U.S. Department of Justice

Justice Management Division

Departmental Ethics Office

Washington, D.C. 20530

JAN 12 2009

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 Eric H. Holder, Jr. President-elect Obama has announced his intent to nominate Mr. Holder to serve as the Attorney General of the United States.

We have conducted a thorough review of the enclosed report. The conflict of interest statute, 18 U.S.C. § 208, requires that Mr. Holder 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. Holder 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. Holder will consult with Department of Justice ethics officials. Mr. Holder's spouse is a physician with Foxhall OB-GYN Associates, a private corporation in which she has a financial interest. Mr. Holder will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Foxhall OB-GYN Associates, unless he first obtains a written waiver pursuant to 18 U.S.C. § 208(b)(1).

Mr. Holder will withdraw from the partnership of Covington & Burling, LLP upon confirmation as Attorney General. Pursuant to the terms of the partnership agreement, Mr. Holder will receive a refund of his capital account. In addition, Mr. Holder 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 Attorney General, Mr. Holder 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.

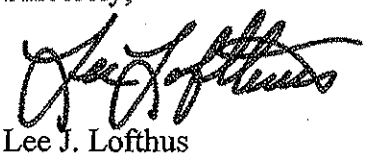
Mr. Holder will continue to participate in the Covington & Burling, LLP Defined Benefit Plan, but neither he nor the partnership will make additional contributions to this cash balance pension plan. Accordingly, Mr. Holder will not participate personally and substantially in any particular matter that will have a direct and predictable effect on the ability or willingness of Covington & Burling, LLP to meet its obligations to him under the defined benefit plan, unless he first obtains a written waiver pursuant to 18 U.S.C. § 208(b)(1). Mr. Holder 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. Holder 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 Attorney General, Mr. Holder will resign from his positions with the American Constitution Society, Columbia University, Georgetown Day School, the Meyer Foundation, Morehouse School of Medicine, Save the Children Foundation, Turnaround for Children, and the Washington DC Police Foundation. 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 January 13, 2009, and I agree to comply with the conflict of interest statute and regulations, and to follow the procedures set forth in the agreement.

Eric H. Holder, Jr. 1-12-09

Date