

Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)

Filer's Information

Clarida, Richard

Vice Chairman, Board of Governors of the Federal Reserve System

Report Year: 2021

Other Federal Government Positions Held During the Preceding 12 Months:

None

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

/s/ Clarida, Richard [electronically signed on 05/14/2021 by Clarida, Richard in Integrity.gov]

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments below).

/s/ Williams, Cary, Certifying Official [electronically signed on 05/14/2021 by Williams, Cary in Integrity.gov]

Other review conducted by

/s/ Williams, Cary, Ethics Official [electronically signed on 05/14/2021 by Williams, Cary in Integrity.gov]

U.S. Office of Government Ethics Certification

/s/ Granahan, Megan, Certifying Official [electronically signed on 05/17/2021 by Granahan, Megan in Integrity.gov]

1. Filer's Positions Held Outside United States Government

#	ORGANIZATION NAME		CITY, STATE	ORGANIZATION TYPE	POSITION HELD	FROM	TO
1	Columbia University	See Endnote	New York, New York	University/College	Professor	7/1988	Present

2. Filer's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	StocksPlus Mutual Fund (PSTKX) (held in 401k account)	Yes	\$500,001 - \$1,000,000		None (or less than \$201)
2	TIAA Traditional Guaranteed Annuity (held in Columbia Retirement Account)	N/A	\$100,001 - \$250,000	Interest	None (or less than \$201)
3	CREF stock account fund (QCSTRX) (held in Columbia Retirement Account)	Yes	\$500,001 - \$1,000,000		None (or less than \$201)
4	CREF Global Equities (QCGLRX) (held in Columbia Retirement Account)	Yes	\$250,001 - \$500,000		None (or less than \$201)
5	Vanguard Dividend Appreciation Index (VDAIX) (held in NBER tax deferred annuity plan)	Yes	\$1,001 - \$15,000		\$2,501 - \$5,000
6	Cash balance account (held in Pimco Deferred Comp account)	N/A	\$500,001 - \$1,000,000	Interest	\$5,001 - \$15,000
7	Vanguard Emerging Markets Stocks Index Mutual Fund (VEIEX) (held in 457b Deferred Compensation account Columbia University)	Yes	\$100,001 - \$250,000		\$15,001 - \$50,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
8	PIMCO Deferred Compensation Account	N/A	\$250,001 - \$500,000	Cash distribution from PIMCO deferred compensation account	\$335,526
9	PIMCO Stocks PLUS Instl (PSTKX)(held in PIMCO deferred comp account)	Yes	\$1,000,001 - \$5,000,000		None (or less than \$201)
10	iShares MSCI USA Min Volatility (USMV)(held in PIMCO deferred comp account)	Yes	\$1,000,001 - \$5,000,000		None (or less than \$201)
11	PIMCO Income Instl(PIMIX)(held in PIMCO deferred comp account)	Yes	None (or less than \$1,001)		None (or less than \$201)

3. Filer's Employment Agreements and Arrangements

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
1	Columbia University	New York, New York	I have taken an unpaid leave of absence from Columbia University for public service leave. I will apply for annual extensions until completion of my term of service at the Federal Reserve is complete.	7/2018
2	Pacific Investment Management Company	Newport Beach, California	I continue to have an interest in a deferred compensation account at PIMCO which is invested as described Part 2 . Under the terms of the deferred compensation plan, the accumulated proceeds will be distributed to me over the 10 years following my resignation in September 2018.	2/2006
3	Allianz Asset Management of America LP	New York, New York	I will continue to participate in the defined contribution 401(k) plan. The plan sponsor will not make further contributions after my separation.	2/2006
4	Columbia University	New York, New York	I will continue to participate in the defined contribution University retirement plan. The plan sponsor will not make contributions while I am on national service leave.	7/1988

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
5	Columbia University	New York, New York	I will continue to remain invested in a 457b Deferred Compensation Plan but with no additional contributions.	1/2013
6	National Bureau of Economic Research	Cambridge, Massachusetts	I will continue to remain invested in a 403b tax-deferred annuity plan but with no additional contributions.	7/1985

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

(N/A) - Not required for this type of report

5. Spouse's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	UBS, defined benefit plan (value not readily ascertainable)	N/A			None (or less than \$201)
2	Kidder Peabody; deferred compensation plan; received and cash recievable	N/A	\$50,001 - \$100,000	cash payment	\$38,442
3	Schwab Strategic 1000 ETF (SCHK) (held in Roth IRA)	Yes	None (or less than \$1,001)		None (or less than \$201)
4	iShares Edge MSCI Min Vol USA ETF (USMV)(held in Roth IRA)	Yes	\$250,001 - \$500,000		None (or less than \$201)

6. Other Assets and Income

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	U.S. bank account #1 (cash)	N/A	\$50,001 - \$100,000		None (or less than \$201)

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
2	U.S. bank account #2 (cash)	N/A	\$250,001 - \$500,000	Interest	\$201 - \$1,000
3	U.S. bank account #3 (cash)	N/A	\$500,001 - \$1,000,000	Interest	\$1,001 - \$2,500
4	U.S. bank account #4 (cash)	N/A	\$50,001 - \$100,000	Interest	\$201 - \$1,000
5	U.S. brokerage account #1 (cash)	N/A	\$1,001 - \$15,000		None (or less than \$201)
6	Family trust #1	No			
6.1	Northwestern Mutual whole life	N/A	\$250,001 - \$500,000		None (or less than \$201)
6.2	U.S. bank account #5 (cash)	N/A	\$500,001 - \$1,000,000	Interest	\$1,001 - \$2,500
6.3	Lombard Private Placement Variable Annuity	No			
6.3.1	Lombard money market account	N/A	\$1,000,001 - \$5,000,000	Interest	\$201 - \$1,000
7	Family trust #2	No			
7.1	Northwestern Mutual whole life	N/A	\$500,001 - \$1,000,000		None (or less than \$201)
7.2	U.S. bank account #6 (cash)	N/A	\$50,001 - \$100,000	Interest	\$201 - \$1,000
7.3	Lombard Private Placement Variable Annuity	No			
7.3.1	Lombard money market account	N/A	\$1,000,001 - \$5,000,000	Interest	\$201 - \$1,000
8	U.S. brokerage account #2	No			
8.1	US bank account #7 (cash)	N/A	\$50,001 - \$100,000	Interest	\$201 - \$1,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
9	Lombard Private Placement Variable Annuity	No			
9.1	Lombard money market account	N/A	\$1,000,001 - \$5,000,000	Interest	\$201 - \$1,000
10	Wisdom Tree Dividend Growth Fund (DGRW)	Yes	\$250,001 - \$500,000		\$5,001 - \$15,000
11	PIMCO Muni Bond Fund (PFMIX)	Yes	\$5,000,001 - \$25,000,000		\$100,001 - \$1,000,000

7. Transactions

#	DESCRIPTION	TYPE	DATE	AMOUNT
1	PIMCO Income Fund Institutional Class Shares (PIMIX)	Sale	02/27/2020	\$1,000,001 - \$5,000,000
2	PIMCO StocksPLUS Fund Institutional Class Shares (PSTKX)	Purchase	02/27/2020	\$1,000,001 - \$5,000,000
3	iShares Edge MSCI Min Vol USA ETF (USMV)	Purchase	02/27/2020	\$1,000,001 - \$5,000,000
4	Schwab 1000 Index ETF (SCHK)	Sale	08/03/2020	\$500,001 - \$1,000,000
5	iShares Edge MSCI Min Vol USA ETF (USMV)	Purchase	08/03/2020	\$250,001 - \$500,000

8. Liabilities

None

9. Gifts and Travel Reimbursements

None

Endnotes

PART	#	ENDNOTE
1.	1	Effective July 1, 2018 I have taken a public service leave of absence from Columbia University

Summary of Contents

1. Filer's Positions Held Outside United States Government

Part 1 discloses positions that the filer held at any time during the reporting period (excluding positions with the United States Government). Positions are reportable even if the filer did not receive compensation.

This section does not include the following: (1) positions with religious, social, fraternal, or political organizations; (2) positions solely of an honorary nature; (3) positions held as part of the filer's official duties with the United States Government; (4) mere membership in an organization; and (5) passive investment interests as a limited partner or non-managing member of a limited liability company.

2. Filer's Employment Assets & Income and Retirement Accounts

Part 2 discloses the following:

- Sources of earned and other non-investment income of the filer totaling more than \$200 during the reporting period (e.g., salary, fees, partnership share, honoraria, scholarships, and prizes)
- Assets related to the filer's business, employment, or other income-generating activities (1) that ended the reporting period with a value greater than \$1,000 or (2) from which more than \$200 in income was received during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

3. Filer's Employment Agreements and Arrangements

Part 3 discloses agreements or arrangements that the filer had during the reporting period with an employer or former employer (except the United States Government), such as the following:

- Future employment
- Leave of absence
- Continuing payments from an employer, including severance and payments not yet received for previous work (excluding ordinary salary from a current employer)
- Continuing participation in an employee welfare, retirement, or other benefit plan, such as pensions or a deferred compensation plan
- Retention or disposition of employer-awarded equity, sharing in profits or carried interests (e.g., vested and unvested stock options, restricted stock, future share of a company's profits, etc.)

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

Part 4 discloses sources (except the United States Government) that paid more than \$5,000 in a calendar year for the filer's services during any year of the reporting period.

The filer discloses payments both from employers and from any clients to whom the filer personally provided services. The filer discloses a source even if the source made its payment to the filer's employer and not to the filer. The filer does not disclose a client's payment to the filer's employer if the filer did not provide the services for which the client is paying.

5. Spouse's Employment Assets & Income and Retirement Accounts

Part 5 discloses the following:

- Sources of earned income (excluding honoraria) for the filer's spouse totaling more than \$1,000 during the reporting period (e.g., salary, consulting fees, and partnership share)
- Sources of honoraria for the filer's spouse greater than \$200 during the reporting period
- Assets related to the filer's spouse's employment, business activities, other income-generating activities (1) that ended the reporting period with a value greater than \$1,000 or (2) from which more than \$200 in income was received during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's spouse's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF). Amounts of income are not required for a spouse's earned income (excluding honoraria).

6. Other Assets and Income

Part 6 discloses each asset, not already reported, (1) that ended the reporting period with a value greater than \$1,000 or (2) from which more than \$200 in investment income was received during the reporting period. For purposes of the value and income thresholds, the filer aggregates the filer's interests with those of the filer's spouse and dependent children.

This section does not include the following types of assets: (1) a personal residence (unless it was rented out during the reporting period); (2) income or retirement benefits associated with United States Government employment (e.g., Thrift Savings Plan); and (3) cash accounts (e.g., checking, savings, money market accounts) at a single financial institution with a value of \$5,000 or less (unless more than \$200 in income was received). Additional exceptions apply. Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

7. Transactions

Part 7 discloses purchases, sales, or exchanges of real property or securities in excess of \$1,000 made on behalf of the filer, the filer's spouse or dependent child during the reporting period.

This section does not include transactions that concern the following: (1) a personal residence, unless rented out; (2) cash accounts (e.g., checking, savings, CDs, money market accounts) and money market mutual funds; (3) Treasury bills, bonds, and notes; and (4) holdings within a federal Thrift Savings Plan account. Additional exceptions apply.

8. Liabilities

Part 8 discloses liabilities over \$10,000 that the filer, the filer's spouse or dependent child owed at any time during the reporting period.

This section does not include the following types of liabilities: (1) mortgages on a personal residence, unless rented out (limitations apply for PAS filers); (2) loans secured by a personal motor vehicle, household furniture, or appliances, unless the loan exceeds the item's purchase price; and (3) revolving charge accounts, such as credit card balances, if the outstanding liability did not exceed \$10,000 at the end of the reporting period. Additional exceptions apply.

9. Gifts and Travel Reimbursements

This section discloses:

- Gifts totaling more than \$415 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.
- Travel reimbursements totaling more than \$415 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.

For purposes of this section, the filer need not aggregate any gift or travel reimbursement with a value of \$166 or less. Regardless of the value, this section does not include the following items: (1) anything received from relatives; (2) anything received from the United States Government or from the District of Columbia, state, or local governments; (3) bequests and other forms of inheritance; (4) gifts and travel reimbursements given to the filer's agency in connection with the filer's official travel; (5) gifts of hospitality (food, lodging, entertainment) at the donor's residence or personal premises; and (6) anything received by the filer's spouse or dependent children totally independent of their relationship to the filer. Additional exceptions apply.

Privacy Act Statement

Title I of the Ethics in Government Act of 1978, as amended (the Act), 5 U.S.C. app. § 101 et seq., as amended by the Stop Trading on Congressional Knowledge Act of 2012 (Pub. L. 112-105) (STOCK Act), and 5 C.F.R. Part 2634 of the U. S. Office of Government Ethics regulations require the reporting of this information. Failure to provide the requested information may result in separation, disciplinary action, or civil action. The primary use of the information on this report is for review by Government officials to determine compliance with applicable Federal laws and regulations. This report may also be disclosed upon request to any requesting person in accordance with sections 105 and 402(b)(1) of the Act or as otherwise authorized by law. You may inspect applications for public access of your own form upon request. Additional disclosures of the information on this report may be made: (1) to any requesting person, subject to the limitation contained in section 208(d)(1) of title 18, any determination granting an exemption pursuant to sections 208(b)(1) and 208(b)(3) of title 18; (2) to a Federal, State, or local law enforcement agency if the disclosing agency becomes aware of violations or potential violations of law or regulation; (3) to a source when necessary to obtain information relevant to a conflict of interest investigation or determination; (4) to the National Archives and Records Administration or the General Services Administration in records management inspections; (5) to the Office of Management and Budget during legislative coordination on private relief legislation; (6) when the disclosing agency determines that the records are arguably relevant to a proceeding before a court, grand jury, or administrative or adjudicative body, or in a proceeding before an administrative or adjudicative body when the adjudicator determines the records to be relevant to the proceeding; (7) to reviewing officials in a new office, department or agency when an employee transfers or is detailed from one covered position to another, a public financial disclosure report and any accompanying documents, including statements notifying an employee's supervising ethics office of the commencement of negotiations for future employment or compensation or of an agreement for future employment or compensation; (8) to a Member of Congress or a congressional office in response to an inquiry made on behalf of and at the request of an individual who is the subject of the record; (9) to contractors and other non-Government employees working on a contract, service or assignment for the Federal Government when necessary to accomplish a function related to this system of records; (10) on the OGE Website and to any person, department or agency, any written ethics agreement, including certifications of ethics agreement compliance, filed with OGE by an individual nominated by the President to a position requiring Senate confirmation; (11) on the OGE Website and to any person, department or agency, any certificate of divestiture issued by OGE; (12) on the OGE Website and to any person, department or agency, any waiver of the restrictions contained in Executive Order 13770 or any superseding executive order; (13) to appropriate agencies, entities and persons when there has been a suspected or confirmed breach of the system of records, the agency maintaining the records has determined that there is a risk of harm to individuals, the agency, the Federal Government, or national security, and the disclosure is reasonably necessary to assist in connection with the agency's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm; and (14) to another Federal agency or Federal entity, when the agency maintaining the record determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in responding to a suspected or confirmed breach or in preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity, the Federal Government, or national security. See also the OGE/GOVT-1 executive branch-wide Privacy Act system of records.

Public Burden Information

This collection of information is estimated to take an average of ten hours per response, including time for reviewing the instructions, gathering the data needed, and completing the form. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Program Counsel, U.S. Office of Government Ethics (OGE), Suite 500, 1201 New York Avenue, N.W., Washington, DC 20005-3917.

Pursuant to the Paperwork Reduction Act, as amended, an agency may not conduct or sponsor, and no person is required to respond to, a collection of information unless it displays a currently valid OMB control number (that number, 3209-0001, is displayed here and at the top of the first page of this OGE Form 278e).

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LAURA SWANSON, STAFF DIRECTOR
BRAD GRANTZ, REPUBLICAN STAFF DIRECTOR

United States Senate
COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS
WASHINGTON, DC 20510-6075

October 4, 2021

The Honorable Gary Gensler
Chair
U.S. Securities and Exchange Commission (SEC)
100 F Street NE
Washington, DC 20549

Dear Chair Gensler:

I am writing to ask that the SEC investigate trading in securities by high-level Federal Reserve officials and determine if any of these ethically questionable transactions may have violated insider trading rules. Last week, reports revealed that Federal Reserve Vice Chair Richard Clarida “traded between \$1 million and \$5 million out of a bond fund into stock funds [in February 2020,] one day before Chair Jerome Powell issued a statement flagging possible policy action as the pandemic worsened.”¹ This new report comes within weeks of disclosures revealing that Robert Kaplan, President of the Federal Reserve Bank of Dallas, “made multiple million-dollar-plus stock trades in 2020,”² and that Eric Rosengren, President of the Federal Reserve Bank of Boston, “listed stakes in four separate real estate investment trusts and disclosed multiple purchases and sales in those and other securities.”³

The reports of this financial activity by Fed officials raise serious questions about possible conflicts of interest and a reveal a disregard for the public trust. They also reflect atrocious judgement by these officials, and an attitude that personal profiteering is more important than the American people’s confidence in the Fed. Mr. Clarida’s financial disclosures, for example, reveal that he is a multi-millionaire. There is no justifiable ethics or financial rationale for him or any other government official to be involved in these questionable market machinations while having access to non-public information and authority over decisions that have extraordinary impacts on markets and the economy. Finally, and most importantly from the perspective of the SEC, if these trades were based on Fed officials’ knowledge of non-public, market moving information, they may have represented potentially illegal activity.

¹ Bloomberg News, “Clarida Traded Into Stocks of Eve of Powell Pandemic Statement,” October 1, 2021, <https://www.bloomberg.com/news/articles/2021-10-01/clarida-traded-into-stocks-on-eve-of-powell-pandemic-statement>.

² Wall Street Journal, Michael S. Derby, “Dallas Fed’s Robert Kaplan Was Active Buyer and Seller of Stocks Last Year,” September 7, 2021, <https://www.wsj.com/articles/dallas-feds-robert-kaplan-was-active-buyer-and-seller-of-stocks-last-year-11631044094>.

³ Bloomberg, “Fed Official Who Warned on Real Estate Was Active REIT Trader,” Craig Torres, Catarina Saraiva, and Steven Matthews, September 8, 2021, <https://www.bloomberg.com/news/articles/2021-09-08/fed-official-who-warned-on-real-estate-was-active-reit-trader?sref=oZtxD6sa>.

It is not clear why Chair Powell did not stop these activities, which corrode the trust and effectiveness of the Fed. The Fed officials' trades clearly run afoul of Fed guidelines stating that officials should "avoid any dealings or other conduct that might convey even an appearance of conflict between their personal interests, the interests of the System, and the public interest."⁴ And, if they involved "purchasing or selling a security while in possession of material nonpublic information"⁵ – which could have been the case given that Fed officials routinely are in possession of such information⁶ – they may have violated SEC's insider trading rules. Such violations may subject individuals to civil penalties of "three times the amount of the profit gained or loss avoided" and criminal penalties up to \$5,000,000 and 20 years imprisonment.⁷

Our nation needs stronger ethics laws, and leaders that are willing to enforce them. That is why I have introduced sweeping ethics legislation, the *Anti-Corruption and Public Integrity Act*.⁸ This legislation would ban individual stock ownership by Members of Congress, Cabinet Secretaries, senior congressional staff, federal judges, White House staff and other senior agency officials while in office. It would prohibit all government officials from holding or trading stock if its value might be influenced by their agency, department, or actions. And it would require senior government officials and White House staff to divest from privately owned assets that could present conflicts. This far-reaching legislation would also tighten conflict of interest and recusal requirements and shut the revolving door between industry and government.

I will continue to work in Congress to pass this legislation into law. In the interim, all federal officials have a responsibility under existing law to address corrupt and illegal behavior within their jurisdiction. The SEC can do its part by undertaking a sweeping review of all securities trades by Federal Reserve officials to determine if they may have violated insider trading laws.

Specifically, I ask that you investigate:

- (1) The extent of trading activity by high-level Federal Reserve officials;
- (2) The timing and rationale for these individuals' trades;
- (3) The extent to which these trades may have been influenced by non-public information in possession of the individuals making the trades;
- (4) Whether these trades may have represented violations of provisions that bar individuals from "purchasing or selling a security while in possession of material nonpublic information."⁹

⁴ Federal Reserve, Voluntary Guide to Conduct for Senior Officials," amended November 2017, <https://www.federalreserve.gov/monetarypolicy/files/fram2-026-1.pdf>.

⁵ Insider Trading Sanctions Act of 1984, Public Law 98-376.

⁶ New York Times, "Fed Officials' Trading Draws Outcry, and Fuels Calls for Accountability," Jeanna Smialek, September 9, 2021, <https://www.nytimes.com/2021/09/09/business/economy/fed-stock-trading.html>.

⁷ 15 U.S.C. 78u-1(aX2); 15 U.S.C. 78ff.

⁸ Senator Elizabeth Warren, *Anti-Corruption and Public Integrity Act of 2020* summary, <https://www.warren.senate.gov/imo/media/doc/Master%20Summary%20of%20Anti%20Corruption%20Act%20of%202020%20-%202012.1.pdf>.

⁹ Insider Trading Sanctions Act of 1984, Public Law 98-376.

Thank you for your attention to these important matters of ethics, public trust, and potentially illegal trading activity.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth Warren", with a long horizontal flourish extending to the right.

Elizabeth Warren
Chair, Senate Banking, Housing, and
Urban Affairs Committee, Subcommittee
on Economic Policy

Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)

Filer's Information

Clarida, Richard Harris

Vice Chairman, Board of Governors of the Federal Reserve System

Other Federal Government Positions Held During the Preceding 12 Months:

None

Names of Congressional Committees Considering Nomination:

- **Committee on Banking, Housing, and Urban Affairs**
-

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

/s/ Clarida, Richard Harris [electronically signed on 03/14/2018 by Clarida, Richard Harris in Integrity.gov]

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments below).

/s/ Williams, Cary, Certifying Official [electronically signed on 04/26/2018 by Williams, Cary in Integrity.gov]

Other review conducted by

/s/ Williams, Cary, Ethics Official [electronically signed on 04/26/2018 by Williams, Cary in Integrity.gov]

1. Filer's Positions Held Outside United States Government

#	ORGANIZATION NAME	CITY, STATE	ORGANIZATION TYPE	POSITION HELD	FROM	TO
1	Columbia University	New York, New York	University/College	Professor	7/1988	Present
2	Pacific Investment Management Company	Newport Beach, California	Asset Manager	Managing Director	2/2006	Present
3	National Bureau of Economic Research	Cambridge, Massachusetts	Non-Profit	Research Associate	7/1983	Present
4	National Bureau of Economic Research	Cambridge, Massachusetts	Non-Profit	Co Organizer and Co Editor International Seminar in Macro-Economics	6/2004	Present
5	Bundesbank Research Council	Frankfurt , Germany, Outside U.S.	Central bank	member and chair since 2012	5/2007	Present
6	Hong Kong Monetary Authority Institute for Monetary Research	Hong Kong, Outside U.S.	Central Bank	adviser	12/2012	Present

2. Filer's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Columbia University	N/A		Salary	\$182,731
2	Pacific Investment Management Company	N/A		Salary (418,376)/Bonus (5,080,971)	\$5,499,347

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
3	Pacific Investment Management Company M Units	N/A	\$1,000,001 - \$5,000,000	Profit distribution from Pacific Investment Management Company as part of M unit program deferred compensation program	\$599,008
4	StocksPlus Mutual Fund (PSTKX) (held in 401k account)	Yes	\$500,001 - \$1,000,000		\$100,001 - \$1,000,000
5	TIAA Traditional Guaranteed Annuity (held in Columbia Retirement Account)	N/A	\$100,001 - \$250,000	Interest	\$5,001 - \$15,000
6	CREF stock account fund (QCSTRX) (held in Columbia Retirement Account)	Yes	\$500,001 - \$1,000,000		\$100,001 - \$1,000,000
7	CREF Global Equities (QCGLRX) (held in Columbia Retirement Account)	Yes	\$250,001 - \$500,000		\$50,001 - \$100,000
8	Vanguard Dividend Appreciation Index (VDAIX) (held in NBER tax deferred annuity plan)	Yes	\$1,001 - \$15,000		\$2,501 - \$5,000
9	PIMCO Income Fund (PIMIX) (held in Pimco Deferred Comp account)	Yes	\$5,000,001 - \$25,000,000		\$100,001 - \$1,000,000
10	Money market account (held in Pimco Deferred Comp account)	N/A	\$15,001 - \$50,000	Interest	\$2,501 - \$5,000
11	Vanguard Emerging Markets Stocks Index Mutual Fund (VEIEX) (held in 457b Deferred Compensation account Columbia University)	Yes	\$100,001 - \$250,000		\$15,001 - \$50,000
12	PIMCO Enhanced Short Maturity Active Exchange-Traded Fund (MINT) (held in Pimco Deferred comp account)	Yes	None (or less than \$1,001)		\$50,001 - \$100,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
13	Pacific Investment Management Company	N/A	\$500,001 - \$1,000,000	Anticipated Bonus (2014 Long Term Investment Program)	
14	Pacific Investment Management Company	N/A		Special Bonus	\$1,652,867
15	Pacific Investment Management Company	N/A	\$1,000,001 - \$5,000,000	Anticipated Bonus (2018)	

3. Filer's Employment Agreements and Arrangements

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
1	Columbia University	New York, New York	Upon final appointment, I will take an unpaid leave of absence from my position. I will apply for annual extensions until completion of my term of service.	3/2018
2	Pacific Investment Management Company	Newport Beach, California	Pursuant to my employment agreement, I will receive bonuses in 2018 for work performed prior to my separation. These will include payment of a bonus earned in 2014 and a bonus for work performed in 2018. I have a deferred compensation account. Under the terms of the deferred compensation plan, the accumulated proceeds will be distributed starting in 2025 in 10 equal installments. Since 2008 I have participated in the PIMCO M Unit program. Under the terms of the program, I am presently vested in 341 M units, which I am scheduled to receive in 10 equal installments starting 5 years after separation.	2/2006
3	Allianz Asset Management of America LP	New York, New York	I will continue to participate in the defined contribution 401(k) plan. The plan sponsor will not make further contributions after my separation.	2/2006
4	Columbia University	New York, New York	I will continue to participate in the defined contribution University retirement plan. The plan sponsor will not make contributions while I am on national service leave.	7/1988

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
5	Columbia University	New York, New York	I will continue to remain invested in a 457b Deferred Compensation Plan but with no additional contributions.	1/2013
6	National Bureau of Economic Research	Cambridge, Massachusetts	I will continue to remain invested in a 403b tax-deferred annuity plan but with no additional contributions.	7/1985

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

#	SOURCE NAME	CITY, STATE	BRIEF DESCRIPTION OF DUTIES
1	Columbia University	New York, New York	Professor
2	Pacific Investment Management Company	Newport Beach, California	Managing Director

5. Spouse's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Vanguard Info Technology ETF (VGT) (held in Roth IRA)	Yes	\$500,001 - \$1,000,000		\$50,001 - \$100,000
2	UBS, defined benefit plan (value not readily ascertainable)	N/A			None (or less than \$201)
3	Kidder Peabody; deferred compensation plan; received and cash recievable	N/A	\$50,001 - \$100,000	cash payment	\$82,311
4	Roth IRA (cash only)	N/A	None (or less than \$1,001)	Interest	\$201 - \$1,000

6. Other Assets and Income

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	New York 529 College Savings Program (Individual 529)	No			
1.1	Moderate Age-Based Option Income Portfolio	Yes	None (or less than \$1,001)		None (or less than \$201)
2	U.S. bank account #1 (cash)	N/A	\$50,001 - \$100,000		None (or less than \$201)
3	U.S. bank account #2 (cash)	N/A	\$250,001 - \$500,000	Interest	\$201 - \$1,000
4	U.S. bank account #3 (cash)	N/A	\$1,000,001 - \$5,000,000	Interest	\$1,001 - \$2,500
5	U.S. bank account #4 (cash)	N/A	\$50,001 - \$100,000	Interest	\$201 - \$1,000
6	U.S. brokerage account #1 (cash)	N/A	\$1,001 - \$15,000		None (or less than \$201)
7	Family trust #1	No			
7.1	Northwestern Mutual whole life	N/A	\$250,001 - \$500,000		None (or less than \$201)
7.2	U.S. bank account #6 (cash)	N/A	\$500,001 - \$1,000,000	Interest	\$1,001 - \$2,500
7.3	Lombard Private Placement Variable Annuity	No			
7.3.1	Lombard money market account	N/A	\$1,000,001 - \$5,000,000	Interest	\$201 - \$1,000
7.3.2	Sali Series A MBS Hedge Fund (underlying assets not ascertainable)	No	None (or less than \$1,001)	Capital Gains Interest	\$50,001 - \$100,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
8	Family trust #2	No			
8.1	Northwestern Mutual whole life	N/A	\$500,001 - \$1,000,000		None (or less than \$201)
8.2	U.S. bank account #7 (cash)	N/A	\$50,001 - \$100,000	Interest	\$201 - \$1,000
8.3	Lombard Private Placement Variable Annuity	No			
8.3.1	Lombard money market account	N/A	\$1,000,001 - \$5,000,000	Interest	\$201 - \$1,000
8.3.2	Sali Series A MBS Hedge Fund (underlying assets not ascertainable)	No	None (or less than \$1,001)	Capital Gains Interest	\$15,001 - \$50,000
9	U.S. brokerage account #2	No			
9.1	Amazon.com Inc (AMZN)	N/A	\$100,001 - \$250,000	Capital Gains	\$50,001 - \$100,000
9.2	PIMCO Enhanced Short Maturity Active Exchange-Traded Fund (MINT)	Yes	\$1,000,001 - \$5,000,000		\$15,001 - \$50,000
9.3	PIMCO Income Fund Institutional Class (MUTF: PIMIX)	Yes	\$5,000,001 - \$25,000,000		\$100,001 - \$1,000,000
9.4	US bank account #8 (cash)	N/A	\$50,001 - \$100,000	Interest	\$201 - \$1,000
10	Secured loan to family member	N/A	\$100,001 - \$250,000		None (or less than \$201)
11	JP Morgan MBS Hedge Fund LP (underlying assets not ascertainable)	No	None (or less than \$1,001)	Capital Gains Interest	\$50,001 - \$100,000
12	Lombard Private Placement Variable Annuity	No			
12.1	Lombard money market account	N/A	\$1,000,001 - \$5,000,000	Interest	\$201 - \$1,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
12.2	Sali Series A MBS Hedge Fund (underlying assets not ascertainable)	No	None (or less than \$1,001)	Capital Gains	\$50,001 - \$100,000

7. Transactions

(N/A) - Not required for this type of report

8. Liabilities

None

9. Gifts and Travel Reimbursements

(N/A) - Not required for this type of report

Endnotes

Summary of Contents

1. Filer's Positions Held Outside United States Government

Part 1 discloses positions that the filer held at any time during the reporting period (excluding positions with the United States Government). Positions are reportable even if the filer did not receive compensation.

This section does not include the following: (1) positions with religious, social, fraternal, or political organizations; (2) positions solely of an honorary nature; (3) positions held as part of the filer's official duties with the United States Government; (4) mere membership in an organization; and (5) passive investment interests as a limited partner or non-managing member of a limited liability company.

2. Filer's Employment Assets & Income and Retirement Accounts

Part 2 discloses the following:

- Sources of earned and other non-investment income of the filer totaling more than \$200 during the reporting period (e.g., salary, fees, partnership share, honoraria, scholarships, and prizes)
- Assets related to the filer's business, employment, or other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

3. Filer's Employment Agreements and Arrangements

Part 3 discloses agreements or arrangements that the filer had during the reporting period with an employer or former employer (except the United States Government), such as the following:

- Future employment
- Leave of absence
- Continuing payments from an employer, including severance and payments not yet received for previous work (excluding ordinary salary from a current employer)
- Continuing participation in an employee welfare, retirement, or other benefit plan, such as pensions or a deferred compensation plan
- Retention or disposition of employer-awarded equity, sharing in profits or carried interests (e.g., vested and unvested stock options, restricted stock, future share of a company's profits, etc.)

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

Part 4 discloses sources (except the United States Government) that paid more than \$5,000 in a calendar year for the filer's services during any year of the reporting period.

The filer discloses payments both from employers and from any clients to whom the filer personally provided services. The filer discloses a source even if the source made its payment to the filer's employer and not to the filer. The filer does not disclose a client's payment to the filer's employer if the filer did not provide the services for which the client is paying.

5. Spouse's Employment Assets & Income and Retirement Accounts

Part 5 discloses the following:

- Sources of earned income (excluding honoraria) for the filer's spouse totaling more than \$1,000 during the reporting period (e.g., salary, consulting fees, and partnership share)
- Sources of honoraria for the filer's spouse greater than \$200 during the reporting period
- Assets related to the filer's spouse's employment, business activities, other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's spouse's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF). Amounts of income are not required for a spouse's earned income (excluding honoraria).

6. Other Assets and Income

Part 6 discloses each asset, not already reported, that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in investment income during the reporting period. For purposes of the value and income thresholds, the filer aggregates the filer's interests with those of the filer's spouse and dependent children.

This section does not include the following types of assets: (1) a personal residence (unless it was rented out during the reporting period); (2) income or retirement benefits associated with United States Government employment (e.g., Thrift Savings Plan); and (3) cash accounts (e.g., checking, savings, money market accounts) at a single financial institution with a value of \$5,000 or less (unless more than \$200 of income was produced). Additional exceptions apply. Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

7. Transactions

Part 7 discloses purchases, sales, or exchanges of real property or securities in excess of \$1,000 made on behalf of the filer, the filer's spouse or dependent child during reporting period.

This section does not include transactions that concern the following: (1) a personal residence, unless rented out; (2) cash accounts (e.g., checking, savings, CDs, money market accounts) and money market mutual funds; (3) Treasury bills, bonds, and notes; and (4) holdings within a federal Thrift Savings Plan account. Additional exceptions apply.

8. Liabilities

Part 8 discloses liabilities over \$10,000 that the filer, the filer's spouse or dependent child owed at any time during the reporting period.

This section does not include the following types of liabilities: (1) mortgages on a personal residence, unless rented out (limitations apply for PAS filers); (2) loans secured by a personal motor vehicle, household furniture, or appliances, unless the loan exceeds the item's purchase price; and (3) revolving charge accounts, such as credit card balances, if the outstanding liability did not exceed \$10,000 at the end of the reporting period. Additional exceptions apply.

9. Gifts and Travel Reimbursements

This section discloses:

- Gifts totaling more than \$390 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.
- Travel reimbursements totaling more than \$390 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.

For purposes of this section, the filer need not aggregate any gift or travel reimbursement with a value of \$156 or less. Regardless of the value, this section does not include the following items: (1) anything received from relatives; (2) anything received from the United States Government or from the District of Columbia, state, or local governments; (3) bequests and other forms of inheritance; (4) gifts and travel reimbursements given to the filer's agency in connection with the filer's official travel; (5) gifts of hospitality (food, lodging, entertainment) at the donor's residence or personal premises; and (6) anything received by the filer's spouse or dependent children totally independent of their relationship to the filer. Additional exceptions apply.

Privacy Act Statement

Title I of the Ethics in Government Act of 1978, as amended (the Act), 5 U.S.C. app. § 101 et seq., as amended by the Stop Trading on Congressional Knowledge Act of 2012 (Pub. L. 112-105) (STOCK Act), and 5 C.F.R. Part 2634 of the U. S. Office of Government Ethics regulations require the reporting of this information. The primary use of the information on this report is for review by Government officials to determine compliance with applicable Federal laws and regulations. This report may also be disclosed upon request to any requesting person in accordance with sections 105 and 402(b)(1) of the Act or as otherwise authorized by law. You may inspect applications for public access of your own form upon request. Additional disclosures of the information on this report may be made: (1) to any requesting person, subject to the limitation contained in section 208(d)(1) of title 18, any determination granting an exemption pursuant to sections 208(b)(1) and 208(b)(3) of title 18; (2) to a Federal, State, or local law enforcement agency if the disclosing agency becomes aware of violations or potential violations of law or regulation; (3) to another Federal agency, court or party in a court or Federal administrative proceeding when the Government is a party or in order to comply with a judge-issued subpoena; (4) to a source when necessary to obtain information relevant to a conflict of interest investigation or determination; (5) to the National Archives and Records Administration or the General Services Administration in records management inspections; (6) to the Office of Management and Budget during legislative coordination on private relief legislation; (7) to the Department of Justice or in certain legal proceedings when the disclosing agency, an employee of the disclosing agency, or the United States is a party to litigation or has an interest in the litigation and the use of such records is deemed relevant and necessary to the litigation; (8) to reviewing officials in a new office, department or agency when an employee transfers or is detailed from one covered position to another; (9) to a Member of Congress or a congressional office in response to an inquiry made on behalf of an individual who is the subject of the record; (10) to contractors and other non-Government employees working on a contract, service or assignment for the Federal Government when necessary to accomplish a function related to an OGE Government-wide system of records; and (11) on the OGE Website and to any person, department or agency, any written ethics agreement filed with OGE by an individual nominated by the President to a position requiring Senate confirmation. See also the OGE/GOVT-1 executive branch-wide Privacy Act system of records.

Public Burden Information

This collection of information is estimated to take an average of three hours per response, including time for reviewing the instructions, gathering the data needed, and completing the form. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Program Counsel, U.S. Office of Government Ethics (OGE), Suite 500, 1201 New York Avenue, NW., Washington, DC 20005-3917.

Pursuant to the Paperwork Reduction Act, as amended, an agency may not conduct or sponsor, and no person is required to respond to, a collection of information unless it displays a currently valid OMB control number (that number, 3209-0001, is displayed here and at the top of the first page of this OGE Form 278e).

December 16, 2021

Cary Williams
Deputy Associate General Counsel
Board of Governors of the Federal Reserve System
20 and C Streets, NW
Washington, DC 20551-0001

Re: Amendment to Financial Disclosure Report of Richard Clarida

Dear Ms. Williams:

The purpose of this letter is to correct inadvertent errors in the financial disclosure report I signed on May 6, 2020. These corrections are noted below and replace the corresponding line entries on the original report:

Part 5

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
4	iShares Core High Dividend ETF (HDV) (held in Roth IRA)	Yes	\$100,000-\$250,000		None (or less than \$201)
5	iShares Edge MSCI Min Vol USA ETF (USMV) (held in Roth IRA)	Yes	\$250,000-\$500,000		None (or less than \$201)

Part 7

#	DESCRIPTION	TYPE	DATE	AMOUNT
8	iShares Core High Dividend ETF (HDV)	Purchase	12/31/2019	\$100,000-\$250,000

I understand that these amendments will be attached to my financial disclosure reports and released upon request with those reports.

Sincerely,

**RICHARD
CLARIDA** Digitally signed by
RICHARD CLARIDA
Date: 2021.12.16
11:54:48 -05'00'

Richard Clarida

December 16, 2021

Cary Williams
Deputy Associate General Counsel
Board of Governors of the Federal Reserve System
20 and C Streets, NW
Washington, DC 20551-0001

Re: Amendment to Financial Disclosure Report of Richard Clarida

Dear Ms. Williams:

The purpose of this letter is to correct inadvertent errors in the financial disclosure report I signed on May 14, 2021. These corrections are noted below and replace the corresponding line entries on the original report:

Part 5

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
5	iShares Core High Dividend ETF (HDV) (held in Roth IRA)	Yes	None (or less than \$1001)		None (or less than \$201)

Part 7

#	DESCRIPTION	TYPE	DATE	AMOUNT
4	Schwab Strategic 1000 ETF (SCHK)	Sale	02/24/2020	\$250,000-\$500,000
5	iShares Edge MSCI Min Vol USA ETF (USMV)	Sale	02/24/2020	\$1,000,000-\$5,000,000
6	iShares Core High Dividend ETF (HDV)	Sale	02/24/2020	\$100,000-\$250,000

I understand that this amendment will be attached to my financial disclosure report and released upon request with that report.

Sincerely,

RICHARD CLARIDA
Digitally signed by
RICHARD CLARIDA
Date: 2021.12.16
11:56:50 -05'00'

Richard Clarida



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

December 16, 2021

The Honorable Emory A. Rounds, III
Director
U.S. Office of Government Ethics
1201 New York Ave. NW
Washington, D.C. 20005

Dear Director Rounds:

I am enclosing an amendment to Richard Clarida's annual public financial disclosure report signed on May 6, 2020. I have reviewed the additional information. Based on my review of this amendment, I continue to believe that Mr. Clarida is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

CARY WILLIAMS Digitally signed by CARY
WILLIAMS
Date: 2021.12.16 12:30:03
-05'00'

Cary Williams
Designated Agency Ethics Official
Board of Governors of the Federal Reserve System

Enclosure



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

December 16, 2021

The Honorable Emory A. Rounds, III
Director
U.S. Office of Government Ethics
1201 New York Ave. NW
Washington, D.C. 20005

Dear Director Rounds:

I am enclosing an amendment to Richard Clarida's annual public financial disclosure report signed on May 14, 2021. I have reviewed the additional information. Based on my review of this amendment, I continue to believe that Mr. Clarida is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

CARY WILLIAMS Digitally signed by CARY
WILLIAMS
Date: 2021.12.16 12:31:28 -05'00'

Cary Williams
Designated Agency Ethics Official
Board of Governors of the Federal Reserve System

Enclosure

January 10, 2022

The Honorable Jerome Powell
Chair
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Chair Powell:

I am writing regarding new information revealing that the ethics scandal arising from top Fed officials' trades in stocks, bonds, and other investments may be even worse than initial reports indicated. Given this new and disturbing information, I am again requesting that the Federal Reserve (Fed) release all available information about the trades by Fed officials, and the planned changes to the Fed's ethics practices you announced in response to this scandal.

The Fed has failed to respond to two of my previous inquiries sent to you on October 21, 2021 and December 7, 2021.¹ This refusal to provide information to Congress became even more troubling after a report last week in the *New York Times* revealed that one Fed official's trades "went further than first disclosed," raising fresh questions about the actions and intent of Fed Vice Chair Richard Clarida.² I am deeply concerned that your continued refusal to release information about Fed officials' trading is at odds with your stated commitment to address the scandal "forthrightly and transparently"³ and that, particularly in light of the new report, it raises suspicions that the Fed may be failing to disclose the full scope of the scandal to the public. I therefore ask that you respond in full to my request by **January 17, 2022**.

According to the *New York Times*, Vice Chair Richard Clarida "failed to initially disclose the extent of a financial transaction he made in early 2020 as the Fed was preparing to swoop in and

¹ Letter from Senator Warren to The Honorable Jerome Powell, October 21, 2021, <https://www.warren.senate.gov/imo/media/doc/2021.10.21%20Letter%20to%20Powell%20re%20Ethics%20Officials%20Warnings.pdf>; Letter from Senator Warren to The Honorable Jerome Powell, December 7, 2021, <https://www.warren.senate.gov/imo/media/doc/2021.12.07%20Letter%20to%20Powell%20follow-up.pdf>.

² *New York Times*, "A Fed Official's 2020 Trade Drew Outcry. It Went Further Than First Disclosed," Jeanna Smialek, January 6, 2022, <https://www.nytimes.com/2022/01/06/business/economy/richard-clarida-fed-stock-fund.html>.

³ Board of Governors of the Federal Reserve System, Transcript of Chair Powell's Press Conference, November 3, 2021, <https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20211103.pdf>.

rescue markets amid the unfolding pandemic.”⁴ Clarida “previously came under fire for buying shares on Feb. 27 [2020] in an investment fund that holds stocks”⁵—the day before you announced that the Fed would “use our tools and act as appropriate to support the economy.”⁶ However, an amended disclosure, which was released last month after Clarida “noticed ‘inadvertent errors’ in his initial filings,”⁷ shows that he had “sold that same stock fund on Feb. 24, at a moment when financial markets were plunging amid fears of the virus.”⁸ While the Fed defended Clarida’s February 27 stock fund purchase as a “pre-planned rebalancing,”⁹ the amended disclosure “casts doubt on that explanation, given that Mr. Clarida sold out of stocks just days before moving back into them.”¹⁰ The sale of his multi-million dollar holding in the stock fund as the market tanked, and subsequent repurchase upon the Fed’s announcement that it would act to protect the economy, was “most likely a lucrative move”¹¹ – raising concerns that Clarida may have been trading on inside information about the Fed’s planned policy moves. Moreover, despite the important context this new disclosure provides about Clarida’s trades, the Fed did not appear to publicize the disclosure amendment or identify the new disclosure for members of Congress, despite the obvious Congressional interest in this information.

This revelation is just the latest evidence of a deep-rooted ethics failure at the Fed and the urgent need for a comprehensive information release about officials’ trading activity. The Fed became embroiled in scandal in September 2021 amid reports¹² that two key Fed officials – both of whom soon stepped aside¹³ – had been actively trading individual stocks and investments while helping set key Fed policies during the pandemic. A month later, the *New York Times* reported that in a March 23, 2020 email, Fed officials were warned by ethics officials to avoid trading and “were aware that active trading could look bad when the Fed was taking emergency action to try

⁴ New York Times, “A Fed Official’s 2020 Trade Drew Outcry. It Went Further Than First Disclosed,” Jeanna Smialek, January 6, 2022, <https://www.nytimes.com/2022/01/06/business/economy/richard-clarida-fed-stock-fund.html>.

⁵ New York Times, “A Fed Official’s 2020 Trade Drew Outcry. It Went Further Than First Disclosed,” Jeanna Smialek, January 6, 2022, <https://www.nytimes.com/2022/01/06/business/economy/richard-clarida-fed-stock-fund.html>.

⁶ Board of Governors of the Federal Reserve System, Statement from Federal Reserve Chair Jerome H. Powell, Press Release, February 28, 2020, <https://www.federalreserve.gov/newsevents/pressreleases/other20200228a.htm>.

⁷ New York Times, “A Fed Official’s 2020 Trade Drew Outcry. It Went Further Than First Disclosed,” Jeanna Smialek, January 6, 2022, <https://www.nytimes.com/2022/01/06/business/economy/richard-clarida-fed-stock-fund.html>.

⁸ *Id.*

⁹ Bloomberg, “Clarida Traded Into Stocks on Eve of Powell Pandemic Statement,” Craig Torres, October 1, 2021, <https://www.bloomberg.com/news/articles/2021-10-01/clarida-traded-into-stocks-on-eve-of-powell-pandemic-statement?sref=oZtxD6sa>.

¹⁰ New York Times, “A Fed Official’s 2020 Trade Drew Outcry. It Went Further Than First Disclosed,” Jeanna Smialek, January 6, 2022, <https://www.nytimes.com/2022/01/06/business/economy/richard-clarida-fed-stock-fund.html>.

¹¹ *Id.*

¹² Wall Street Journal, “Dallas Fed’s Robert Kaplan Was Active Buyer and Seller of Stocks Last Year,” Michael S. Derby, September 7, 2021, <https://www.wsj.com/articles/dallas-feds-robert-kaplan-was-active-buyer-and-seller-of-stocks-last-year-11631044094>.

¹³ New York Times, “Fed Officials Under Fire for 2020 Securities Trading Will Resign,” Jeanna Smialek, September 27, 2021, <https://www.nytimes.com/2021/09/27/business/fed-rosengren-kaplan.html>.

to save markets and its policymakers had vast access to sensitive information.”¹⁴ In my letter dated October 21, 2021, I requested that the Fed release this email in full, along with “any other ethics advice given to Fed officials during the time period when it was heavily involved in financial markets in response to the COVID-19 pandemic.”¹⁵ While the Fed provided my office with an excerpt of the March 23, 2020 email later that day, it did not release the email’s full contents or any other ethics guidance as requested in my letter.

In email correspondence with the Fed’s Congressional Liaison Office on October 22, 2021, my staff requested the entirety of the email in question and any other ethics communications that were provided to Fed officials in 2020 and 2021. My staff also asked if you intended to publicly disclose all trades by Fed officials – as I had previously called for in public comments¹⁶ – and requested a staff briefing on the new ethics policy you announced on October 21, 2021.¹⁷ On October 26, 2021, Fed staff indicated they were preparing a response to my questions, though this never materialized. I then sent a follow-up letter to you on December 7, 2021. Less than one month later, news broke about Clarida’s amended disclosure.

I have already requested an SEC investigation into Fed officials’ trading activity to determine if any trades violated insider trading rules.¹⁸ But timely release of this requested information is also critical so that Congress and the public can evaluate the full extent of trading in individual stocks by Fed officials, the extent to which Fed officials were warned of the risks from their trading, and whether the plans you announced to change the Fed’s ethics practices are sufficient to prevent future financial conflicts of interest.

However, as new details about the trading scandal are uncovered, your continued refusal to release this information severely compounds concerns about the Fed’s lack of transparency and your commitment to fully and honestly addressing the Fed’s broken ethics culture.

Accordingly, I request that you provide the following information to my office by January 17, 2022:

¹⁴ New York Times, “Fed Ethics Office Warned Officials to Curb Unnecessary Trading During Rescue,” Jeanna Smialek, October 21, 2021, <https://www.nytimes.com/2021/10/21/business/economy/federal-reserve-ethics-trading.html>.

¹⁵ Letter from Senator Warren to The Honorable Jerome Powell, October 21, 2021, <https://www.warren.senate.gov/imo/media/doc/2021.10.21%20Letter%20to%20Powell%20re%20Ethics%20Officials%20Warnings.pdf>.

¹⁶ Tweet from Senator Warren, October 21, 2021, <https://twitter.com/SenWarren/status/1451294796614619138>.

¹⁷ Federal Reserve Board of Governors, “Federal Reserve Board announces a broad set of new rules that will prohibit the purchase of individual securities, restrict active trading, and increase the timeliness of reporting and public disclosure by Federal Reserve policymakers and senior staff,” Press Release, October 21, 2021, <https://www.federalreserve.gov/newsevents/pressreleases/other20211021b.htm>.

¹⁸ Letter from Senator Warren to The Honorable Gary Gensler, October 4, 2021, [https://www.warren.senate.gov/imo/media/doc/2021.10.04%20Letter%20to%20SEC%20requesting%20ethics%20investigation%20of%20Fed%20officials%20\(003\).pdf](https://www.warren.senate.gov/imo/media/doc/2021.10.04%20Letter%20to%20SEC%20requesting%20ethics%20investigation%20of%20Fed%20officials%20(003).pdf).

1. The full contents of the March 23, 2020 email reported in the *New York Times*,¹⁹ and complete copies of any other ethics advice or information provided to Fed officials between January 1, 2020, and the present.
2. Full disclosure of all stock, bond, and other investment trades by Fed governors and presidents from January 1, 2020 to the present.
3. A staff briefing on the “broad set of new rules” the Fed announced on October 21, 2021 regarding the purchase and trading of individual securities and the timeliness of reporting and public disclosure by Fed policymakers and senior staff.²⁰
4. When did Fed officials first learn that Vice Chair Clarida had made “inadvertent errors”²¹ in his initial financial disclosure? When did Clarida file his amended disclosure? When was this amended disclosure made publicly available on the Office of Government Ethics website?

Thank you for your attention to this matter.

Sincerely,



Elizabeth Warren
Chair, Subcommittee on Economic Policy
U.S. Senate Banking, Housing, and Urban Affairs
Committee

¹⁹ New York Times, “Fed Ethics Office Warned Officials to Curb Unnecessary Trading During Rescue,” Jeanna Smialek, October 21, 2021, <https://www.nytimes.com/2021/10/21/business/economy/federal-reserve-ethics-trading.html>.

²⁰ Federal Reserve Board of Governors, “Federal Reserve Board announces a broad set of new rules that will prohibit the purchase of individual securities, restrict active trading, and increase the timeliness of reporting and public disclosure by Federal Reserve policymakers and senior staff,” Press Release, October 21, 2021, <https://www.federalreserve.gov/newsevents/pressreleases/other20211021b.htm>.

²¹ New York Times, “A Fed Official’s 2020 Trade Drew Outcry. It Went Further Than First Disclosed,” Jeanna Smialek, January 6, 2022, <https://www.nytimes.com/2022/01/06/business/economy/richard-clarida-fed-stock-fund.html>.