

Ms. Ruth Vetter  
Alternate Designated Agency Ethics Official  
Office of the General Counsel  
Department of Defense  
Washington DC 20310

JUN 07 2017

Dear Ms. Vetter:

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 Secretary of the Navy.

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 am the sole proprietor and managing member of Fall Creek Management LLC. During my appointment as Secretary of the Navy, Fall Creek Management LLC will cease engaging in any business, except to honor outstanding commitments for charitable donations. I will continue to be the managing member of Fall Creek Management LLC and will continue to have 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. 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 Fall Creek Management 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 Global Atlantic Financial Group Limited, CX Technologies LLC, 86 Borders LLC, StarPound Technologies, Inc., and ENGAGEcx. Because I will continue to have an equity interest in 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 interest of any 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).

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

Global Atlantic Financial Life Limited  
Ariel Re (Holdings) Limited  
Commonwealth Annuity and Life Insurance Company  
First Allmerica Financial Life Insurance Company  
Accordia Life and Annuity Company  
Forethought Life Insurance Company  
Forethought National Life Insurance Company  
Marine Corps Heritage Foundation  
Community Foundation of Jackson Hole  
Veterans Campaign  
Honoring Our Veterans  
Teton County Search and Rescue Foundation

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).

I will divest my interests in the entities identified 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 – or, in the case of an investment fund, the entity or any of its underlying assets – 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.

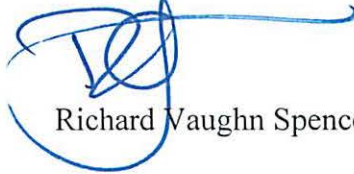
If I have a managed account or otherwise use the services of an investment professional during my appointment, I will ensure that the account manager or investment professional obtains my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents, investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds.

I will meet in person with the appropriate senior Navy ethics official during the first week of my service in the position of Secretary of the Navy in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. 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,

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

Richard Vaughn Spencer

## Attachment A

1. Abbott Labs
2. American Water Works
3. Astrazeneca PLC
4. AT&T Inc
5. Baxter International Inc
6. BP PLC
7. Caterpillar Inc
8. Chevron Corp
9. Cisco Systems Inc
10. Deere and Co
11. Diebold Nixdorf Inc
12. Dow Chemical
13. Du Pont De Nemours
14. Duke Energy Corp New
15. Emerson Electric Co
16. Exxon Mobil Corp
17. General Electric Co
18. Genuine Parts Co
19. Glaxo Smith Kline
20. Illinois Tool Works Inc
21. Intel Corp
22. Johnson & Johnson
23. Kinder Morgan
24. Merck & Co Inc
25. Microsoft Corp
26. Nextera Energy Inc
27. Pepsico Inc
28. Pfizer Inc
29. Procter & Gamble
30. Royal Dutch Shell Plc Cl A
31. Sanofi Contingent Value Rights
32. Stanley Black & Decker Inc
33. Sysco Corp
34. United Technologies Corp
35. Verizon Communications
36. WGL Holdings Inc
37. Abbvie Inc
38. First Energy Corp
39. Frontier Communications
40. National Fuel Gas Co
41. 3M
42. Electronics for Imaging Inc.
43. Heritage Crystal Clean Inc.
44. Signal Hill LLC
45. Utilities Sector SPDR Fund ETF