

January 2, 2009

Ms. Cary K. Williams
Assistant General Counsel
Designated Agency Ethics Official
Board of Governors of the Federal Reserve System
Washington, D.C. 20551

Dear Ms. Williams:

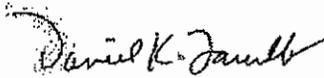
In connection with my nomination by President-Elect Obama to be a member of the Board of Governors of the Federal Reserve System, I wish to inform you of certain actions I will take in the event of my Senate confirmation in order to avoid any conflict of interest or the appearance of such conflict between my personal interests and my official responsibilities as a member of the Board of Governors.

I am a professor at Georgetown University and, if the Senate confirms my nomination, I will take an unpaid leave of absence from this position prior to taking office as a Board member. As long as I maintain this relationship with Georgetown University, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Georgetown University unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for either the exemption at 5 C.F.R. § 2640.203(b) or another regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

In the event my nomination is confirmed by the Senate, I will resign from my positions with the following entities prior to taking office as a Board member: Center for American Progress; Transparency International-USA; and International

Economy magazine. 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 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).

Sincerely,

A handwritten signature in cursive script that reads "Daniel K. Tarullo". The signature is written in dark ink and is positioned above the typed name.

Daniel K. Tarullo