

Date: July 22, 2021

Mr. Richard C. Visek
Principal Deputy Legal Adviser and
Designated Agency Ethics Official
Office of the Legal Adviser
Department of State

Re: Ethics Undertakings

Dear Mr. Visek,

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 Ambassador to Israel. It is my responsibility to understand and comply with commitments outlined in this agreement.

SECTION 1 – GENERAL COMMITMENTS

I am committed to the highest standards of ethical conduct for government officials. If confirmed as Ambassador to Israel, as required by the criminal conflicts of interest law at 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 an 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 addition, I will recuse myself from participation on a case-by-case basis in any particular matter involving specific parties in which I determine that a reasonable person with knowledge of the relevant facts would question my impartiality in that matter, unless I am first authorized to participate, pursuant to the impartiality regulations at 5 C.F.R. Part 2635, Subpart E.

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.

I understand that a heightened prospect of a conflict of interest could exist as to companies that maintain a presence in Israel, because they may be more likely than other companies to seek official assistance from or make contact with the Embassy or otherwise be affected by policies and engagement implemented by the Embassy. I will remain alert to the possible need for recusal where appropriate.

I have managed accounts and during my appointment, 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, investment funds that qualify for the regulatory exemption for diversified mutual funds and unit investment trusts 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 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 will be required to sign the Ethics Pledge (Exec. Order No. 13989) and that I will be bound by it. Among other obligations, I will be required to recuse from particular matters involving specific parties involving my former employer or former clients for a period of two years after I am appointed, 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 – MORGAN STANLEY

I resigned from my position with Morgan Stanley on June 30, 2021. Pursuant to a written agreement, I am entitled to receive a bonus calculated using an objective criteria that is based on

months served in 2021 prior to my resignation and computed using last year's bonus amount paid by the company. I will receive this bonus payment in cash prior to assuming the duties of the position. I also participate in a deferred compensation plan with Morgan Stanley, pursuant to which my past bonus compensation is deferred into a mutual fund account. I am fully vested in this plan. Consistent with company policy, Morgan Stanley will deliver the value of this account over a three year period.

I have stock and vested performance stock units in Morgan Stanley, which I received as part of my compensation package for prior years. I am not owed and will not receive any additional performance stock units from Morgan Stanley. Performance stock units are typically paid out in shares of company stock and are delivered over a three year period following the grant. Morgan Stanley provides full payment of performance stock units to departing employees who are required to divest any interest in order to comply with federal, state, or local government financial conflict of interest requirements, and accelerated my stock payout pursuant to this policy. I already have divested my stock acquired by virtue of the accelerated performance stock unit payout and will divest all of my remaining stock in Morgan Stanley within 90 days of my confirmation. 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 Morgan Stanley until I have divested the stock, 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 have verified that I will be able to carry out the divestitures within the timeframe described above.

Under the Morgan Stanley Executive Health Plan, my spouse and I will continue to receive free health coverage, consistent with the corporation's practice for departing executives. Morgan Stanley will continue making all payments to the health provider under this plan for as long as either I or my spouse is living. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation or for as long as I am receiving payments or benefits from Morgan Stanley, whichever is longer, I will not participate personally and substantially in any particular matter involving specific parties in which I know Morgan Stanley is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). I also 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 Morgan Stanley pay any amounts owed to me, or to continue paying for my health coverage, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

I do not have any other equity interest in Morgan Stanley, and am not owed any other amounts from Morgan Stanley.

SECTION 3 – RESIGNATIONS

Upon confirmation, I will resign from my positions with the following entities:

- Atlantic Council
- Council on Foreign Relations
- International Rescue Committee
- Partnership for Public Service

- Urban Alliance Foundation

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).

Upon confirmation, I will resign from my positions as Trustee for the Family Trust 1 and the Family Trust 2. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, 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 either 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 – SPOUSE’S EMPLOYMENT

My spouse is the Vice President for Newsgathering at CNN, a subsidiary of Warner Media; her compensation is based, in part, on Warner Media’s financial performance, and she holds equity interests in Warner Media. She also holds equity interests in AT&T, the parent company of Warner Media, and her compensation is based in part on AT&T’s financial performance. I will seek a waiver to participate in certain particular matters affecting the financial interests of Warner Media and AT&T. Until I have obtained such a waiver, 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 AT&T, Warner Media or CNN. I also will seek written authorization, pursuant to 5 C.F.R. § 2635.502(d), to participate personally and substantially in certain limited particular matters involving specific parties. However, I understand that any such waiver and authorization to participate in particular matters involving specific parties will be limited to meetings, interviews, or similar communications with employees of Warner Media or CNN for the purpose of providing information about U.S. foreign policy or the Department of State. The waiver and authorization will not apply with regard to my participation in other particular matters in which AT&T, Warner Media or CNN is, or represents, a party, such as contracts, commercial advocacy, or public-private partnerships.

SECTION 5 – DIVESTITURES

As soon as practicable but not later than 90 days after my confirmation, I will divest all of the assets listed in Appendix A. With regard to each of these entities in Appendix A, 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 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).

As soon as practicable but not later than 90 days after my confirmation, I will divest all of the assets listed in Appendix B. With regard to each of these funds, 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 fund that is invested in the sector that is the focus of the fund, 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 have verified that I will be able to carry out the divestitures within the timeframe described above.

As soon as practicable but not later than 90 days after my confirmation, I will divest my interests in SEG Partners II LP Class I. 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 fund or its underlying holdings 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).

I have verified that I will be able to carry out the divestitures within the timeframe described above.

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. I understand that I must timely submit my request for a Certificate of Divestiture to allow for adequate time for OGE to process the Certificate of Divestiture, and in order to divest assets within the agreed upon timeframe.

I (including my spouse and dependent children if applicable) will not repurchase any asset I was required to divest without my consultation with my agency ethics official and the U.S. Office of Government Ethics.

SECTION 6 – OTHER PRIVATE INVESTMENT FUNDS

You have advised me that, at this time, I do not need to divest my interests in the following investment funds: SPF Securities Product LP and the Morgan Stanley Distressed Global Opportunities Fund. At this time, these funds do not pose any conflicts. Because the likelihood that my duties will involve such matters is remote, the agency has determined that it is not necessary at this time for me to divest my interests in these entities. However, you have explained that there is a heightened risk of a conflict of interest if these funds acquire new holdings. I understand that I am personally responsible for avoiding conflicts of interest with respect to these funds and their holdings and I will monitor the investment information made available to me regarding these funds and consult as appropriate with the Office of the Legal Adviser for Ethics and Financial Disclosure at the Department of State. If in the future the holdings of either fund are determined to pose a conflict with the performance of my official duties, then I may be directed to divest my interest in the fund. In that event, I will do so within 90 days of such order, unless, I am unable to divest within 90 days pursuant to the terms of the investment fund. In that situation, I will divest at the earliest opportunity allowed under the terms of the investment fund. 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 either fund

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).

SECTION 7 – 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,

A handwritten signature in black ink, appearing to read 'Th' followed by a long horizontal flourish.

Thomas Nides

Tab A: Assets to be divested

Abbvie

AirBnB

Allergan PLC

Alnylam Pharmaceuticals

Alphabet Inc (Google)

Amazon

Autodesk Inc

BioGen

Broadcom Inc

CiscoCloudflare Inc

Coca Cola

Comcast Corp

Corteva Inc

Discovery Inc

DocuSign Inc

Dow Inc

Dupont de Nemours Inc

Facebook

Fireeye Inc.

Hilton Worldwide Holdings

International Business Machines

Intuitive Surgical Inc

Ionis Pharmaceuticals Inc.

Johnson Controls International

L3 Harris Technologies

Marriott International

Medtronic PLC

Microsoft

Moderna

MongoDB

Morgan Stanley

Netflix

Nuance Communications

NVIDIA Corporation

Snap

Spotify

Twitter

Uber Technologies

Royalty Pharma PLC

Seagate Technology PLC

ServiceNow

Twitter

Vertex Pharmaceuticals

Western Digital Corporation

Tab B – Funds to be divested

Alerian MLP ETF (AMLP)

Energy Select Sector SDPR Fund (XLE)

Proshares Ultra Oil & Gas (DIG)

US Global Jets ETF

VanEck Oil Services (OIH)

Matthews China Fund