

Opening Statement of Orlan M. Johnson

Nominee to be Chairman of the Securities Investor Protection Corporation

United States Senate Committee on Banking, Housing and Urban Affairs

January 21, 2010

Chairman Dodd, Ranking Member Shelby, and Members of the Committee, I would like to thank for the opportunity to appear before you today as you consider my nomination to be the Chairman of the Securities Investment Protection Corporation. I am deeply grateful to President Obama for nominating me to this important position. In addition, I also appreciate the time Members of this Committee already have taken to meet with me, and if confirmed, I look forward to working the Committee to address the challenges in ensuring adequate protection of investment accounts and general investor confidence in the United States financial markets.

It is indeed an honor and a privilege for me to be here. With the Chairman's indulgence I would like to introduce my wife Zina Johnson who is here supporting me today as she always has in everything that I do in our nearly 20 years of marriage. I would also like to recognize my daughter Nia Johnson, who is not here today and is a Junior at Blue Mountain Academy in Pennsylvania, and my two sons who are here today, Adam who is in eighth grade at Sligo Elementary School and my son Jair who is in fifth grade at the Dupont Park elementary school. I have always been blessed by their love and support.

For more than 20 years, I have had the opportunity to work in the area of complex corporate and securities transactions at major law firms and in the public sector as both a staff and supervisory attorney at a major securities regulatory government agency. I have had the opportunity to remain on the cutting edge of recent novel securities issues in both private practice and in area of academia.

I am currently a Partner in the law firm of Saul Ewing LLP. My practice focuses on general corporate matters, complex business transactions and federal and state regulatory issues in business and securities transactions, including proxy solicitations, bankruptcy reorganizations and equity and debt offerings. I have also engaged in investigations of investment advisers with state securities commissions and numerous SEC audits of energy companies in conjunction with state and local public utility commissions and the Federal Energy Regulatory Commission.

Prior to joining Saul Ewing, I was with the international and Wall-Street based firm of Milbank, Tweed, Hadley & McCloy, LLP where I served as co-head of its regulatory practice in the Washington, DC office. Prior to Milbank, I served for over nine years as a Staff Attorney and Branch Chief in the Division of Investment Management for the United States Securities and Exchange Commission.

In addition to my work in both the public and private sectors, since 1994, I have served as an adjunct professor of law at my alma mater Howard University School of Law, where I have taught Securities Regulation classes in connection with the fundamentals of federal and state securities laws, including the 1933 and 1934 Acts and the Investment Company Act of 1940.

As you are well aware, SIPC's primary goal is to protect individual investors from financial hardship, to insulate the economy from the disruption which can follow the failure of major financial institutions. SIPC has and should continue to stand as the first line of defense in protecting investors when such a failure occurs, and act swiftly to eliminate, as much as possible, the risks associated with customer loss.

If confirmed I look forward to continuing and expanding SIPC's work in the areas of investor education and ensuring that its current rules and regulations provide adequate safeguards to protect investors in this ever-evolving global financial market. I believe that SIPA provides the framework that can and should be used to guide the protection of investment accounts not just in the US, but in many other world financial markets. If confirmed, I would view my role as being a principal advocate for robust investor protection.

Mr. Chairman and Members of the Committee, I thank you again for your consideration of my nomination, and I look forward to answering any questions you may have.