assume the duties of the position of Federal Reserve Governor, I will divest my interests in the following: American Express, Blackrock, MasterCard, T. Rowe Price, General Electric, Toronto Dominion Bank, and the Citigroup Employees Fund of Funds I, L.P. In addition, after confirmation but before I assume the duties of the position of Federal Reserve Governor, my spouse will divest her interests in General Electric, American Express, Berkshire Hathaway and MasterCard.

Following confirmation, I will divest my interests in the Blenheim Fund, LLC. I will complete the divestiture as soon as contractually permitted and not more than 90 days following my confirmation. If the divestiture is not complete by the time I assume my Federal Reserve duties, I will not participate personally and substantially in any particular matter in which to my knowledge I have a financial interest, if the particular matter has a direct and predictable effect on the financial interests of the fund, or its underlying assets, 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).

Until June, 2013, I served as Governor of the Bank of Israel. In addition, in 2013, I gave speeches to CLSA, SURA, the Capital Group, Barclays Bank, Nykredit, the RAND Corporation and the Pung Global Institute. Pursuant to 5 C.F.R. § 2635.502, for one year after providing such services, I will not participate personally and substantially in any particular matter involving specific parties in which any of these entities is or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

After confirmation, but before I assume the duties of the position of Federal Reserve Governor I will resign from my positions with the Peterson Institute for International Economics, Blavatnik School of Government at the University of Oxford, and the Council on Foreign Relations. 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 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).

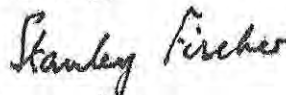
As a result of working for the International Monetary Fund ("IMF") from 1994 to 2001, I have a vested interest in the IMF's defined benefit pension plan and receive monthly pension payments therefrom. Pursuant to 18 U.S.C. § 208, I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on the ability or willingness of the IMF to provide this benefit, unless I first obtain a written waiver or qualify for a regulatory exemption.

As disclosed on my OGE Form 278, I am the author of several books for which I receive royalties. I understand that once I am a Federal Reserve Governor, I may not edit or write revisions to these books.

I understand that as an appointee I am required to sign the Ethics Pledge (Exec. Order No. 13490) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this and any other 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 other ethics agreements of Presidential nominees who file public financial disclosure reports.

Sincerely,

A handwritten signature in cursive script that reads "Stanley Fischer".

Stanley Fischer