

August 3, 2010

Jonathan E. Rackoff  
Assistant General Counsel and  
Acting Designated Agency Ethics Official  
Office of Management and Budget  
725 17<sup>th</sup> Street, NW, Room 5001  
Washington, DC 20503

Dear Mr. Rackoff:

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 Director for the Office of Management and Budget.

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.

Within 90 days of my confirmation, I will divest my interests in the following entities down to an aggregate level below \$12,000: the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. With regard to each of these entities, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of the entity 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). During my appointment, I will not purchase any additional securities issued by these entities.

As soon as practicable, but not later than 30 days after my confirmation, I will divest my interest in the Citigroup Venture Capital International Growth Partnership (Employee) II, L.P. I anticipate that I will be able to divest this partnership within seven days of my appointment. In connection with this divestiture, I will sell my interest to Citigroup at a price that is no greater than my proportional share of Citigroup's last regularly scheduled valuation of the partnership

prior to my appointment. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on either the financial interests of this partnership or the financial interests of any of its underlying holdings until I have divested the partnership, 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 assets that I am divesting 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 these assets within the timeframes state above and will invest the proceeds in non-conflicting assets. If I receive a Certificate of Divestiture, I will invest the proceeds in "permitted property," as defined in 5 C.F.R. § 2634.1003.

As a senior officer of Citigroup, I was eligible for a discretionary compensation payment for services performed during calendar year 2008. Citigroup disbursed that discretionary payment to me on January 15, 2009, before I assumed the duties of the position of Deputy Secretary of State. I also had unvested restricted Citigroup stock. Before I assumed the duties of the position of Deputy Secretary, Citigroup vested my restricted stock. As reflected in my financial disclosure report, I no longer hold a financial interest in Citigroup. For a period of two years from January 15, 2009, the last date on which I received the discretionary compensation payment and the acceleration of vesting of the restricted stock, I will not participate personally and substantially in any particular matter in which Citigroup is a party or represents a party, unless I first receive a written waiver pursuant to 5 C.F.R. § 2635.503(c).

My spouse is employed by New York University, from which she receives a fixed salary. I will not participate personally and substantially in any particular matter involving specific parties in which New York University is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). In addition, for the duration of my appointment to the position of Director of the Office of Management and Budget, my spouse has agreed not to communicate with the Office of Management and Budget on behalf of New York University.

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

Sincerely,



Jacob J. Lew