U.S. Department of Justice

Justice Management Division

FEB 13 2009

Washington, D.C. 20530

Mr. Robert Cusick
Director
Office of Government Ethics
1201 New York Avenue, NW
Suite 500
Washington, DC 20005-3919

Dear Mr. Cusick:

In accordance with the provisions of Title I of the Ethics in Government Act of 1978 as amended, I am forwarding the financial disclosure report of Lanny A. Breuer. President Obama has announced his intent to nominate Mr. Breuer to serve as the Assistant Attorney General for the Criminal Division, Department of Justice.

We have conducted a thorough review of the enclosed report. The conflict of interest statute, 18 U.S.C. § 208, requires that Mr. Breuer recuse himself from participating personally and substantially in any particular matter that has a direct and predictable effect on his financial interests or the financial interests of any other person whose interests are imputed to him, unless he first obtains a written waiver, pursuant to Section 208(b)(1), or qualifies for a regulatory exemption, pursuant to Section 208(b)(2). Mr. Breuer understands that the interests of the following persons are imputed to him: his spouse; minor children; any general partner; any organization in which he serves as an officer, director, trustee, general partner or employee; and any person or organization with which he is negotiating or has an arrangement concerning prospective employment. In determining whether a particular matter has a direct and predictable effect on his financial interests or on those of any other person whose interests are imputed to him, Mr. Breuer will consult with Department of Justice ethics officials.

Mr. Breuer will withdraw from the partnership of Covington & Burling, LLP upon confirmation as Assistant Attorney General. Pursuant to the terms of the partnership agreement, Mr. Breuer will receive a refund of his capital account. In addition, Mr. Breuer will receive a prorated share of undistributed firm net income and deferred compensation for FY 2008 and FY 2009, calculated as of the date he withdraws from the partnership. This prorated share will be based solely on earnings that the partnership has accrued through the date of his withdrawal from the partnership according to a standard methodology for calculating the profits of partners who withdraw from the firm.

Before assuming the duties of the position of Assistant Attorney General, Mr. Breuer will receive a separation payment from Covington & Burling, LLP. The firm will calculate this separation

payment according to a standard methodology that would be applicable to any similarly situated partner who was to leave the law firm for an employer that was not a direct competitor of the law firm. In addition, this separation payment will include all outstanding amounts related to the refund of his capital account, the payment of his prorated share of undistributed firm net income and deferred compensation for FY 2008 and FY 2009. In addition, before assuming the position of Assistant Attorney General, Mr. Breuer will receive a payout of his interest in the Covington & Burling, LLP Defined Benefit Plan. Mr. Breuer also will continue to participate in the Covington & Burling, LLP Retirement Savings Plan, but neither he nor the partnership will make additional contributions.

We have advised Mr. Breuer that because of the standard of conduct on impartiality at 5 C.F.R. § 2635.502, he should seek advice before participating in any particular matter involving specific parties in which a member of his household has a financial interest or in which someone with whom he has a covered relationship is or represents a party. For a period of one year after his resignation from the law firm of Covington & Burling, LLP, he also will not participate personally and substantially in any particular matter involving specific parties in which that law firm is a party or represents a party, unless he is first authorized to participate pursuant to 5 C.F.R. § 2635.502(d). In addition, he will not participate personally and substantially in any particular matter involving specific parties in which a former client of his is a party or represents a party for a period of one year after he last provided service to that client, unless he is first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

Upon confirmation as Assistant Attorney General, Mr. Breuer will resign from his positions with the Council for Court Excellence, Columbia College Alumni Association, American Jewish Committee (DC Chapter), and the Committee on Conscience, United States Holocaust Memorial Council. For a period of one year after his resignation from each of these organizations, he will not participate personally and substantially in any particular matter involving specific parties in which that organization is a party or represents a party, unless he is first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

Based on the above agreements and counseling, I am satisfied that the report presents no conflicts of interest under applicable laws and regulations and that you can so certify to the Senate Judiciary Committee.

Sincerely,

Lee J. Lofthus
Assistant Attorney General
for Administration and
Designated Agency Ethics Official

Enclosure

NOMINEE STATEMENT

I have read the attached Ethics Agreement signed by Lee J. Lofthus, Assistant Attorney General for Administration and Designated Agency Ethics Official on 2/18, 2009, and I agree to comply with the conflict of interest statute and regulations, and to follow the procedures set forth in the agreement.

Larry A. Breuer

Date 2/18/09