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1255 23rd Street NW, Suite 600
Washington, DC 20037

Office of Commissioner Bowen
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, DC 20581

Regarding: Establishment of the Market Risk Advisory Committee

Dear Commissioner Bowen,

I would first like to commend the Commission for its responsiveness and foresight in taking action to establish a Market Risk Advisory Committee. The establishment of the Committee is wholly consistent with the Commission's charge to regulate and oversee derivatives markets, wherein transactions become "affected with the public interest by providing a means for managing and assuming price risks, . . . , in liquid, fair and financially secure trading facilities."¹ It is a credit to the stewardship of the Commission that the organized futures and options markets, which themselves provide liquid, transparent trading of contracts for the management of risk, have continued to function well during the credit crisis. The creation of the Market Risk Advisory Committee exemplifies the Commission's regard for the proper function and safety of the markets it regulates and its openness and commitment to thought leadership in the management of risk.

The Commission has consistently demonstrated its specialized knowledge and expertise in dealing with innovative products and market structures, and the Market Risk Advisory Committee has the potential to provide timely information, useful reports and issues papers, and constructive options and recommendations to the Commission as it considers and assesses risk management practices throughout the industry. As an economist, former regulator, current professor, and expert in clearing, credit and financial risk management, I would consider it an honor and privilege to serve on the Committee. I would work diligently to offer informed consideration and current insight on developments and practice in the risk management field, complemented by a sincere appreciation of the challenging and important issues the Commission faces as it embarks upon an agenda of regulatory reform for the benefit and protection of the public interest.

¹ 7 U.S.C §5—Protection of the Public Interest. *Commodity Exchange Act*.

On the Commission's web site,² you can find a recent comment letter that I authored with respect to 79 F.R. 59898, the proposed rule on Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants, in order to assist the Commission in promoting the public interest in its regulatory reforms by providing informed insights and expert cost-benefit analysis.

I have also attached a brief biography that describes some of my work in this area. My current position as an economist for National Economic Research Associates ("NERA") has enabled me to work across the spectrum with entities in the financial sector, both inside and outside of the futures and options industry. If chosen as a member of the Committee, I would strive to bring objective and independent thought, void of partisanship or influence, and mindful of the Commission's objectives for the Committee to provide informed discussion of emerging issues relating to risk management. I thank you for your consideration, and especially thank former Commissioner Michael Dunn for encouraging me to submit my name for consideration.

Best regards,

Sharon Brown-Hruska

Attachment: Biography

² Commodity Futures Trading Commission, "Comment for Proposed Rule 79 FR 59898," December 2, 2014, available at <http://comments.cftc.gov/PublicComments/ViewComment.aspx?id=60054&SearchText>.

Sharon Brown-Hruska, Vice President, National Economic Research Associates, Inc.

Sharon Brown-Hruska is a Vice President in NERA's Global Securities and Finance Practice and Visiting Professor of Finance in the A.B. Freeman School of Business at Tulane University. She is a leading expert in securities and derivatives markets, investments, trading, banking and insurance regulation, and risk management. Prior to joining NERA, she served as Commissioner (2002–2006) and Acting Chairman (2004–2005) of the U.S. Commodity Futures Trading Commission (CFTC).

Dr. Brown-Hruska has extensive experience as a regulator, economist, and educator, and has acted as an advisor to commercial and financial firms, exchanges, investor and industry associations, and government agencies. She serves on the Chicago Fed's Working Group on Financial Markets. While at the CFTC, she served as a member of the President's Working Group on Financial Markets and on the President's Corporate Fraud Task Force. She was chair of the website development committee for mymoney.gov for the Financial Literacy and Education Commission. Dr. Brown-Hruska has testified and spoken to U.S. House and Senate Committees and Congressional staff on commodities and securities law and economics, with a recent focus on the Dodd-Frank Wall Street Reform and Consumer Protection Act and its implications. She has performed cost benefit analysis and regulatory impact assessments for various entities in a regulatory and litigation context. She has addressed numerous governmental and financial organizations, including the SEC and its staff, the Federal Energy Regulatory Commission, the International Monetary Fund, the International Organization of Securities Commissioners, the Managed Funds Association, Futures Industry Association, Structured Products Association, and the International Swaps and Derivatives Association.

Dr. Brown-Hruska is Visiting Professor of Finance at Tulane University's A.B. Freeman School of Business since 2011. Dr. Brown-Hruska has been an Assistant Professor of Finance at George Mason University (1998–2005) and at Tulane University (1995–1998, 2014), teaching courses on Investments, Financial Markets, International Finance, Risk Management and Financial Innovation, Energy Risk and Portfolio Management, and Venture Capital and Private Finance. She has delivered talks on investments and regulation to various public audiences, including programs sponsored by the Chamber of Commerce, the SEC, the Smithsonian Institute, the Center for Innovative Technology, and George Mason University's Grubstake Breakfast series. She served as Associate Editor for Accounting and Finance for the *Journal of Business Research*. She has published in applied and scholarly publications including the *Capital Markets Law Review*, *Barron's*, *Regulation*, and the *Journal of Futures Markets*.