

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

JAN 18 2021

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 Secretary of the United States Department of Defense. It is my responsibility to understand and comply with commitments outlined in this agreement.

SECTION 1 – GENERAL COMMITMENTS

As required by the criminal conflicts of interest law at 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 particular 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 an officer, director, trustee, general partner, or employee; and
- Any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

In the event that an actual or potential conflict of interest arises during my appointment, I will consult with an agency ethics official and take the measures necessary to resolve the conflict, such as recusal from the particular matter or divestiture of an asset.

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 regulatory exemption for diversified mutual funds and unit investment trusts at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds.

I will receive a live ethics briefing from a member of the ethics office during the first week of my service in the position of Secretary in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. Within 90 days of my confirmation, I will submit my

Certification of Ethics Agreement Compliance which documents my compliance with this ethics agreement.

I understand that as an appointee I will be required to sign an Ethics Pledge that will impose additional ethics commitments. I agree to sign the Pledge, and I acknowledge that I will be bound by it.

I will not modify this ethics agreement without your approval and the approval of the U.S. Office of Government Ethics pursuant to the ethics agreement requirements contained in the financial disclosure regulation at 5 C.F.R. § 2634.803(a)(4).

SECTION 2 – AUSTIN STRATEGY GROUP, LLC

I am the sole owner and President of Austin Strategy Group, LLC which provides consulting services. Upon confirmation, this entity will cease to engage in any business, including providing consulting services to clients. All amounts due to me by any of my clients will be fixed before I assume the duties of the position of Secretary. During my appointment to the position of Secretary, the firm will remain dormant and will not advertise. I will not perform any services for the entity, except that I will comply with any requirements involving legal filings, taxes and fees that are necessary to maintain the entity while it is in inactive status. As Secretary, 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 Austin Strategy LLC. In addition, pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, I will not participate personally and substantially in any particular matter involving specific parties in which I know a former client of mine is a party or represents a party for a period of one year after I last provided service to that client, unless I am authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

SECTION 3 – BOOZ ALLEN HAMILTON HOLDING CORPORATION

Upon my confirmation, I will resign from my position with Booz Allen Hamilton Holding Corporation (Booz Allen). I hold stock and unvested restricted stock units. I do not hold stock options, restricted stock, or vested restricted stock units. Upon resignation from Booz Allen, I will forfeit my unvested restricted stock units. As soon as practicable but not later than 90 days after confirmation, I will divest my stock in Booz Allen. 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 Booz Allen, 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). In addition, pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation from Booz Allen, I will not participate personally and substantially in any particular matter involving specific parties in which I know Booz Allen is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have verified that I will be able to carry out the divestitures within the timeframe described above.

SECTION 4 – RAYTHEON TECHNOLOGIES CORPORATION

Upon my confirmation, I will resign from my position with Raytheon Technologies Corporation (Raytheon). I currently hold vested deferred stock units and vested and unvested restricted stock units. I do not hold stock, restricted stock, stock options, or unvested deferred stock units. Pursuant to the United Technologies Corporation Board of Directors Deferred Stock Unit Plan, I will be permitted to retain my unvested restricted stock units when I resign from the Raytheon board. As soon as practicable but not later than 90 days after my confirmation, I will divest my financial interest in Raytheon. 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 Raytheon 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). In addition, pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation from Raytheon, I will not participate personally and substantially in any particular matter involving specific parties in which I know Raytheon is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Further, pursuant to the terms of the April 2020 merger agreement between United Technologies Corporation and the Raytheon Company, I was issued vested deferred stock units and vested restricted stock units in two spin-off companies of the merger, specifically, Carrier Global Corporation and Otis Worldwide Corporation. I do not hold stock, restricted stock, stock options, or unvested restricted stock units or unvested deferred stock units in either of these two entities. In accordance with the terms of the merger agreement, and my board benefits agreement, when I resign from my position with Raytheon, Raytheon will liquidate my vested deferred stock units and vested restricted stock units of Carrier Global Corporation and Otis Worldwide Corporation and give me a cash payout on or before the first business day that is 30 days following the date of my resignation. The cash payout will be determined based upon the closing value of stock of each company as of the date of my resignation. Until I have received the cash payout from Raytheon, 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 Raytheon, to provide this payment to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1)

I have verified that I will be able to carry out the divestitures within the timeframe described above.

SECTION 5 - TENET HEALTHCARE CORPORATION

Upon my confirmation, I will resign from my position with Tenet Healthcare Corporation (Tenet Healthcare). I currently hold vested restricted stock units. I do not hold stock, restricted stock, stock options, or unvested restricted stock units. I will divest my financial interest in Tenet Healthcare as soon as practicable but not later than 120 days after 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 Tenet Healthcare 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). Also, pursuant to the impartiality

regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which I know Tenet Healthcare is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have verified that I will be able to carry out the divestitures within the timeframe described above.

SECTION 6 – PINE ISLAND CAPITAL PARTNERS, LLC & PINE ISLAND SPONSOR LLC

Upon confirmation, I will resign my position with Pine Island Capital Partners, LLC. I currently have a loan agreement with the company. Before I assume the duties of the position of Secretary, I will divest my interest in the loan for the original loan amount, thereby liquidating any rights I may have to any future interest in the company, or I will forfeit financial interests. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which I know Pine Island Capital Partners, LLC is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Additionally, I hold Series A-1 Preferred units, and vested and unvested profit interests in Series P common units of Pine Island Sponsor, LLC. Before I assume the duties of the position of Secretary, I will divest my financial interest in the Series A-1 Preferred units, and my vested profit interests in Series P common units in the full amount of my original investment, or I will forfeit my investment. My unvested Series P common units will be forfeited upon my separation.

SECTION 7 – NUCOR CORPORATION

Upon confirmation, I will resign from my position with Nucor Corporation (Nucor). I own stock and vested restricted stock units. I do not own restricted stock, stock options, or unvested restricted stock units. I will divest my financial interest in Nucor as soon as practicable but not later than 120 days after 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 Nucor 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). Also, pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which I know Nucor is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I have verified that I will be able to carry out the divestitures within the timeframe described above

SECTION 8 – CERTIFICATES OF DIVESTITURE & AGREEMENT NOT TO REPURCHASE

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 understand that I must timely submit my request for a Certificate of Divestiture to allow for adequate time for OGE to process the Certificate of Divestiture, and in order to divest assets within the agreed upon timeframe.

I (including my spouse and dependent children if applicable) will not repurchase any asset I was required to divest without consulting with my agency ethics official and the U.S. Office of Government Ethics.

SECTION 9 – OTHER RESIGNATIONS

Upon confirmation, I will resign from my positions with the following entities:

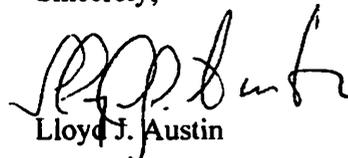
- Guest Services, Inc.
- Carnegie Corp.
- Auburn University

In addition, I resigned from my position with Fidelity Investment in December 2020. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, 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).

SECTION 10 – PUBLIC POSTING

I have been advised that this ethics agreement and the Certification of Ethics Agreement Compliance will be posted publicly, consistent with the public information law at 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,



Lloyd J. Austin