

August 4, 2017

Ms. Katherine D. McManus
Deputy Legal Adviser and
Designated Agency Ethics Official
U.S. Department of State
Washington, D.C, 20520

Re: Ethics Undertakings

Dear Ms. McManus:

I am committed to the highest standards of ethical conduct for government officials. If confirmed as U.S. Ambassador to the Kingdom of Denmark, 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 Denmark, 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 position as Chairman and CEO of Vintage Capital Group, LLC. I will continue to hold a financial interest in this entity, but I will not provide services materials to the production of income. Instead, I will receive only passive investment income from it. As Ambassador, 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 Vintage Capital Group, unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1).

Upon confirmation, I will resign from my position as Managing Member of Lambsgap Holdings, LLC. I will continue to hold a financial interest in this entity, but I will not provide services material to the production of income. Instead, I will receive only passive investment income from it. As Ambassador, 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 Lambsgap Holdings LLC, unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1).

Upon confirmation, I will resign from my positions with the following entities: the Fred Sands Family Foundation; The Blue Ribbon; Pepperdine University; The Los Angeles Police Foundation; The Los Angeles Museum of Contemporary Art; the UCLA School of Arts and Architecture; the California Cultural and Historical Endowment; and the Bel-Air Place Homeowners Association. 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).

Upon confirmation, I will resign from my positions with Family Trust #2 and Family Trust #3. 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, 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 will retain my position as a trustee of Family Trust #1. I will not receive any fees for the services that I provide as a trustee during my appointment to the position of Ambassador. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interest of Family Trust #1, 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: Vintage Capital Partners LP; Markstone Capital Partners LP; CAM Core + Fund I, LLC; OCM Mezzanine Fund; OCM Opportunities Fund IVB; and Lancelot Investors Fund LP because the likelihood that my duties will involve particular matters affecting the financial interests of these entities is remote. 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. 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 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. 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.

I will divest all of my interests in the entities listed in Attachment A within 90 days of my confirmation. 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 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 will recuse myself from participation on a case-by-case basis 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 that matter, unless I am first authorized to participate, pursuant to 5 C.F.R. Part 2635, Subpart E.

I have managed accounts, and I will direct the account managers 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 managers are following this direction regarding prior approval.

I understand that as an appointee I am required to sign the Ethics Commitments by Executive Branch Appointees (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 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 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,



Carla Herd Sands

Attachment A

Carla Herd Sands Ethics Agreement

Vintage Capital Partners II LP

Vintage GP II LLC

3M

Alphabet Inc.

Analog Devices

Becton Dickinson & Co

Cisco Systems Inc.

CME Group Inc

Coca Cola Company

Colgate Palmolive Co.

Ebay Inc.

Ecolab Inc.

Factset Research Systems Inc.

Graco

Johnson & Johnson

Medtronic PLC

Mettler-Toledo International Inc.

Moody's

Oracle Corp.

Pepsico Inc.

Pfizer Inc.

PPG Industries Inc.

Praxair Inc.

Procter & Gamble

Salient MLP Total Return Fund

Skyworks Solutions Inc.

United Parcel Service

United Technologies Corp

Varian Medical Systems Inc.

Zoetis Inc.