

Mr. Scott F. Thompson
Alternate Designated Agency Ethics Official
Office of the General Counsel
Department of Defense
Washington DC 20310

MAR 17 2020

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 Deputy Under Secretary of Defense (Policy).

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 have a financial interest in the following entities: Bank of America Private Wealth Management Emerging Markets Stock Common Trust Fund and Bank of America Private Wealth Management Interm Term Tx Ex Bond Common Trust Fund. I have been advised that there is a remote possibility that the duties of the position of Deputy Under Secretary of Defense (Policy) may involve particular matters affecting the financial interests of these entities. Because the likelihood that my duties will involve such matters is remote, the agency has determined that it is not necessary at this time for me to divest my interests in these entities. At this time, the funds do not pose any conflicts. However, you have explained that there is a heightened risk of a conflict of interest if any of these funds are acquiring new holdings. I understand that I am personally responsible for avoiding conflicts of interest with respect to these funds and their holdings and I will monitor the investment information made available to me regarding these funds and consult as appropriate with the ethics office at the Department of Defense. If in the future the holdings of any of these funds are determined to pose a conflict with the performance of my official duties, then I may be directed to divest my interest in such funds. In that event, I will do so within 90 days of such order. With regard to each of these funds, 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 fund or its underlying holdings, 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).

My spouse currently serves as the President of The Bryce Michael Anderson Memorial Foundation. As long as my spouse continues to hold this position I will not participate personally and substantially in any particular matter involving specific parties in which I know The Bryce Michael Anderson Memorial Foundation 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 retain my positions as Trustee of Family Trust #2, Family Trust #3, Family Trust #4, Family Trust #5 and Family Trust #6. I will not receive any fees for the services that I provide as a Trustee during my appointment to the position of Deputy Under Secretary of Defense (Policy). 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 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).

If I rely on a *de minimis* exemption under 5 C.F.R. § 2640.201(b) with regard to any of my financial interests in sector mutual funds, I will monitor the value of those interests. If the aggregate value of my interests in sector mutual funds that concentrate in any one sector exceeds \$50,000, 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 any holdings of the funds that are in the specific sector in which the funds concentrate, 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).

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.

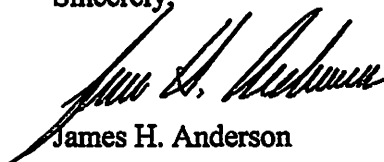
I understand that as an appointee I must continue to abide by the Ethics Pledge (Exec. Order No. 13770) that I previously signed and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this ethics agreement.

I will meet in person with the appropriate senior Department of Defense ethics official during the first week of my service in the position of Deputy Under Secretary of Defense (Policy) 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 the appropriate senior Department of Defense ethics official in writing when I have completed the steps described 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.

Mr. Scott F. Thompson
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Sincerely,

A handwritten signature in black ink, appearing to read "James H. Anderson", written in a cursive style with a long horizontal stroke extending to the left.

James H. Anderson