

August 16, 2018

Ms. Ruth M.S. Vetter  
Alternate Designated Agency Ethics Official  
Office of the General Counsel  
Department of Defense  
Washington, DC 20301

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 Assistant Secretary of Defense (Sustainment).

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 resigned from my position with Fickling Management Services (Fickling) on September 6, 2017 and have received all salary, bonus and other payments due to me. 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 I know Fickling is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I resigned from my position on the Board of Directors with State Bank and Trust Company on November 17, 2017 and all amounts owed to me for director's fees have been paid. Because I continue to own common stock in State Bank and Trust Company, 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 State Bank and Trust Company, 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 resigned from my positions with the Robins Air Force Base Museum of Aviation Board of Directors, the Macon Cherry Blossom Festival Board of Directors, the Macon Chamber of Commerce Executive Board, and the 21<sup>st</sup> Century Partnership Advisory Board on November 17, 2017 and from the Mercer University National Engineering Advisory Board on September 6, 2017. 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

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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).

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 a senior DoD Standards of Conduct Office ethics official during the first week of my service in the position of Assistant Secretary of Defense (Sustainment) 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 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 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,



Robert H. McMahon