



U.S. Department of Justice

Washington, D.C. 20530

Emory A. Rounds, III
Director
Office of Government Ethics
Suite 500
1201 New York Avenue, NW
Washington, DC 20005-3919

Dear Mr. Rounds:

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 McLain Schneider. President Biden has nominated Mr. Schneider to serve as the United States Attorney for the District of North Dakota. We have conducted a thorough review of the nominee's report and have counseled him on the government ethics rules. The purpose of this letter is to describe the steps that Mr. Schneider will take to avoid any actual or apparent conflict of interest in the event that he is confirmed for the aforementioned position. Mr. Schneider understands that it is his responsibility to understand and comply with commitments outlined in this Ethics Agreement (Agreement). This letter and the attached Nominee Statement constitute Mr. Schneider's Agreement.

We have conducted a thorough review of the enclosed report and have counseled Mr. Schneider on the ethics rules. Although it is not possible to provide for all of the specific circumstances which might give rise to a financial conflict of interest because the work of United States Attorneys involves a wide variety of matters involving specific parties, and it is not possible to predict where conflicts will arise until specific parties are identified, we have counseled Mr. Schneider on the applicable conflict of interest laws and regulations and, in particular, on the application of the criminal conflicts of interest law at 18 U.S.C. § 208.

SECTION 1 – GENERAL COMMITMENTS

As required by the criminal conflicts of interest law at 18 U.S.C. § 208(a), Mr. Schneider will not participate personally and substantially in any particular matter in which he knows that he has a financial interest directly and predictably affected by the matter, or in which he knows that a person whose interests are imputed to him has a financial interest directly and predictably affected by the particular matter, unless he first obtains a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualifies for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). He understands that the interests of the following persons are imputed to him:

- His spouse or any minor child of his;
- Any general partner of a partnership in which he is a limited or general partner;

- Any organization in which he serves as 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. Schneider will consult with the Executive Office for United States Attorneys (EOUSA), General Counsel's Office, and will follow the procedures outlined in the United States Attorneys' Procedures, (USAP) 3-2.170.001, et seq. As stated in the attachment to this Agreement, Mr. Schneider understands and agrees to comply with the conflict of interest laws and regulations, and to follow the procedures set forth in this Agreement.

If Mr. Schneider has a managed account or otherwise uses the services of an investment professional during his appointment, he will ensure that the account manager or investment professional obtains his 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.

Mr. Schneider will receive a live ethics briefing from the United States Attorney's Office ethics advisor in connection with his appointment to the position of United States Attorney for the District of North Dakota after his confirmation but not later than 15 days after his appointment pursuant to the ethics program regulation at 5 C.F.R. § 2638.305. Within 90 days of his confirmation, Mr. Schneider will submit his Certification of Ethics Agreement Compliance to the EOUSA, General Counsel's Office, which documents his compliance with this Agreement.

Mr. Schneider understands that as an appointee he will be required to sign the Ethics Pledge (Exec. Order No. 13989) and that he will be bound by it. Among other obligations, he will be required to recuse from particular matters involving specific parties involving his former employer or former clients for a period of two years after he is appointed, with the exception of federal, state and local government.

He will not modify this Agreement without my 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 – RESIGNATION

Prior to confirmation, he will sell 100% of his interest in the Schneider Law Firm to one or more of his law partners who are practicing attorneys in the firm. Under the sales agreement he will retain the option for reemployment with the Schneider Law Firm in a non-equity salaried position following his tenure with the U.S. Government. He will also retain the option to repurchase 51% of the Schneider Law Firm at fair market value, as determined by a third-party assessor, following his tenure with the U.S. Government. He understands that he may not repurchase the Schneider Law firm until any matter in which the United States is a party or has a direct and substantial interest that was pending during his tenure as U.S. Attorney for the District

of North Dakota has concluded and the firm has received payment for its work. Because he will have an agreement for future employment with the Schneider Law Firm, he will not participate personally and substantially in any particular matter that to his knowledge has a direct and predictable effect on the financial interests of Schneider Law Firm, unless he first obtains a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualifies for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). In addition, he will not participate personally and substantially in any particular matter involving specific parties in which he knows 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).

The firm's capital account and any draws due and owing to Mr. Schneider will be paid before he assumes duties as United States Attorney.

SECTION 3 – OTHER RESIGNATIONS

Upon confirmation, Mr. Schneider will resign from his positions with the following entities:

- Red River Valley Community Action
- Alliance for a Better North Dakota

In June of 2021, Mr. Schneider resigned from Community Violence Intervention Center. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after his resignation from each of these entities, he will not participate personally and substantially in any particular matter involving specific parties in which he knows that an entity is a party or represents a party, unless he is first authorized to participate, pursuant to at 5 C.F.R. § 2635.502(d).

SECTION 4 – 317 KITTSON, LLC

Mr. Schneider is the owner of 317 Kittson, LLC. Mr. Schneider will resign from his position with this entity and will transfer ownership to his spouse who will continue to operate it. He will not participate personally and substantially in any particular matter that to his knowledge has a direct and predictable effect on the financial interests of 317 Kittson, LLC, unless he first obtains a written waiver, pursuant to 18 U.S.C. § 208(b)(1). He will continue to have a financial interest in this entity, but will not provide services material to the production of income. Instead, he will receive only passive investment income from it. Additionally, as long as Mr. Schneider serves as the United States Attorney for North Dakota, his spouse has agreed not to communicate directly with the Department of Justice on behalf of 317 Kittson, LLC.

SECTION 5 – CONFLICTS OF INTEREST REVIEW AND COUNSELING

Mr. Schneider has been advised that the duties of the position of United States Attorney may involve particular confidential matters identified by the United States Attorney's Office (USAO) that may affect his financial interests. EOUSA has determined that it is not necessary at this time for Mr. Schneider to divest his financial interests because his recusal from particular matters in which these interests pose a conflict of interest will not substantially limit his ability to perform the essential duties of the position of United States Attorney. Immediately upon confirmation,

EOUSA will prepare recusals for all particular matters in which Mr. Schneider will not be granted a waiver or will not qualify for a regulatory exemption.

The USAO has conducted a conflict review, and has found no additional conflicts of interest. Should additional conflicts arise, the USAO will seek the necessary waiver(s) or recusal(s) of the nominee immediately upon his confirmation. An appropriate screening mechanism will be identified and immediately upon appointment of the new United States Attorney, all necessary USAO personnel will be advised in writing of all matters in which the new United States Attorney may not participate. The notification will specifically list the matters and identify the Acting United States Attorney for those matters.

SECTION 6 – PUBLIC POSTING

Mr. Schneider has been advised that this 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.

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

Sincerely,

ARTHUR
R GARY

Digitally signed
by ARTHUR GARY
Date: 2022.10.03
10:59:06 -04'00'

Arthur E. Gary
Deputy Assistant Attorney General for Policy,
Management, and Procurement
Alternate Designated Agency Ethics Official

Enclosure

NOMINEE STATEMENT

I have read the Ethics Agreement signed by Arthur E. Gary, Deputy Assistant Attorney General for Policy and Alternate Designated Agency Ethics Official on 10/3/2022 and I agree to comply with the commitments outlined in the Agreement. In addition, in the event that an actual or potential conflict of interest arises during my appointment, I will consult with the Executive Office for United States Attorneys (EOUSA), General Counsel's Office and take the measures necessary to resolve the conflict, such as recusal from the particular matter or divestiture of an asset. I will not modify this 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). I (including my spouse and dependent children if applicable) also will not repurchase any asset I was required to divest without my consultation with the EOUSA, General Counsel's Office and the U.S. Office of Government Ethics. Finally, 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.



McLain Schneider

10/3/2022

Date: