

DATE Feb. 3, 2017

Ms. Katherine D. McManus
Deputy Legal Adviser and
Designated Agency Ethics Official
Office of the Legal Adviser
Department of State

Re: Ethics Undertakings

Dear Ms. McManus:

I am committed to the highest standards of ethical conduct for government officials. If confirmed as the Ambassador to the State of Israel, 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 understand that a heightened prospect of a conflict of interest could exist as to companies that maintain a presence in the State of 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 to recuse where appropriate.

Upon confirmation, I will resign from my position with the law firm of Kasowitz, Benson, Torres & Friedman LLP. I currently have a capital account with the firm, and I will receive a refund of that account within ninety days of my resignation. Pursuant to the partnership agreement and firm practice, I also will receive a retirement benefit payment from the firm, which is calculated pursuant to the partnership agreement. The firm will accelerate this payment and, following my resignation, will pay me a portion of the retirement benefit in 24 monthly installments, and then make a lump sum payment of the remaining retirement benefit at the end of that 24 month period. The retirement benefit paid to me will be reduced to offset for the time value of the accelerated payment. I am not owed any other payments from the firm.

Until I have received all payments owed to me by Kasowitz, Benson, Torres & Friedman LLP, 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 the firm to pay amounts owed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1). For a period of one year after my resignation, I also will not participate personally and

substantially in any particular matter involving specific parties in which I know the 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 am aware that, under 5 U.S.C. app. IV, § 502(a)(2), I may not permit my name to be used by any firm, partnership, association, corporation, or other entity that provides professional services involving a fiduciary relationship. I have advised the partners of Kasowitz, Benson, Torres & Friedman LLP, that they do not have my permission to continue to use my name in the name of the firm. They will be removing my name from the firm name as soon as I am confirmed.

Upon confirmation, I will resign from my position as a general partner of DMF Woodlane Associates LP and I will become only a limited partner of this entity. During my appointment, I will not manage this entity or provide any other services to it. Instead, I will receive only passive investment income from it. As Ambassador, 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 DMF Woodlane Associates, LP, or its underlying holdings, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

Upon confirmation, I also will resign from my position as managing member of Karraben Opportunities, LLC, and I will become a non-managing member of this entity. During my appointment, I will not manage this entity or provide any other services to it. Instead, I will receive only passive investment income from it. As Ambassador, 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 Karraben Opportunities, LLC, or its underlying holdings, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1). I understand that this recusal obligation includes particular matters directly and predictably affecting the amount that Harman International Industries, Inc. will pay under the terms of the sale of TowerSec Ltd. by Karraben Opportunities, LLC, as indicated in the endnote to Part 6, Line 20.4 of my financial disclosure report.

Upon my confirmation, I will also resign from my positions with the following entities: American Friends of Bet El Yeshiva Center; Karraben Wine, LLC; American Friends of United Hatzalah; and the family trust of which I am trustee. 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).

Within 90 days of my confirmation, I will transfer my interests in Maverick Ventures, LP to one or more of my non-dependent children. With regard to this entity, 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 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 will also divest of my interests in Karraben Wine, LLC within 90 days of my confirmation. With regard to this entity, 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 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).

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 5 C.F.R. § 2635.502(d).

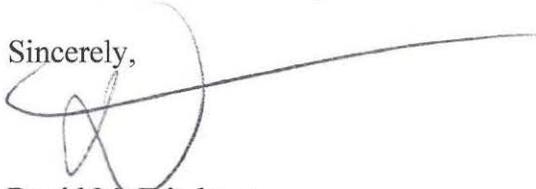
I understand that I may be eligible to request a Certificate of Divestiture for qualifying assets and that a Certificate of Divestiture is effective only if obtained prior to divestiture. Regardless of whether I receive a Certificate of Divestiture, I will ensure that all divestitures discussed in this agreement occur within the agreed upon timeframes and that all proceeds are invested in non-conflicting assets.

I will meet in person with you during the first week of my service in the position of Ambassador in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. Within 90 days of my confirmation, I will also 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 required under the Executive Order dated January 28, 2017 (“Ethics Commitments by Executive Branch Appointees”) 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,



David M. Friedman