



DEPARTMENT OF DEFENSE
OFFICE OF THE GENERAL COUNSEL

1600 DEFENSE PENTAGON
WASHINGTON, DC 20301-1600

The Honorable Emory A. Rounds
Director
U.S. Office of Government Ethics
Washington, D.C. 20005-3917

JUL 07 2021

Dear Mr. Rounds:

The purpose of this letter is to forward the attached supplement to Ms. Heidi Shyu's Ethics Agreement dated May 18, 2021 and to supplement her Public Financial Disclosure Report (278e) dated April 16, 2021. The reasons for the supplement are as follows:

Ms. Shyu discovered that she had been listed erroneously as a Member of the Advisory Board for Dedrone Holdings, Inc. on their website, although she did not have a formal position with the entity. Dedrone also granted Ms. Shyu vested and unvested stock options as part of her consulting agreement with that company.

As the Alternate Designed Agency Ethics official of the Department of Defense, I have reviewed the updated information contained in the supplements and based upon my review of these and the prior commitments made by Ms. Shyu in her previously transmitted Ethics Agreement, I continue to believe that Ms. Shyu is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

Scott F. Thompson
Alternate Designated Agency Ethics Official

Enclosures
As stated



June 25, 2021

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

Re: Supplement to Ethics Agreement of Heidi Shyu

Dear Mr. Thompson:

The purpose of this letter is to supplement my ethics agreement signed on May 18, 2021. In a separate document, I also am supplementing my financial disclosure report by reporting a consulting position with Dedrone Holdings, Inc., as well as vested and unvested stock options in the company that I inadvertently omitted from the report.

SECTION 10 – DEDRONE HOLDINGS, INC.

Upon confirmation, I will terminate my consulting agreement with Dedrone Holdings, Inc. I currently hold vested and unvested stock options in Dedrone Holdings, Inc. I do not own any common stock, restricted stock, restricted stock units, or phantom stock. Upon termination of my consulting agreement with Dedrone Holdings, Inc., I will forfeit all unvested and vested stock options. In addition, pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after termination of my consulting agreement with Dedrone Holdings, Inc., I will not participate personally and substantially in any particular matter involving specific parties in which I know Dedrone Holdings, Inc. 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 been advised that this supplement/amendment to my 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,

A handwritten signature in black ink, appearing to read "Heidi Shyu", written in a cursive style.

Heidi Shyu

May _18_, 2021

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 Under Secretary of Defense for Research and Engineering of the U.S. 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 Under Secretary of Defense for Research and Engineering in order to complete the initial ethics briefing required pursuant to the ethics program regulation at 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 the Ethics Pledge (Exec. Order No. 13989) and that I will be bound by it. Among other obligations, I will be required to recuse from particular matters involving specific parties involving my former employer or former clients for a period of two years after I am appointed, with the exception of federal, state, and local government.

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 – HEIDI SHYU, INC.

I am the sole owner of my consulting firm, Heidi Shyu, Inc. Upon confirmation, my consulting firm will cease engaging in any business, including providing consulting services to clients. During my appointment to the position of Under Secretary of Defense for Research and Engineering, Heidi Shyu, Inc., will remain dormant and will not advertise. I will not perform any services for Heidi Shyu, Inc., except that I will comply with any requirements involving legal filings, taxes, and fees that are necessary to maintain the company while it is in an inactive status. 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 Heidi Shyu, Inc. All amounts owed to me by any of my clients will be fixed before I assume the duties of the position of Under Secretary of Defense for Research and Engineering, 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 any of these clients to pay these amounts. 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 first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

SECTION 3 – AUTERION GOVERNMENT SOLUTIONS

Upon confirmation, I will resign from my position with Auterion Government Solutions. I have unvested stock options in Auterion, which begin to vest in September 2021. I do not own any common stock, restricted stock, restricted stock units, or phantom stock. Upon my resignation from Auterion Government Solutions, I will forfeit all unvested stock options. If I hold either vested stock options or stock in Auterion Government Solutions during my appointment, I will not participate personally substantially in any particular matter that to my knowledge has a direct and predictable effect on Auterion Government Solutions unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1). In addition, pursuant to the

impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation or for as long as I have a financial interest in Auterion Government Solutions, whichever is later, I will not participate personally and substantially in any particular matter involving specific parties in which I know Auterion Government Solutions is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

SECTION 4 – CATALYZE DALLAS

Upon confirmation, I will resign from my position with Catalyze Dallas. I own shares of Catalyze Dallas stock. I do not own any stock options, restricted stock, restricted stock units, or phantom stock. Upon my resignation from Catalyze Dallas, I will forfeit my shares of stock. 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 Catalyze Dallas is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

SECTION 5 - VK INTEGRATED SYSTEMS

Upon confirmation, I will resign from my position with VK Integrated Systems. I have unvested stock options in VK Integrated Systems. I do not own any common stock, restricted stock, restricted stock units, or phantom stock. Upon my resignation from VK Integrated Systems, I will forfeit all unvested stock options. 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 VK Integrated Systems is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

SECTION 6 – OTHER RESIGNATIONS

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

- Aerospace Corporation
- Levitate Capital
- Plasan North America
- Linse Capital

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 at 5 C.F.R. § 2635.502(d).

I previously resigned from my position with Roboteam North America in January 2021. 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 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 7 – REVOCABLE TRUST

I will retain my position as a trustee of my revocable trust. I will not receive any fees for the services that I provide as a trustee during my appointment to the position of Under Secretary of Defense for Research and Engineering. 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 my revocable trust, 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).

SECTION 8 – RAYTHEON COMPANY

I continue to participate in the Raytheon Company non-contributory defined benefit pension plan. For as long as I participate in this plan, 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 benefit, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

SECTION 9 – 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,

A handwritten signature in black ink, appearing to read "Heidi Shyu", with a stylized, cursive script.

Heidi Shyu