

April 6, 2017

Ms. Katherine D. McManus  
Deputy Legal Adviser and  
Designated Agency Ethics Official  
Office of the Legal Adviser  
U.S. Department of State  
Washington, DC 20520

Re: Ethics Undertakings

Dear Ms. McManus:

I am committed to the highest standards of ethical conduct for government officials. If confirmed as Deputy Secretary of the State Department, and 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.

Upon confirmation, I will resign from my position with the law firm of Mayer Brown LLP. For a period of one year from the date of my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which I know this firm 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, I will not participate personally and substantially in any particular matter involving specific parties in which I know a former client of mine is a party or represents a party, for a period of one year after I last provided service to that client, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Upon confirmation, I also will resign from my position with the U.S. Air Force Judge Advocate General's School Foundation Inc. 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 the U.S. Air Force Judge Advocate General's School Foundation Inc. is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

The term of my appointment on the U.S.-Iraq Business Dialogue ended in December 2016. For a period of one year after my appointment ended, I will not participate personally and substantially in any particular matter involving specific parties in which I know that the U.S.-Iraq Business Dialogue 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 divest my interests in Blackstone Capital Holdings Trust and ACP Power & Energy VI Real Asset Trust. Under the terms of these investment funds, I have the right to withdraw on

a quarterly basis subject to a requirement that I must submit notice by a specified deadline within the quarter. I will submit the required notice of divestiture within 14 days of my confirmation. Thereafter, I will withdraw from the fund as soon as contractually permitted. Until I have divested my interests in Blackstone Capital Holdings Trust and ACP Power & Energy VI Real Asset Trust, 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 that entity 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).

I will divest my interests in the First Trust North American Energy Infrastructure Fund and Franklin Mutual Financial Services Fund, within 90 days of my confirmation. Until I have completed these divestitures, 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 holding of the First Trust North American Energy Infrastructure Fund or the Franklin Mutual Financial Services Fund that is invested in the energy sector or the financial services sector, 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 qualifying assets 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 ensure that all divestitures discussed in this agreement occur within the agreed upon timeframes and that all proceeds are invested in non-conflicting assets.

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).

My spouse is currently a partner with the law firm of King & Spalding LLP. For as long as my spouse continues to work for King & Spalding LLP, 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 firm, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1). I also will not participate personally and substantially in any particular matter involving specific parties in which I know a client of my spouse 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 Deputy Secretary, my spouse has agreed not to communicate directly with the Department of State on behalf of her employer or any client.

I have managed accounts, and I will direct the account managers to obtain my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents,

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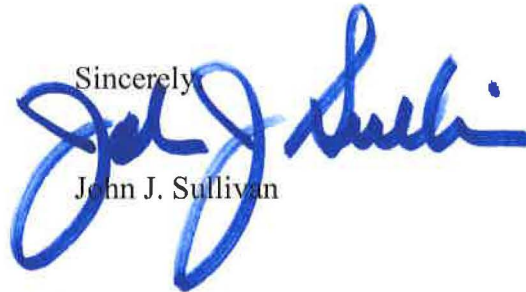
investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds. I will monitor whether the account managers are following this direction regarding prior approval.

I will receive a live ethics briefing from a member of the ethics office after my confirmation but no later than 15 days after my appointment as required under 5 C.F.R. § 2638.305, unless granted an extension under that regulation. 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 will be required to sign the Ethics Pledge (Exec. Order No. 13770) 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

A handwritten signature in blue ink, appearing to read "John J. Sullivan", is written over the word "Sincerely".

John J. Sullivan