

March 31, 2017

Rochelle Granat
Designated Agency Ethics Official
Office of the General Counsel
U.S. Department of the Treasury
1500 Pennsylvania Ave., NW
Washington D.C., 20220

Dear Ms. Granat:

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 Under Secretary for Terrorism and Financial Intelligence of the Department of the Treasury.

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 withdraw from the partnership of Proskauer Rose LLP. 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 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).

I currently have a capital account with Proskauer Rose LLP and will receive a refund of that account after my resignation. I will also receive a lump sum payment from the firm of my interest in the Partners' Cash Balance Retirement Plan. Pursuant to the Proskauer Rose LLP Restated Partnership Agreement, I will receive a final payment of my fiscal year 2016 partnership distribution and *pro rata* fiscal year 2017 partnership distribution which will be calculated as of the date of my withdrawal. This payment will be based on my prior fiscal year partnership allocation. However, the firm may withhold a portion of my partnership share as a reserve for account reconciliations and tax payments that the firm makes on behalf of its partners. If I am confirmed prior to August 2017, I will receive any balance still owed to me of my partnership share for my 2016 partnership distribution no later than August 2017 and any balance still owed to me for my *pro rata* 2017 partnership distribution no later than August 2018.

I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the ability or willingness of Proskauer Rose LLP, to make these payments, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

My spouse is the sole owner of Cap Media LLC, a media consulting firm. 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 Cap Media LLC, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1). I will also not participate personally and substantially in any particular matter involving specific parties in which I know Cap Media LLC or any client of Cap Media LLC 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 you during the first week of my service in the position of Under Secretary 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 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,



Sigal P. Mandelker