

April 11, 2023

Mr. Sean Croston
Designated Agency Ethics Official
Board of Governors of the Federal Reserve System
Washington, D.C. 20551

Dear Mr. Croston:

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 Vice Chair of the Board of Governors of the Federal Reserve System. It is my responsibility to understand and comply with the commitments outlined in this agreement.

SECTION 1 – GENERAL COMMITMENTS

As required by the criminal conflicts of interest law, 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 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, or investment funds that qualify for the regulatory exemption for diversified mutual funds and unit investment trusts at 5 C.F.R. § 2640.201(a).

I will receive a live ethics briefing from a member of the ethics office after my confirmation but not later than 15 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 must continue to abide by the Ethics Pledge (Exec. Order No. 13989) that I previously signed and that I will continue to be bound by it. Among other obligations, I will continue to be required to recuse from particular matters involving specific parties involving my former employer or former clients for a period of two years from my prior appointment, 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 – ROYALTIES

I receive or I am entitled to receive royalties from Oxford University Press for sales of two books, *The Oxford Handbook of the Economics of Poverty* and *Poverty: A Very Short Introduction*. I understand that I may not work on these books or perform any other services for compensation during my appointment to the position of Vice Chair. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, I will not participate personally and substantially in any particular matter involving specific parties in which I know Oxford University Press, 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 – PREVIOUSLY RESIGNED POSITIONS

I resigned from the following entities in May 2022:

- Davidson College
- Swarthmore College
- Vassar College

Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, 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).

SECTION 4 – ADDITIONAL COMMITMENTS

As required by 12 U.S.C. § 244 and 12 U.S.C. § 620, I will not serve as an officer or director for or hold stock in any bank, banking institution, trust company, or Edge Act corporation during my appointment to the position of Vice Chair of the Board of Governors of the Federal Reserve System.

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,

PHILIP JEFFERSON

Digitally signed by PHILIP
JEFFERSON

Date: 2023.04.11 09:40:25 -04'00'

Philip N. Jefferson