

September 12, 2013

Mr. Walter A. Hall (023)
Assistant General Counsel and
Designated Agency Ethics Official
U.S. Department of Veterans Affairs
Washington, D.C. 20420

Dear Mr. Hall:

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 Deputy Secretary of the U.S. Department of Veterans Affairs.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, 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.

Upon confirmation, I will resign from my position as President and CEO of the United Service Organizations, Inc. (USO). 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 the USO 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 from my position as member of the Board of Trustees for the Hargrave Military Academy. For a period of one year after my resignation from this position, I will not participate personally and substantially in any particular matter involving specific parties in which Hargrave Military Academy is a party

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or represents a party, unless I am first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

I will retain my positions as trustee of a trust for my mother and of a trust for my sister. I will not receive any fees for the services that I provide as trustee during my appointment to the position of Deputy Secretary. For as long as I remain a trustee of either of these trusts, I will consult with you regarding potential conflicts of interest before the trust acquires any new assets. In addition, for as long as I serve as trustee for either of these trusts, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of the 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). At any time during my appointment, if you or any successor Designated Agency Ethics Official determines that recusals necessitated by my imputed interests in either or both of these trusts substantially limit my ability to perform the essential duties of the position of Deputy Secretary, I will resign from my position as trustee from either or both of these trusts.

Within 90 days of my confirmation, I will divest my interests in Johnson & Johnson. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Johnson & Johnson 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 this asset 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 divest my interest in Johnson & Johnson within 90 days of my confirmation and will invest the proceeds in non-conflicting assets.

I have been advised that the duties of the position of Deputy Secretary may involve particular matters affecting the financial interests of: Bank of America Corporation; Caterpillar, Inc.; Costco Wholesale Corporation; Emerson Electric Co.; Genuine Parts Company; Raytheon Company; Regions Financial Corporation; Southern Company; and Starbucks Corporation. The Department has determined that it is not necessary for me at this time to divest my interests in these entities because the likelihood that my duties will involve any such matter is remote. Accordingly, I will not participate personally and substantially as part of my official duties in any particular matter that will have a direct and predictable effect on the financial interests 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).

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 other ethics agreements of Presidential nominees who file public financial disclosure reports.

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Finally, I understand that as an appointee I am required to sign the Ethics Pledge (Exec. Order No. 13490) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this and any other ethics agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam D. Gilman". The signature is written in a cursive style with a long horizontal line extending to the right.