

QUINN EMANUEL URQUHART & SULLIVAN, LLP

White Paper: President Trump's Second Term In Office

January 10, 2025

On November 5, 2024, President Donald J. Trump captured 312 electoral votes and the popular vote to become only the second President in American history to be elected to non-consecutive terms in office. As a result of this victory, following his inauguration on January 20, 2025, President Trump will become the 47th President of the United States.

Although neither federal law nor the United States Constitution prohibits any President from continuing to own, operate and/or manage their businesses, investments, and others assets while in office,¹ in order to avoid even the appearance of any conflict, The Donald J. Trump Revocable Trust and The Trump Organization (together with their respective parents, subsidiaries and affiliates, the “Company”), consistent with steps taken in 2017, has appointed William A. Burck, Global Co-Chair of the law firm Quinn Emanuel LLP, to serve as its outside Ethics Advisor for the purpose of implementing a series of internal policies and procedures to guide the Company while President Trump is in office.

I. OVERVIEW

While federal conflict-of-interest laws expressly prohibit “officers” or “employees” of the United States government from taking positions against the country’s interests,² the terms “officer” and “employee” in these statutes expressly exclude the President of the United States (along with the Vice President, Members of Congress and Federal judges).³

Similarly, although the Emoluments Clauses prevent federal officers from accepting gifts or other “emolument” from foreign, federal or state governments or government officials,⁴ the Emoluments Clauses do not prohibit ordinary and customary private business transactions untethered to the President’s official duties such as the payment of ordinary fees for a hotel room, or a round of golf at market prices, or a market fee for services or other business interests.⁵ Indeed, there are

¹ See Morgan, Lewis, and Blockius LLP, *White Paper: Conflicts of Interest and the President* (Jan 11, 2017).

² See 18 U.S.C. §§ 203, 205, 207-09.

³ *Id.* § 202(c) (“Except as otherwise provided in such sections, the terms “officer” and “employee” in sections 203, 205, 207 through 209, and 218 of this title shall not include the President, the Vice President, a Member of Congress, or a Federal judge.”); Letter from Walter M. Shaub, Jr., Director, Office of Government Ethics, to Senator Thomas R. Carper, at 2 (Dec. 12, 2016) (confirming that “the primary criminal conflicts of interest statute, 18 U.S.C. § 208, is inapplicable to the President”); see also Memorandum from Antonin Scalia, Assistant Attorney General, Office of Legal Counsel, to Kenneth A. Lazarus, Associate Counsel to the President, Applicability of 3 C.F.R. Part 100 to the President and Vice President (Dec. 19, 1974) (advising that the various conduct and disclosure regulations in 3 C.F.R. Part 100 do not apply to the President).

⁴ U.S. Const. art. I §9, cl. 8 (Foreign Emoluments Clause) and U.S. Const. art. II, §1, cl. 7 (Domestic Emoluments Clause).

⁵ See Morgan, Lewis, and Blockius LLP, *White Paper: Conflicts of Interest and the President* (Jan 11, 2017); see also, e.g., *Hoyt v. United States*, 51 U.S. 109, 135 (1850) (describing an emolument as “every species of compensation or pecuniary profit derived from a discharge of the duties of the office”); see also James C. Phillips & Sara White, *The Meaning of the Three*

multiple examples of former Presidents and other high ranking government officials who continued private business ventures while in office.⁶

II. THE PLAN

The Company, in order to avoid even the appearance of any conflict and consistent with steps taken during President Trump's first term in office, has agreed to implement the following policies and procedures:

1. Appointment of New Outside Ethics Advisor.

In an effort to ensure that it continues to abide by the highest ethical standards and avoids any conflicts of interest during the Presidency, the Company has appointed William A. Burck, Global Co-Managing Partner of Quinn Emanuel LLP, as its new outside Ethics Advisor.⁷ As outside Ethics Advisor, Mr. Burck will be responsible for reviewing and analyzing certain material actions and transactions ("Designated Actions") to ensure that they: (i) are both substantive and procedurally at arm's-length; (ii) involve an appropriate counterparty; and (iii) do not raise potential conflicts of interest or similar ethical concerns.

A list of Designated Actions subject to the Ethics Advisor's review and analysis are as follows:

- (i) Acquisitions. The purchase or acquisition (whether in a single transaction or in a series of related transactions) of any asset (other than cash, publicly traded debt and

Emoluments Clauses in the U.S. Constitution: A Corpus Linguistic Analysis of American English from 1760-1799, 59 S. Tex. L. Rev. 181 at 223-30 (2017); *Barclay's A Complete and Universal English Dictionary on a New Plan* (1774) (defining the term "emolument" to mean "profit arising from an office or employ"); Oxford University Press, *Emolument*, OED Online (Dec. 2016) (defining "emolument" as a "[p]rofit or gain arising from station, office, or employment; dues; reward, remuneration, salary"); *Franklin v. Massachusetts*, 505 U.S. 788, 801 (1992) ("We would require an express statement by Congress before assuming it intended the President's performance of his statutory duties to be reviewed for abuse of discretion."); *but see In re Trump*, 958 F.3d at 286-287 ("Respondents assert that emoluments include 'all profits and other benefits [accepted from a foreign or domestic government] that [the President] accepts through the businesses he owns.' . . . Respondents point us to several Executive Branch and Comptroller General legal opinions that have arguably interpreted the term consistently with their definition, not the President's. And multiple amici have submitted briefs in this and the companion case, No. 18-2488, urging still different understandings of the term emolument. Finally, within the Executive Branch, officials have acknowledged there is considerable debate about this issue.") (internal citations omitted).

⁶ Examples of former Presidents and government officials who have maintain businesses while in office include George Washington whose private business exported flour and cornmeal to foreign countries (*Ten Facts about the Gristmill*, George Washington's Mount Vernon, Fact 9, <http://www.mountvernon.org/the-estate-gardens/gristmill/ten-facts-about-the-gristmill> (last visited September 29, 2017; National Register of Historic Places Registration Form, George Washington's Gristmill, 8, at 9 (2003), Thomas Jefferson who maintained his farm and nail factory and exported his tobacco crop to Great Britain (Letter from Thomas Jefferson to William A. Burwell (Nov. 22, 1808), in 11 *The Works of Thomas Jefferson* 75-76 (Paul Leicester Ford ed., 1905)) and, more recently, former Vice President Nelson Rockefeller who continued to hold stock during his term in office in Standard Oil (founded by his which did business worldwide, including, with foreign governments and former Secretary of Commerce Penny Pritzker who continued to retain considerable holding in her family's business, Hyatt Hotels.

⁷ The appointment of Mr. Burek as outside Ethics Advisor is consistent with actions in 2017, when former King & Spalding LLP partner, Bobby Burchfield, was appointed to serve as outside Ethics Advisor during the Presidency.

equity securities or alternative currencies) for an aggregate consideration of more than \$10 million.

- (ii) **Dispositions**. The sale or transfer (whether in a single transaction or in a series of related transactions) of any asset (other than cash, publicly traded debt and equity securities or alternative currencies) with an aggregate consideration of more than \$10 million.
- (iii) **Major Leases**. The execution of any lease of real property (whether in a single transaction or in a series of related transactions) involving more than forty thousand (40,000) square feet of space.
- (iv) **Debt and Refinancing**. The taking on of any new debt of more than \$10 million, other than transactions necessary for the normal and ordinary operations of the Company's businesses ("Ordinary Course Transactions").⁸
- (v) **Guarantees**. The execution of any guarantee pursuant to which the maximum liability could exceed \$10 million.
- (vi) **Transactions with the United States**. The execution of any transaction or contract, or material modification or extension of any preexisting transaction or contract, with the United States government or any agency or instrumentality thereof (other than Ordinary Course Transactions).
- (vii) **Transactions with State and Local Governments**. The execution of any transaction or contract, or any material modification or extension of any preexisting transaction or contract, with any state or local government or any agency or instrumentality thereof (other than Ordinary Course Transactions).
- (viii) **Transactions with Governments Owned Entities Engaged in Commercial Activity**. Entering into any transaction or contract, or any material modification or extension of any preexisting transaction or contract, with a subdivision, agency or instrumentality of a foreign government that primarily engages in commercial activity (such as, but not limited to, a sovereign wealth fund or state-owned enterprise).
- (ix) **Claims against Foreign Governments**. Instituting any suit, action or claim against any foreign government or any agency or instrumentality thereof.

⁸ As used herein, the term "Ordinary Course Transactions" shall mean and include, without limitation, renewing, extending, amending or modifying the terms of any existing contracts, filing and/or renewing any patents, trademarks, copyrights or other intellectual property, engaging in any tax appeals, tax certiorari proceedings or similar actions and proceedings, obtaining zoning approvals, construction or other permits and approvals customary in connection with a real estate project, purchasing or financing equipment necessary for the maintenance of company owned properties or engaging in any other transactions or activities that are normal and customary in the ordinary course of maintaining, operating and managing the Company's businesses and commercial interests.

- (x) **Material Disputes.** Settling any claim, demand, suit, action or proceeding against the Company that requires the payment or transfer of assets with an aggregate value of more than \$10 million or requires the admission of any wrongdoing or illegal activity.

2. All Investments, Assets and Business Interests Will Remain in Trust.

During President Trump's second term in office, the Company, like it did during President Trump's first term in office, will continue to hold all of its (and President Trump's) investments and business assets in a trust managed by his children.

3. President Trump Will Have No Involvement in the Management of the Company.

During President Trump's second term in office, President Trump, other than regarding his personal residence, will not sit on or be appointed to any boards or other official corporate positions and will be sequestered from and have no role in any of the day-to-day decision making concerning or involving the Company.

4. President Trump's Investments Will Be Independently Managed By Outside Financial Institutions.

During President Trump's second term in office, President Trump's investments will be independently managed by outside financial institutions. Such institutions will exercise full discretion over investment decisions in the relevant accounts, subject to reasonable and generally applicable investment restrictions, and will neither solicit nor accept input from President Trump pertaining to specific holdings or transactions.

5. Limited Access to the Company's Financial Information.

During President Trump's second term in office, the Company, like it did during President Trump's first term in office, will limit the information that President Trump receives to only reflect general business updates of the Company as a whole and not an accounting of the performance of any specific business or asset.

6. No New Transactions with Foreign Governments.

During President Trump's second term in office, the Company will not enter into any new material transactions or contracts with a foreign government, except for Ordinary Course Transactions.

7. Donation of Profits from Foreign Government Patronage.

During President Trump's second term in office, to alleviate concerns or perceptions that foreign government patronage could influence the Presidency, the Company, like it did during President Trump's first term in office, will voluntarily donate to the U.S. Treasury all profits it receives from foreign government patronage that the Company is able to identify at its hotels and similar businesses.

8. Use of Company Properties by US Secret Service and Other U.S. Government Agencies.

During President Trump's second term in office, the Company will offer discounted rates to the United States Secret Service and other similar government agencies, for overnight room stays, facility usage, food and beverage consumption and other ancillary services, at the Company's hospitality properties.