The Honorable
United States Senate
Washington, DC 20510

December 18, 2008

Dear Senator

Yesterday, our offices received from the Obama-Biden Presidential Transition Team ("transition team") the Memorandum of Understanding (MoU) entered into by the William J. Clinton Foundation and the Office of the President-Elect on December 12, 2008. This MoU is designed to establish greater transparency and predictability with regard to the activities of the Clinton Foundation in the context of Senator Clinton’s service as Secretary of State. We suggested that the MoU should be shared with all members of the Senate Foreign Relations Committee at the earliest date possible. The transition team agreed and asked us to forward it to you.

The MoU is effective as of the date of signature by the aforementioned parties. If Senator Clinton is confirmed by the Senate, the MoU will continue until she ceases to serve as the Secretary of State.

If you have any questions, please contact Frank Lowenstein and Michael Mattler of our respective staffs. They can provide further background or put you in touch with the appropriate members of the transition team.

Sincerely,

John F. Kerry

Richard G. Lugar
MEMORANDUM OF UNDERSTANDING
December 12, 2008

This Agreement ("Agreement") is dated as of this 12th day of December, 2008 and entered into by and between the William J. Clinton Foundation (the Foundation), an Arkansas not-for-profit corporation, located at 1200 President Clinton Avenue, Little Rock, Arkansas (hereinafter referred to as "the Foundation"), and the Office of the President-Elect, a 501(c)(4) entity, located at 451 6th St., NW, Washington, DC (hereinafter referred to as "PTT").

WHEREAS, in considering Senator Clinton's potential service as Secretary of State, the Parties seek to ensure that the Foundation may continue its important philanthropic activities around the world, which do valuable and critical work in areas such as HIV/AIDS, climate change and economic development.

WHEREAS, the Parties also seek to ensure that the activities of the Foundation, however beneficial, do not create conflicts or the appearance of conflicts for Senator Clinton as Secretary of State.

WHEREAS the Parties have agreed to a set of protocols that would apply to the Foundation's activities to supplement any existing State Department protocols for managing conflicts of interests, and the appearance of conflicts of interest, as determined by the State Department's designated agency ethics official.

WHEREAS, the Parties seek to memorialize the mutually agreeable protocols related to the activities of the Foundation during the period in which Senator Hillary Clinton serves in the Obama Administration.

NOW, THEREFORE, it is hereby agreed as follows:

I. Background on the Clinton Foundation

A single entity, the William J. Clinton Foundation, is a 501(c)(3) charitable organization comprised of the Presidential Library and seven initiatives: the Clinton HIV/AIDS Initiative ("CHAI"), the Clinton Climate Initiative ("CCI"), the Clinton Hunter Development Initiative ("CHDI"), the Clinton Giustra Sustainable Growth Initiative ("CGSGI"), the Clinton Economic Opportunity Initiative ("CEO"), the Alliance for a Healthier Generation ("AHG"), and the Clinton Global Initiative ("CGI").

Over the past eight years, the Foundation has grown into a global nongovernmental organization with 1,100 staff and volunteers in more than 40 countries and with offices in New York, New York, Little Rock, Arkansas, Boston, Massachusetts, and other cities around the world. The Foundation, working in collaboration with governments and other partners, makes a significant impact in the lives of hundred of millions of people around the world: 1.4 million people living with HIV/AIDS now have access to lifesaving drugs.
because of the CHAI; more than 1,100 cities have access to affordable, clean-energy products through CCI’s purchasing alliance; CGI members have made over 1,000 commitments to impact more than 200 million lives in 100 countries; over 1,000 schools in the United States are receiving hands-on assistance to promote healthier learning environments though AGH; through a partnership between CEO and Inc. magazine, inner city businesses are matched with successful business leaders to provide entrepreneur mentoring; and CHDI and CGSGI are fostering sustainable development in Africa and Latin America.

Like many 501(c)(3) entities, the Foundation has provided each donor with the freedom to decide whether to publicize their contribution. Since its inception, Foundation supporters therefore have contributed with the expectation that their contributions are private unless they choose to share them.

Presidential Library

The William J. Clinton Presidential Library in Little Rock, Arkansas, opened its doors to the public in November 2004. Since then, more than one million visitors from all 50 states and from around the world have visited the Library. The facility features exhibits chronicling President Clinton’s administration and presidency. In addition, the Library, hosts a number of special events and exhibits each year. The Library has also fostered an unprecedented economic revitalization in downtown Little Rock, helping to bring over $2.0 billion in public and private economic development. The Clinton Presidential Library has been awarded the platinum LEED (Leadership in Energy and Environmental Design) certification, making it the only federally maintained facility to receive this recognition.

Clinton HIV/AIDS Initiative

CHAI is helping to turn the tide of the global pandemic by working with partner governments and other NGOs to establish integrated care, treatment and prevention programs. Over 70 countries have access to medicine and diagnostics at reduced CHAI prices through its Procurement Consortium program. CHAI has staff on the ground in more than 20 countries, working with host governments to help them scale up care and treatment. CHAI’s efforts are helping to create and improve overall health systems by lowering the cost of essential tests and treatments, bringing HIV/AIDS care to vulnerable populations, building human resource capacity, and providing targeted assistance where it is needed most.

CHAI’s work is made possible, in part, by the dedicated governments around the world who are contributing to the global fight against HIV/AIDS and supporting CHAI’s efforts, including Australia, Ireland, Great Britain, Sweden, Canada, France, Denmark, Norway and the Dominican Republic (COPRESIDIA) as well as the countries who support UNITAID, a consortium of more than 20 countries – including France, Brazil, Norway, Chile, Great Britain – that funds the purchase of drugs to fight HIV/AIDS.
malaria and tuberculosis in developing countries. UNITAID contracts with the Clinton Foundation for the purchase of pediatric and "second-line" AIDS drugs.

**Clinton Global Initiative**

CGI is an annual meeting in New York that brings together global leaders, businesses and other potential donors, and NGOs to address critical global challenges, including poverty alleviation, climate change, global health, and education. CGI emphasizes results. Each CGI member is asked to make a Commitment to Action. Commitments vary in duration and reflect investments of time, expertise, and/or resources in the form of grants, commercial or social investments, program expenditures and in-kind contributions. Since its inception in 2005, CGI members have made over 1,200 “Commitments to Action” raising $46 billion for public, commercial, and charitable entities and causes to improve the lives of more than 200 million in over 150 countries. CGI is funded by conference sponsorship fees and attendance fees. In addition to the annual meeting, CGI hosts a college and university conference and an annual international conference.

**Clinton Climate Initiative**

Launched in 2006, CCI is committed to making a practical, measurable and significant contribution to the battle against global warming. Working with 40 of the world’s largest cities, CCI is assisting its partner cities to reduce their greenhouse gas emissions through a variety of large scale programs including its Energy Efficiency Building Retrofit Program, which is working with major cities, U.S. colleges and universities, and private business to retrofit hundreds of millions of square feet of public and private buildings. In addition, CCI has created a purchasing alliance, allowing more than 1,100 cities to have access to affordable energy-efficient products and has developed along with Microsoft, and other partners emission tracking tools to track progress and share best practices. The only government donor to CCI is Australia.

**Clinton Giustra Sustainable Growth Initiative**

CGSGI works with the mining industry, local and national governments, and other non-governmental organizations to enable sustainable growth in countries where the mining sector plays a significant role. It is funded primarily by significant commitments from Frank Giustra, Carlos Slim, Lukas Lundin and various mining-related entities.

**Clinton Hunter Development Initiative**

Funded by Sir Tom Hunter, a Scottish entrepreneur, the Clinton Hunter Development Initiative is committed to investing $100 million over ten years to provide sustainable economic development in Rwanda and Malawi. In both Rwanda and Malawi, the British Department for International Development and CHDI are joint participants in certain projects.
Clinton Economic Opportunity Initiative

CEO’s mission is to help individuals and families succeed and businesses grow. The initiative began in 2002 with the Harlem Small Business program, which provided local businesses with pro bono consulting service. This effort later grew to support community-based programs helping eligible working people access the Earned Income Tax Credit. Today, CEO is focused on helping people access mainstream financial services and facilitating business-to-business public service through entrepreneur mentoring.

Alliance for a Healthier Generation

The Alliance for a Healthier Generation, a partnership with the American Heart Association, is working nationwide to combat childhood obesity in the United States and inspire all young Americans to develop lifelong healthy habits. The Alliance applies a comprehensive approach through its Healthy Schools Program, its Kids’ Movement initiative, its Industry initiative and its Health Care initiative to reach children in their schools, communities, homes, and doctor’s offices to stop childhood obesity before it starts.

II. Agreements Related to Clinton Foundation

Publication of Foundation Contributors. In anticipation of Senator Clinton’s nomination and confirmation as Secretary of State, the Foundation will publish its contributors this year. During any service by Senator Clinton as Secretary of State, the Foundation will publish annually the names of new contributors.

Operation of CGI. Should Senator Clinton be confirmed as Secretary of State, the Foundation will incorporate CGI as a separate entity from the Foundation. President Clinton will continue in his role as principal host and be identified as CGI’s Founding Chairman, but he will not serve as an officer or director of the newly established entity or otherwise serve as a fiduciary on behalf of CGI. President Clinton personally will not solicit funds. President Clinton will continue to send invitation letters to potential attendees and guests of CGI; however, he will no longer send sponsorship letters (which seek contributions to CGI). Apart for attendance fees for CGI, CGI will not accept contributions from foreign governments. CGI also will suspend plans for CGI-International events outside the United States during any service by Senator Clinton at the State Department.

Operation of CHAI. Should Senator Clinton be confirmed as Secretary of State, the Foundation will continue to perform its HIV/AIDS support activities on behalf of existing foreign country contributors and in fulfillment of existing and on-going commitments. Should an existing contributing country elect to increase materially its commitment, or should a new contributor country elect to support CHAI, the Foundation will share such countries and the circumstances of the anticipated contribution with the State Department designated agency ethics official for review, and as appropriate, the State Department’s
designated agency ethics official will submit the matter for review by a designated official in the White House Counsel’s Office. In the event the State Department or White House has concerns about a proposed contribution that are related to Senator Clinton’s service as Secretary of State, those concerns will be conveyed to her and to the Clinton Foundation for appropriate action. For purposes of this paragraph, an agency or department of a foreign country, as well as a government-owned corporation, will be treated as a foreign country.

Operation of CCI, CGSGI and CHDI. Should Senator Clinton be confirmed as Secretary of State, the same protocols outlined for CHAI with respect to foreign country contributors in this MOU will apply for CCI, CGSGI and CHDI.

III. Term and General Applicability Principles

Term. This MOU will be effective as of the date of signature by the Parties and shall continue until Senator Clinton, should she be confirmed by the Senate, ceases to serve as Secretary of State.

Entire Agreement. This MOU is the entire agreement between the Parties and it supersedes any other correspondence, memoranda, or agreements, warranties, or representations, whether written or oral.

General Applicability. Pursuant to the established protocols of the State Department, should Senator Clinton be confirmed as Secretary of State, the designated agency ethics official will review and advise her with respect to any activity that may be imputed under 18 U.S.C 208, or any other applicable law or regulation, to her as a potential or actual conflict of interest. Apart from the agreements set forth in this MOU, only limitations of general applicability to all 501(c)(3) entities, should such restrictions be promulgated, will be applicable to the Foundation.

WILLIAM J. CLINTON FOUNDATION

By:

Bruce R. Lindsey
Chief Executive Officer

OBAMA PRESIDENTIAL TRANSITION FOUNDATION

By:

Valerie Jarrett
Co-Chair of the Obama-Biden Presidential Transition Team
Office of the President-Elect

Date: 1/10/09