

Statement of Lisa M. Fairfax

Nominee to be a Member of the U.S. Securities and Exchange Commission

Before the U.S. Senate Committee on Banking, Housing, and Urban Affairs

MARCH 15, 2016

Chairman Shelby, Ranking Member Brown, and Members of the Committee, thank you so much for giving me the opportunity to speak with you today. It is an incredible honor and privilege to appear before you as one of President Obama's nominees to be a Commissioner of the Securities and Exchange Commission.

Before I begin my remarks, I would like to thank you for allowing me to introduce the family members who are here with me. I am grateful to be joined today by my husband, Roger Fairfax, my three daughters, Fatima, Regina, and Nadia, my mother Elizabeth White, my mother-in-law Charlene Fairfax, my brother-in-law Justin Fairfax, and my sister-in-law Jennifer Fairfax. I have a large extended family and I want to thank those who are here as well as all of my other family members and friends for their incredible and continued support. I also would like to thank and congratulate Hester Pierce who, like me, is here today as a nominee to serve on the Commission.

I sit before you today because I believe deeply in the importance of a robust and healthy securities market. I also believe deeply in the soundness of the SEC's three part mission to: (1) protect investors, (2) maintain fair, orderly and efficient markets, and (3) facilitate capital formation. I am honored and humbled by the prospect of being able to serve the nation through such an important agency, and carry out its important mission alongside the Chair, the other Commissioners, and the many staff members who work tirelessly to support the vital work of the SEC.

As a law professor, over the last fifteen years I have had the privilege of teaching Corporations and Securities Law to the next generation of practitioners, judges, and regulators, so that they can understand the increasingly complex world in which companies must operate, markets must perform, and regulators must monitor. My teaching, along with my research and writing in these areas, have given me a deep understanding of the issues confronting the SEC, as well as a desire to help tackle those issues. In addition, my research and work with organizations such as the American Bar Association and FINRA have taught me the importance of engaging a variety of diverse perspectives when seeking to develop solutions to complex problems. I look forward to such engagement if I am fortunate enough to be confirmed.

Importantly, I believe that the SEC's three-part mission statement is more than just a statement; it is a set of guiding principles that should shape every aspect of the agency's

activities, and all three principles should work together to promote a safe and sound financial system. With respect to capital formation, I believe the agency has a responsibility to facilitate access to needed capital for all participants in the market, from the corporation and small business owner in need of cash and credit, to the individual investing to support a family, finance a child's education, or ensure a comfortable retirement.

All of these participants need assurances that their capital is safe and secure, which is why the agency has a reasonability to maintain a market that is orderly, efficient, and fair. Everyone needs to play by the same rules, and there must be strong enforcement for those who refuse to do so.

And of course, investors must be protected, and investors must have confidence in the markets and the financial system.

Thank you again for the opportunity to appear before you today. If I am confirmed, I will work tirelessly to maintain the confidence that the President, this Committee, and the Senate will have shown in me. I look forward to answering any questions you may have.