Date: December 21, 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 the Ambassador to Hungary, 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 Hungary, 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.

I am the sole owner of Pinnacle Advisors Ltd. During my appointment to the position of Ambassador to Hungary, Pinnacle Advisors Ltd. will remain dormant and will not advertise. I will not perform any services for the firm, except that I will comply with any requirements involving legal filings, taxes and fees that are necessary to maintain the firm while it is in an inactive status, and the firm may receive fixed percentage-based commissions that are owed to it for work performed prior to 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 Pinnacle Advisors Ltd, 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 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 first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Pinnacle Advisors Ltd. and Pinnacle Management Corporation, an entity operated by my adult son, have consulted and performed related work on the sale of interests in private commercial enterprises that may close in the future. Upon confirmation, I will cease providing any services in support of these transactions. If any of these transactions closes, Pinnacle

Advisors Ltd. will receive a fixed percentage of the commission that is received by Pinnacle Management Corporation. The formula for any commissions was established by contract prior to my consideration for 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 these potential commercial transactions, 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 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 Pinnacle Management Corporation or any of the clients to the transaction to provide this contractual benefit to Pinnacle Advisors Ltd., 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 not participate personally and substantially in any particular matter involving specific parties in which I know Pinnacle Management Corporation 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 my position with the Family Trust. 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 the Family Trust 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 my position with The David and Sheila Cornstein Foundation and my spouse will assume the position of President of that entity. For as long as my spouse holds a position with The David and Sheila Cornstein Foundation, I will not participate personally and substantially in any particular matter involving specific parties in which I know The David and Sheila Cornstein Foundation is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Within 90 days of my confirmation, I will divest my interests in the following entities: Aegon NV ADR, Ambev S A Sponsored ADR, Engie Spons ADR, Roche Holdings ADR, Royal Dutch Shell PLC, Total S A Spon ADR, Alphabet Inc., Amazon Inc., Apple Inc., Berkshire Hathaway, Celgene Corp., Facebook Inc., JP Morgan Chase & Co., Abbvie Inc., Altria Group Inc., Anheuser Busch Inbev SA Spon, AT&T Inc., Cisco Sys Inc., Exxon Mobil Corp., Intel Corp., Johnson & Johnson, McDonalds Corp., Microsoft Corp., Pfizer Inc., Philip Morris Intl Inc., Verizon Communications, and Mastercard Inc. 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.

If I rely on a *de minimis* exemption under 5 C.F.R. § 2640.202 with regard to any of my financial interests in securities, I will monitor the value of those interests. If the aggregate value of interests affected by a particular matter increases and exceeds the *de minimis* threshold, I will not participate personally and substantially in the particular matter that to my knowledge has a direct and predictable effect on the interests, unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1).

I have a managed account, and 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.

In addition, 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 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 will be required to 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.

Sincerely,

David Cornstein