

June 9, 2021

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

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 Personnel and Readiness of the 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 after my confirmation but not later than seven days after my appointment 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 – THE GILBERT & JACKI CISNEROS FOUNDATION

Upon confirmation, I will resign from my position with the Gilbert and Jacki Cisneros Foundation. My spouse is a director and officer of the Gilbert and Jacki Cisneros Foundation, in a position for which she receives no salary. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for as long as my spouse continues to work for the Gilbert and Jacki Cisneros Foundation, I will not participate personally and substantially in any particular matter involving specific parties in which I know Gilbert and Jacki Cisneros Foundation, is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

SECTION 3 – BG STRATEGIES

I am the sole proprietor of my consulting firm, which does business as BG Strategies. This business has never been operational and during my appointment to the position of Under Secretary, it 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. As Under 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 BG Strategies.

SECTION 4 – RETENTION OF TRUSTEE POSITION

I will retain my position as a trustee of the 150 Main Street Trust, a revocable family 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. 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 150 Main Street 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 5 – DIVESTITURES

I will divest my interests in the following entities as soon as practicable but not later than 90 days after my confirmation:

- Accenture, PLC
- Airbus SE
- Anthem
- BlackRock Health Sciences Opportunities Portfolio Institutional Shares
- Boeing Co
- CACI International
- Cardinal Health
- Centene Corporation
- General Dynamics
- General Electric
- Honeywell International
- Humana
- iShares Nasdaq Biotechnology ETF
- iSharesUS Healthcare ETF
- Johnson & Johnson
- L3Harris Technologies
- Lockheed Martin
- McKesson Corporation
- Merck & Company, Inc.
- Microsoft Corporation
- Pershing Square Tontine Holdings LTD
- Pfizer
- Raytheon Technologies
- SPDR S&P Biotech ETF
- T. Rowe Price Health Sciences Fund
- Textron
- United Health Group, Inc.
- Verizon
- VPC Impact Acquisition Holdings

In addition, I will divest my interests in the following entities as soon as practicable but not later than 120 days after my confirmation:

- BlackRock Special Credit Opportunities Fund
- Carlyle ALP Secondaries Access V II LP
- Carlyle Energy Mezzanine Access ASP Fund
- CSP III Distressed Opportunities Trust
- Ecosystem Integrity Fund
- Secondary Opportunities FD III

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).

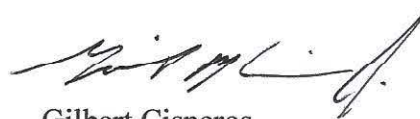
I understand that I may be eligible to request a Certificate of Divestiture for qualifying assets and that a Certificate of Divestiture is effective only if obtained prior to divestiture. Regardless of whether I receive a Certificate of Divestiture, I will ensure that all divestitures discussed in this agreement occur within the agreed upon timeframes and that all proceeds are invested in non-conflicting assets. I 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 my consultation with my agency ethics official and the U.S. Office of Government Ethics.

SECTION 5 – 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 'Gilbert Cisneros', with a stylized flourish at the end.

Gilbert Cisneros