MLA\_Podcast\_IHLU\_Ep11\_Heath Tarbert

### In house Legal Uncovered explores what it takes to make it in house

Michael Sachs: Welcome to in house Legal Uncovered, a, major Lindsay and Africa podcast exploring what it takes to make it in house.

Michael Sachs: Hello, everyone. Welcome to another episode of in House Legal Uncovered in 2024. My name is Michael Sachs. I'm a partner. I major Lindsay in Africa and our in house Counsel recruiting group. The theme of this podcast continues to be candid and engaging conversations with leading individuals in the legal industry. So far this year, we've spoken to several general counsels with great insights into the legal industry and how they've become successful. This week is no different, but I do think today's guest has a bit of a different background, with a lot more government experience than some of the other people we've spoken with. It is my distinct pleasure to welcome oarshow, someone who I've known for a few years now. We'll get to that in a bit. I'm, Heath Tarbert, who's the chief legal officer and head of corporate affairs at Circle, a global financial technology firm.

### Heath Lindsay is a partner at Major Lindsay in Africa

Heath, welcome to the in house Legal Uncovered podcast.

Michael Sachs: It is great to be here. Thank you so much, Mike. And let me just say, I am particularly honored to be at a podcast by Major Lindsay in Africa. I don't think there's any firm that better has their pulse on the legal industry than you guys. Even in my own career, I remember there have been a number of times that I've reached out to your partners for advice and counsel, including most recently, yourself. So thank you so much for having me.

Michael Sachs: I appreciate that. Very, very, very flattering, very gracious of you. Keith, we're going to have a great conversation. We're going to get into a few various, things. But let me, Your background is obviously a great background, a tremendous background to go over. So I'm just going to give some of the highlights, if you don't mind, so people know who you are.

### Mike Tarbourg is the chief legal officer and head of corporate affairs at Circle

And I mentioned, you are the chief legal officer and head of corporate affairs at Circle, which is a global financial technology firm that enables businesses of all sizes to harness the power of stablecoins and public blockchains for payments and commerce. Prior to joining Circle, Heath was the chief legal officer of Citadel securities, where he was responsible for the firm's global legal compliance, surveillance and regulatory affairs functions. Heath previously served as the 14th chairman and chief executive of the Commodity Futures Trading Commission, vice chairman of the International Organization of securities Commissions, and a voting member of the Financial Stability Oversight Council. And before the CFTC, Heath was the assistant secretary of the treasury for international Markets and Development. Concurrently serving as a g seven g 20, deputy finance minister, a member of the Financial Stability Board, and us executive director of the World Bank Group. Now, earlier in his career, he also served as a US Supreme Court clerk for Justice Clarence Thomas, which I think everybody knows is an incredibly prestigious honor. Also associate White House counsel, special counsel to the Senate Banking Committee, and a partner at two international law firms. Heath is also the recipient, which I did not know this, of several public service awards, including the Alexander Hamilton Award, the Department of the Treasury's highest honor, the secretary of defense metal for outstanding public service, and the freedom of the city of London for strengthening financial regulatory relations between the US and the United Kingdom. quite an impressive, background, and I probably left out half of it as well, so you've had quite a career, Mike.

Michael Sachs: But, here we are. It's been in quite an adventure.

Michael Sachs: Now, maybe one of your greatest accomplishments also is you're married to Kate Tarbert. two kids. And I know this because the reason I really know Heath, actually, is that we are neighbors. We live probably about a mile from each other. You actually live in the house that my wife's first cousin used to live at. and so I've been in your house several times. Not while you've lived there. And also our kids are kind of around the same age. And so you and I have been on a couple cub, scout, and most recently, boy scout campouts together.

Michael Sachs: Yes, we've slept outside in the rain. And if this all goes well, Mike, you'll even be invited back to the house, even under my ownership. but no, it's really wonderful to see you in this capacity. And you're exactly right. You didn't say this. But the truth, of course, is that, the much more distinguished and better lawyer in our house is my wife. but nonetheless, I'm here today. but maybe one day she'll appear as well. But she's also vice president of our school board, here in our village.

Michael Sachs: And of course, you and I could spend a minute. My wife was a member of that school board back in the day, so we have that in common. I should also mention, before we get into the questions also, so your wife was also a clerk, for another us, supreme court justice, justice, Roberts. And Chief justice Roberts. So it's also quite an accomplishment for the Tarbourg family as well, which I'm sure, you're both incredibly proud of and should be.

Michael Sachs: No, it's great to be here. And we've both very much enjoyed our careers to date.

### Your career takes a much more circuitous path than many other legal careers

Michael Sachs: Well, let's start, heath, just kind, of a

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Michael Sachs: setup question, walking through a bit of your, your fascinating career. I think each time I talk to you, I learn a little bit more about what you've done. But in a couple of minutes, just how did you get from kind of there to here, so to speak?

Michael Sachs: Well, you know, it's interesting. I remember Steve Jobs once said in a commencement address, it's hard to connect the dots looking forward. You can only connect them looking backward. And my career actually takes a much more circuitous path, I think, than many other legal careers, which seem to be pretty linear, even though they go up. I grew up in Baltimore, Maryland, sort, of lower middle class family was, the first in my family to go off to a four year college. my father was an accountant by training. and so when I said, dad, what should I major in? He said, anything, son, but accounting. but yet I saw what accounting did for us, accounting and finance. It really took our family from, you know, a pretty tough blue collar environment and gave us a chance, gave us a chance to provide and to go, to attend, you know, local schools and pay for college. And so I actually majored in accounting. And part of it was, is I thought I wanted to be an FBI agent, and then go on to law school. But from an early age, I had always seen people on television and everything else, and they were lawyers. And so I had it in my head from an early age that, well, one day I want to be a lawyer, at least for some portion of my career. so I majored in accounting and finance, went, on to law school. And it was there that I really got a sense of, well, these things could be combined. and so I did a law school project, an article on bank capital rules, which at that point in time, in the late 1990s, was very arcane. No one knew about it. But yet, of course, a decade later, everyone was talking about it on the front page of the Times. After the financial crisis, went off to become a corporate lawyer. I wanted to be a corporate lawyer. I also spent a year in England, went off to be a corporate lawyer, and found myself in Washington, DC, doing corporate work, and realized that, at least for the next couple of decades, I really wanted to spend my career in Washington. So that led me to apply for some clerkships, to clerk, as you mentioned, first for the DC circuit and then for the supreme Court. I then worked in the White House counsel's office and a variety of government jobs. Ultimately, culminating in the CFTC chairmanship. But I was also a partner at a couple of law firms, as well. so that's sort of the history. and again, it was somewhat circuitous, and we can talk about those various inflection points that I had and how I ended up in various spots.

Michael Sachs: Yeah, it was great kind of summary of a lot of different places in your career. You mentioned in passing that you spent that year, in, England. I mean, that's obviously, it is unique. Not many people, once most people get their law degrees, they're kind of in their law firm path. And maybe this is one of those inflection points, but I didn't even know about your time at Oxford until our most recent camp, out together. And you mentioned it, and then, of course I saw it. But talk about the decision to do that, maybe, what was it like there? That's really interesting.

Michael Sachs: Yeah. So, in college, my parents were kind enough to basically say, son, we didn't get a chance to go off to college. We want you to have a college experience. But here's the deal. We're going to pay for a state school tuition, so you can go to state school, or we'll pay that same amount if you go to a private school. So I ended up going to a private school for undergrad, but in order to get myself through college, I earned some scholarships, but also was a resident assistant. and what that meant, however, was that because I was a resident assistant for those years, I never got a chance to study abroad. Then I went right off to law school. But in my mind, I had always said, I would love to have the chance to, quote unquote, study abroad, but it just wasn't meant to be, at least at that time. When I arrived in law school at Penn, in Philadelphia, as a one l every other one, l had another one l as their roommate. But I had somebody completely different. It was a guy with a very slick scottish accent, a very thick scottish accent, a glaswegian accent, and I'm not sure I can. Well, he sort of sounded a lot like this, you know, I was like, where are you from? And he said, I'm from Scotland. And he was studying history. The short of it is basically he was there on a fellowship, which was a fellowship that was established more than 60 years ago for Americans to go to Britain and for Britons to go to America and to study at Penn. And so he encouraged me. You know, when you graduate from Penn, you should think about going to the UK so fast forward a couple of years later, I summoned in the London office at a law firm, Sullivan Cromwell, and I said, well, you know what? I have the rest of my life to work. And this is a piece of advice I'd give to any law students that are currently listening. You're going to have the rest of your life to work. I applied for this scholarship on a whim, was able to go to Oxford and ultimately

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Michael Sachs: get a degree in comparative law. and it was a fascinating experience, kid from Baltimore, I'd never been overseas, and that was sort of my experience living abroad. But it also ended up, as I mentioned, about the looking backwards, connecting the dots is that I ended up studying under the Allen and overy professor of corporate law and learning about british corporate law, which is somewhat different from american corporate law. Well, years later, I ended up becoming a partner at Allen and overye, and now as a GC, our parent company, at least for the time being, is irish. And we're actually undergoing a scheme of arrangement, which is a very unique british, sort of Anglo Anglo irish corporate law concept that I learned about in Oxford. So it all comes back in some ways. And so it was a unique experience. And my advice would be for in house lawyers of the future, as well as law firm lawyers of the future, you're going to be exposed to all different kinds of legal systems. And so I really would encourage you, if you have an opportunity to explore another major legal system, to do it, because you'll find yourself actually ending up making decisions based on foreign law. And to have a little bit of background can be incredibly helpful.

Michael Sachs: I was going to make a comment that it's like your career is a circle, so to speak, and it all comes back. But I feel like that might be a little bit pun intended there, so to speak. but yes, I can see that. I mean, I can say too, though, like, I feel like I've had a rewarding career, but my one big regret of my career is that I never really did spend that international time that somebody like you did out there, because I'm sure you got a lot of. It must have been even. I mean, you talk about how it's impacting you now with the current, you know, matters, you're working on, but it must have obviously impacted you greatly, just as you looked at, kind of gave you more exposure to the world. And while you were dealing with some of the crises of the two thousands, you must have had that exposure, which must have helped exponentially in you kind of looking at the situations, yeah.

Michael Sachs: I've had the privilege over my career to meet a ton of lawyers from countries around the world and to sort of get an appreciation for how they're both similar but also unique to us. So at Oxford, I got to meet fellow lawyers from all over the world, and then as a partner at the major international law firms, my last firm at Allen and over a, now a and O Shearman, I think they had, they had something like over 30 or 40 different offices, over 30 different countries. So it was a rich experience. And as a treasury assistant secretary in the international division, I made use, of that knowledge and also those contacts.

### You clerked for Douglas Ginsburg and then for Justice Thomas

Michael Sachs: So one thing, obviously, you've had a lot of things. When I look at your background, they're incredibly impressive. But one thing that's certainly for many people, that's going to stand out as a clerk for a US Supreme Court justice. And I think anybody listening is, probably knows. But there's a handful of those people across the entire country, that get that prestigious accomplishment. I've always kind of wondered, what is that? you were very humble when you said, oh, I applied for these clerkships and all that. Obviously, again, having a DC clerkship, first, then moving on to Justice Thomas. What is that process like at that level, without getting into confidences and what was said here and there, but what is that like? And what's that feeling when you find out that you've, been asked to have this clerkship? Just take us behind, take, us behind the curtain for that a little bit, if you don't mind.

Michael Sachs: Well, in many ways, the best analogy I've heard to getting a supreme Court clerkship is being struck by lightning. And in my case, in my case, that was certainly, that was certainly my experience. I did well in law school, but I certainly wasn't the supreme court oral advocate, editor in chief of the law review, et cetera, et cetera. I was just very lucky. But ultimately, you have to clerk for a appellate court judge first, a circuit judge, and the quality of the circuit judge often sort of enhances your chances for clerking for the supreme Court. So in my case, I was, I was lucky enough to clerk for Douglas Ginsburg, who at the time was chief judge of the US Court of Appeals for the DC circuit. a great man. He's a great scholar, was a professor at Harvard Law School, was nominated to be on the supreme Court during the Reagan administration for a short period. and just an incredible, rigorous experience.

### Just getting an interview with a Supreme Court justice is an incredible honor

when you go to the Supreme Court and so thousands of people apply, 36 are ultimately chosen. And I was lucky enough to, again, get an interview with Justice Thomas. And my view is like, just getting an interview with a Supreme Court justice is an incredible honor. I could tell my grandchildren about it. and so when I sort of. What are the interviews like? Well, normally, for all of the justices, there's a rigorous, sort of substantive interview, and often that's conducted by the clerks rather than the justice himself. So when I walked in there, and I had been a corporate lawyer, I hadn't even started my DC circuit

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clerkship yet. So these guys were just incredibly trained. And just to give you a sense of who I ended up interviewing with, one of them, Jeff Wall, went on to become acting solicitor general of the United States and argue 31 cases before the supreme Court. Another is a district judge here in Chicago, and the other two were equally, amazing. So I walked in there, and, boy, the barrage hit me.

Michael Sachs: Those were his race, current clerks.

Michael Sachs: Those were his clerks at the time. Exactly. and so they. They drilled in for, you know, one to 2 hours, on. On all aspects of constitutional law, case law, recent cases, old cases that the founding fathers, I mean, you name it, they were all over it. And I was doing my best. I cringe when I think about what I was like at the time, but for some reason, I managed to get through it. and to some extent, it's one of those you just have to do better than the other candidates. But I somehow made it through. and then you interview with the justice, and that interview depends on the justice himself or herself. and in my case, I think Justice Thomas had sort of concluded, if you made it to this point, and it's the right, I think, approach is basically, you've got the academic credentials and what you need to actually succeed on the job as a technical matter. And I would say for every person that interviews with a justice, there's at least a dozen people that can do the job as well, and in my case, probably better than me. So the justice really needs to determine, do I want to spend hundreds of hours with this person over a period of time under, you know, considerable stress? so it's. So it's sort of like, do you gel with this person and with me? His question was, look, unlike the other people that are right out of law school, you actually worked for a few years. You were a corporate lawyer. You were making money. Like, are you serious about this? And so I basically said, I was like, my one shot. I was like, I am very serious about this. And, in fact, I would do the job for free if offered. And then he was like, oh, you're serious now, today he tells the story that apparently I said I would pay him to do the job, but it was something like that where I had to stress to him how critical and important I thought the job was to me as a young american and how I wanted to do it. And, so then the interview ended. I went off. And then over the next three months, I heard about all the other people that Justice Thomas had hired, through.

Michael Sachs: I was going to ask how long it was.

Michael Sachs: It's not the next day.

Michael Sachs: They don't call you the next day.

Michael Sachs: Well, they didn't call me the next day, so I think, you know, again, I managed to slip through, and so he ended up now and again, this is the struck by lightning and the irony. He ended up hiring seven, six or seven people that summer. So I clearly wasn't the first pick. I wasn't the second pick. I wasn't the third pick. and I heard. They didn't tell me. I didn't get it, but I never heard anything. But I just heard about all these other people being announced. They're clicking for Justice Thomas. I was like, well, I guess I blew it. But nonetheless, it was a tremendous meeting. Justice Thomas was wonderful, and I can tell my grandkids about it. And then three or four months later, I get a call out of the blue, from someone who says, we're calling from Justice Thomas's chambers. And so I called them back immediately, and they said, well, I think we have some good news for you, but there's a bit of a wrinkle. The justice would like you to clerk for him, but he would like to clerk you to clerk two years out from now. And I basically almost dropped the phone, but was able to answer. If he wants me to clerk 20 years from now, I will be there. You know, I'll mark the king.

Michael Sachs: You didn't say, let me. Let me think about it and get back to you.

Michael Sachs: I did not say, let me think about it. So there it was. And again, it struck me from out of the blue, a tremendous honor. And like I said, all these other people had gotten it. But somehow, for some reason, there was an offer for me, and I embarked on. On that wonderful clerkship that I'll never forget.

Michael Sachs: A quick aside on that, just if you. It's a great way to tell the story, obviously. quick aside, are there people actually who do turn it down like when he said, are you serious about this? Is there anybody who actually turns down a Supreme Court clerkship?

Michael Sachs: I have never heard such a story, but what I would say is that if there's anyone out there that isn't sure they want to do one or not, do not interview with a Supreme Court justice and turn it down. So if you're not sure you want to do it, then don't interview to begin with, because I don't think you can turn a Supreme Court justice down.

Michael Sachs: I was going to say I don't even think. I mean, I applied for a couple of federal courtships, and I think I was told basically, if you interviewed for this, and that was a federal district judge, and that was 25 years ago. So, you know, at the risk of asking you to summarize, an entire year experience in this amazing role

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Michael Sachs: in just a minute or two, like, what's the. What is there? People don't really know what is the day to day? I mean, I think we can guess a little bit of what it is, but just when you wake up and you go, like, what's your Wednesday like in February? Give, us a sense of that.

Michael Sachs: Yeah.

### I think people have overblown the influence that supreme court clerks actually have

So, first of all, I think a lot of people have overblown. It's a tremendous honor, and obviously it's a great job, but I think people have overblown the influence that clerks actually have. You have to remember that you're coming into this clerkship. Most people are in their late twenties. I was in my early thirties because, again, I had taken a more circuitous route. But you're sitting there with a supreme court justice, he or she is probably much smarter than you anyway, and they've got ten to 2030 years experience being a judge. So the idea that you're somehow going to sway them, I think, is completely, hubris at best. and so how do you actually help the justices? Well, really, when I think about supreme court clerks and what's the value add that they provide? It's really twofold. The first is the fact that the supreme Court is unique out of most courts around the world in that it actually gets to choose the vast majority, if not all, effectively, of, the cases it hears each year. So that means that every year they get seven to 8000 cert petitions, something in that range. The justices are not sitting and reading all those petitions. That's where the clerks come in. So the clerks sit, and they sift through those, those ten, you know, those thousands upon thousands, and they write a memo for each to the rest of the justices. So when you're. It's something called a cert pool, where basically the cases come in, we divide them up among the clerks, and then we send memos to all of the justices, basically recommending, should the court hear the case, yes or no. 99.9% of the things are a no. You know, some. Some 99 point something. But there are some where we basically say, yes, this is an important case. The Supreme Court should hear this case, and there's a variety of reasons why the court should hear it. The most common is that you have two courts of appeals, two circuits that are split. It's called a circuit split. And so, therefore, that having a national law depends upon that being resolved. Otherwise, we have the same law applied in two different ways, contradictory, in two different parts of the country. and then there are other cases that, because of their magnitude, it's a critical, important question that the american people believe, rightly so, that only the Supreme Court should hear and decide. So, sifting through all of that, I'd say, is the main job of the clerks. And then in addition to that, the clerks help with research, with the drafting of opinions. And you got to remember, this is the big league. So the footnote has to be correct, the citation has to be correct. This is, for time immemorial. This is the United States, the position of the United States Supreme Court. So you've got to get it right. So proofing, all of that kind of stuff. So the job itself is a 15 hours day job, six days a week. It's pretty grueling. and I would say that m everybody I know that has clerked for the supreme Court is incredibly proud of the experience. I don't know many people who would wish to repeat it.

Michael Sachs: Yeah. It's all one year, right? Everybody's one year. These are all one year from everybody.

Michael Sachs: Yeah.

Michael Sachs: And so you need almost like, a little bit of, like a break after you're done with it. I mean, that's. It's pretty. It's pretty intense for 365 days a year.

Michael Sachs: Yes. Yeah, it is indeed.

### Is there a bond among former supreme court clerks? I'm curious

Michael Sachs: And so you. Yeah, you probably must have read my next question, but so you have these, 36 people a year, x number of people. Do you feel like there's. I'm sure you made, friends. I should ask, I mean, was your wife supreme in the same year, or was she the year before you then?

Michael Sachs: She was a couple of years after me. but we worked together on the DC circuit. Right.

Michael Sachs: For just, Ginsburg, Douglas Ginsburg, which I did not know. Again, I learned new facts about you every time. But, so these, these, do you, I mean, I'm sure you make friends, but is there a bond in general with clerks who, served even five or ten years before you or after you? Does it matter if they were, a clerk for justice on the same political side? I know we're in times of political, strife and things like that, but how do you, if you met somebody in the street who had been a clerk for a justice ten years before you in a different political, stripe, what would that be like? What kind of bond exists?

Michael Sachs: There's always a common bond, because it's a shared experience and it's a, it's generally a very similar experience. And I don't know what it's like today and what it was like 20 years before I clerked. But what I will tell you is, when I clerked, everyone was extremely collegial, and the justices were collegial at the time. It didn't, matter whether you were appointed by Nixon

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Michael Sachs: or, or, or Reagan or I. Clinton or Carter. Well, there was no Carter appointees, so it'd be Clinton, and it didn't matter because they all were adults in the room. So when you think about some of the worst aspects of Washington today, the supreme Court really were men and women of integrity. They really cared about their job, and they worked awfully hard. The justices were working 70, 80 hours weeks to get done what they needed to get done. And the clerks, the collegiality that the justices sort of fomented went down to the clerks as well. So even if we disagreed and we knew that our eventual justice would side in a different way, there was no animosity. It was all about, let's make sure the court works on behalf of the american people, and everyone is professional. and so I still keep in touch with many of the law clerks. During my terminal, there was an individual who was a fabulous gentleman who was recently nominated by President Biden for a district court seat, in Hawaii. And myself, along with a number of other co clerks or clerks that year, signed, a letter to his character supporting the nomination. And so, yeah, it's terrific. The people I clerked with, all clerks are Justice Thomas. We also share a bond. we try to get to know one another, to see the justice and other justices have reunions as well. and then people who either clerked with me or clerk didn't clerk for Justice Thomas. There's still a bond there because we have that shared experience. And when I'm looking out to hire inside, to hire, external law firms, I'll often hire former supreme court clerks because I know what they've put through. Been put through, and I know that they'll get the job done on time with the degree of precision and accuracy that one would expect.

Michael Sachs: That's great.

### You've had a combination of law firm experience and government practice

Well, look, I could easily spend hours talking with you about just this experience, but your career has obviously been, so many other things that you've done. So you're one of those unique lawyers who's had a combination of law firm experience, in house experience, government practice. You kind of address this a little bit in your very first answer. But as you've had these various roles, has there been kind of like a north star that you've been following? you mentioned circuitous a couple times, or were the different agendas you had in mind when you accepted different positions? how have you kind of made these choices over your career to kind of go then and there in various different roles that you've had? I'm sure it's about a lot more than being able to keep a job.

Michael Sachs: No. In some ways, it's funny, because you think you have choices, but then life turns out, and in some ways, there's a big question, do I choose circumstances, or do circumstances choose me? My first in house foray was actually right after the supreme court clerkship. So everyone else, as you said, after working 15 hours, days, we were exhausted. and so many people took time off. There was a nice clerkship bonus. They were about ready to start their legal careers. They went backpacking in Europe. They sipped wine. They did whatever. They read the novel that they. Or they.

Michael Sachs: That what you did? Is that what you did, Heath? No.

Michael Sachs: So that is not what I did, which probably some regret now. I did the opposite. I was going to take some time off, and I got a call from friends of mine who were in the White House counsel's office under George W. Bush. It was the, that was the last six to eight months of his term as president. And they basically said, heath, we need some people in here. We've got some open spots. and I had had a background in executive privilege. I had worked at OLC in between my two clerkships. So they said, we'd love you to come to the White House counsel's office to serve the president, to think about the law of executive privilege, and you've just coming off your supreme Court clerkship. why don't you come in here and do this to the end of the Bush administration, his second term. So I went ahead and basically jumped from the frying pan to the proverbial fire or whatever, and went into the White House at the very end. But here's the irony and the twist, Mike. you talked about circuitous and these things. I go into the White House thinking I'm going to be sort of, here I am, the supreme court clerk form, you know, doing constitutional law and advising the president on article two. And they look at me and they say, well, you know, you've got this financial background. you were at Sullivan and Cromwell, you're a CPA, you know, all this sort of stuff.

Michael Sachs: I can see where this might be going.

Michael Sachs: See, this is where it's going. And so they said, we're going to give you the financial markets portfolio. It's at the end of the administration, so don't worry. there's probably not going to be a lot of activity.

Michael Sachs: Don't worry. Don't worry.

Michael Sachs: Two weeks later, Fannie and Freddie are, collapsed. Lehman brothers goes into receivership.

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Michael Sachs: So the short of it is, what happens is I become the White House associate counsel full time on the global financial crisis. And it was sort of that pivot, that at that point I said to myself, all right, well, look, you do have this sort of interesting background where you've got a financial background. You've also got sort of the DC law experience. Perhaps you should put them together and focus on financial regulation. And so because of that experience, again, not something I had intended. It was circumstances, not necessarily intention. I've spent the last 20 years or so or the last 15 years on that path to financial regulation. So that was sort of a key turning point. And my first in house job.

Michael Sachs: That's a little bit of the Abraham Lincoln answer, right? Is it that events have shaped you rather than maybe you shaped events, so to speak?

Michael Sachs: That's definitely the case. I, certainly can't say m I've shaped events, but no, and you just have to learn life. It's sort of, don't expect from life, life expects from you. and so it's incredible.

### You asked about different jobs and how do you think about choosing these jobs

And then you asked about, well, how are these jobs different and how do you think about choosing these jobs? The best piece of advice I've heard on sort of career changes, next chapters, etcetera, is you shouldn't take a job for what you're going to get out of it, monetarily or otherwise. You should take a job for what it will make you. What are you going to become as a result of this position and each of those roles, I sort of became something different. So as a law firm partner, as a law firm lawyer, and ultimately as a law firm partner, I learned how to master a field of law. I learned how to be an expert in the craft. and that was incredibly helpful. As an in house lawyer, I came to understand how important it is to be part of the business. and so as an in house lawyer, when I look and think about some of the memos I wrote as a law firm partner that were esoteric and weren't very practical, look at myself and say, wow.

### Learning about business, that would be commercial, and then government,

So learning about business, that would be commercial, and then government, I would say, really, you have a tremendous opportunity to develop leadership there, because in government, you get a ton of responsibility and in some cases, of matters of national importance. And so the ability to work, in places like the White House or to chair a federal agency, when I think about sort of the most hectic days that I have in the private sector, they're nothing compared to the White House.

Michael Sachs: I'll put a plug in, too. I mean, a lot of people ask, they call up and they want to know what are the skills they need to be a general counsel. And there's obviously very many things that depends on industry. But one of the things that's consistent throughout almost any client is management experience. Able to manage a team. And at an early part of someone's career, there's no better place to get that experience, probably from most people, than a government role, just because of the sheer size of it and the numbers of people and the opportunities available. So there's all sorts of other things somebody needs to be at GC. But that's one very, very, very crystal clear thing. And you can get that from government experience more than almost anywhere else early on.

Michael Sachs: That's exactly right.

### You had the CFTC role during, under a very interesting time

Michael Sachs: so I was looking at your background and sizing up the dates, and you had the CFTC role during, under a very interesting time you were there. I looked at the dates, 2019 to 2021. So I did my math, I looked at my history books, and I saw that was the COVID era, and the end of the Trump presidency. And you were there, again, trying to ask you to synthesize 15 incredibly stressful months or whatever it was, 18 months into a minute or two. But what must have that have been like, that was right before you came to Illinois to join us in our neighborhood.

Michael Sachs: Yes. and so that's a great example where sort of, as I think Eisenhower said, plans are useless, but planning is invaluable. Or I think it was Clausewitz or somebody, some great, maybe it was General mochter, somebody from the german high command, in the, in Prussia that basically said, no plan survives, you know, its interaction with the enemy.

Michael Sachs: By the way, you are the second person to quote General Eisenhower to me today. This is the second time this has happened today. So.

Michael Sachs: Well, a great man, an american hero, somebody said it.

Michael Sachs: What was the other quote was that, leadership is not bopping people on the head. It's actually. Or something like that. It's not bop. Leadership is not bopping people on the head. And they talked about that. I think it was a podcast interview with Leon Panetta. So, yeah, just this morning that I was listening to.

Michael Sachs: So, yeah, fantastic. Yeah. So that was a situation where I came into the agency. it was a tremendous opportunity. I've often said that the CFTC is the most important financial regulator most Americans have never heard of. it actually regulates the world's largest markets that underpin virtually everything we do. The gasoline we put in our gas tanks. even if you have an electric car, the electricity, that you put in, that powers your electric cardinal, the milk that you buy on the shelf, the bread that you eat, as well as things like crypto, like bitcoin, for example, now. And so, the derivatives markets that underlie our larger commodities markets are essentially critical to the functioning of America. So I came

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Michael Sachs: in and, we had a grand plan. We ended up rewriting the mission statement of the agency that everyone bought into. Vision, values, and a very ambitious rulemaking plan. And then Covid hits. So then the question is, well, what do you do? Well, it was clear we couldn't just move on doing what we were doing, at least for the time being. We had to pivot. And the commodities markets at that point were going, were reacting to the greatest volatility, and greatest economic downturn since the Great Depression. Not just the financial crisis, but literally the real economy started to slow down, or had a chance of slowing down. I was told when I took the helm at the CFTC, you need to be really careful, son, because if oil gets to $150 a barrel, people are going to want your head. Well, oil went negative. No one had ever expected that oil. Not that it would go high, but rather it would go below zero. and so really it was an opportunity for the men and women of the CFTC. And my job is chair of the agency to really get them to make sure we were on top of everything, and that the markets functioned well, and they did, because people rely on the derivatives markets to hedge risk. And the markets functioned extremely well under dire stress. So it was really focusing on the markets first and foremost, and then on the families, obviously, of the people at the agency. And we needed to make sure they were taken care of, they were safe. But at the same time, people were getting laid off. And, as a government employee, just like them, I said, guys, we need to work hard, and here's why. We'll be flexible. And I realize people have kids at home and we're all going through the same stuff, but there are people that are out of work, and we've got solid government jobs. We need to show that we're working hard, particularly given this market stress. So we did. And then I'd say after the first couple of months of COVID once the market shock had stabilized a bit, then we were able to turn back to that rulemaking agenda, and we got more done than wed ever would hope to get done. We ended up with something like 43 final rules that we made done. And we got, in the 18 months that I was chair, we had more open meetings not than just the year before, but we had more open meetings than the prior seven years combined because people weren't talking around the water cooler, we weren't going on fancy trips. We just were working hard. So we were able to turn that experience of COVID into something that was incredibly powerful. Yeah.

### Circle is building the next generation of the financial system on the Internet

Michael Sachs: Well, look, we're going through your career a little bit chronologically, in some ways. Can't hit every position, but let's talk about where you're at now. Circle. so give a plug. What is your, what do you, what does your company do? You're the chief legal officer. So what is the, what's the, what's the role? Tell us a little bit about that.

Michael Sachs: Well, circle is, is really building the next generation of the financial system, which is going to be on the Internet. so in summary, I would say really, by building the largest and most widely used stablecoin network in the world, circle is going to be part of the financial system of the future and a main part of its infrastructure as a platform company. So people are like, well, all right, well, that sounds really cool, but what does that actually mean? And what I would say it means just for everyone listening, is, right now, the money is still in the 1970s and 1980s. We still use credit cards and we have exchanged, transfer fees, and we still use these old proprietary systems, that are closed loop systems. But if you think about what we're doing now, we're talking over the Internet. Major other industries have moved onto the Internet and only with the advent of black blockchain technology have we been able to actually transfer value over the Internet, because otherwise you can't really do it. So if you can send a dollar as easily as you can send an email safely, securely and instantly, without any middleman, without paying the fees, that is the future, and that's what circle is all about.

### You're working with regulators to figure out how to regulate the Internet financial system

Michael Sachs: And you, and your team, I mean, how many lawyers do you have there on your team?

Michael Sachs: We've got about 25 people. We've got folks in Singapore, in France and then throughout the United States. we've got experts in commercial contracts, obviously litigation, regulatory, and ip. And the great thing about this job and why I was so interested in doing it is because here we're not just sort of considering the law and applying it. We're actually helping to define what the law will be. The technology is five years or ten years even ahead of the law. And so we're working with

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Michael Sachs: regulators and legislators and others to figure out, well, how should this new Internet financial system be regulated properly. So I'm sort of using everything that I've hopefully gathered throughout my career in law, in administrative agencies and finance, and thinking about what's the paradigm, government regulation wise for the next 20 years.

Michael Sachs: It was a big policy aspect of the job. At the end of the day, huge.

Michael Sachs: Policy aspect of the job. And I'm also the head of corporate affairs, which sort of plays into that.

### What do you look for when looking for in house legal roles

Michael Sachs: So, this is a podcast about sort of in house legal. And so obviously I ask you about all these other positions because I personally find them so fascinating and interesting. But let's think about those in house jobs for a second. So you, most people will take a role because, they feel fondly about the CEO that they're going to be working for, working with. What do you kind of look for in your various roles that you've had over the ten year? What are the, what are the skills you like to see in the person for people who are looking for these kind of roles, what they should be on the lookout for?

Michael Sachs: Yeah. So these are individuals who want in house jobs.

Michael Sachs: Yeah, people who want in those jobs and they're either going to be reporting to a CEO or maybe even it's a lower level position, they're reporting to a GC. What should they be in the lookout for? What do you look for?

Michael Sachs: So I think you want to look at, do you buy into the leader and do you buy into the company? when, when you're, when you're, when you're joining an in house role, because remember, you're only going to have one client, which is the company. And so if you're not passionate about the company and what it does, or at least you're not very interested in it, it's not going to be as fun of a role. when I think about if you're, if you're an aspiring GC and you're looking at a CEO or a chairman that you're going to report to, I think it ultimately comes down to trust. Do you trust this person? And then the question becomes, okay, what does it mean to trust? And the best definition of trust that I've seen is it's the combination of competence and character. So let's take competence first. John Maxwell has written a number of books on leadership, and one of his leadership laws is basically leaders. leaders are going to work, will only work for better leaders than themselves, all things being equal. So you want to find a CEO who's a better leader than you, who you can learn from, you can, you know, you can learn from, and you can grow from, just like I said before about what's the job going to make you. And then the person also needs to understand the industry, and, you know, really be a great strategist so the business can move forward. So that's competence, and then is character. That's the second component. In some ways, that's the far more important. Does this person have integrity? Can you trust them, particularly as a GC? and we've seen, particularly in the blockchain digital asset space. But quite frankly, in every industry we've seen what happens when CEO's and other business leaders don't have integrity. So in my situation, our leader, Jeremy Allaire, is just a tremendous visionary, technical expert, technologist and leader, who wants to do the right things the right way. and that's often incredibly hard to find. So I was attracted to him personally, and I was attracted to his vision for what circle can do for the millions of millions and tens of m. Billions of people out there that don't have access to money, that don't access to bank accounts, that want to be able to send money back and forth without paying hefty fees. Right. And I would say he's also compared to some of the other folks. You know, he's, he's, he's in his early fifties. He's still incredibly energetic, but he's not like a, quote unquote kid with a t shirt, right? And you see some of that in Silicon Valley, and many of them are very brilliant. But the Steve Jobs in the 1970s was a very different leader to the Steve Jobs that we saw in the nineties and the two thousands who made Apple ultimately the most valuable company in the world. So finding someone that's both competent and that has character and that seasoned is something that I personally look for.

### One of the things in my business we hear about a lot is hiring GCs

Michael Sachs: And then one of the things in my business we hear about a lot is people talk about, hiring a GC who's going to fit in well with an executive team, and that's why we hired them. So, you hear that a lot. You kind of wonder, what does that mean, fit in? What is that like? You've had a number of general counsel roles. Like, what is that what's important when, you know, maybe you're interviewing another member of the executive team, the new. What do you look for in that kind of regard?

Michael Sachs: Well, an executive team is probably similar to a sports team. if you're going to build a championship team, you need all of the right players in the right positions to have the skillset. Right. So the quarterback's going to be built very differently than, you know, then the tackle. Right. And the different role and the wide receiver versus the kicker and everything else. And so when you have a chief technology officer, when you have a chief financial officer,

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Michael Sachs: they're going to have very different backgrounds than those of us listening to this podcast that are, that have legal backgrounds. So you got to know, like, these people know their stuff, but at the same time, you've got to have a common vision with them. You've got to be able to communicate with them, and ultimately, you've got to be able to trust them. and so collegiality is really important, and trying to seek to understand, what they do and why they do it is really important because all of them are your client as the GC. You've got the board, you've got the CEO, and then you've got the rest of the members, the executive team and all the lawyers that report to me. Those are our clients. And so really getting a respect for what they do and their perspective and how they use legal services is absolutely critical.

Michael Sachs: Yeah.

### What are you most proud of from your career? Career. What are the things you look back on

So, Heath, we've talked about your career and all the various things, you've done and almost feel like you're like a recent Forrest Gump in terms of being in all these amazing situations and all that. And hopefully you take that as a compliment, because that's the way it was intended. but, what are you most proud of from your career? What are the things you look back on that you've accomplished in your career? Career. What, what do you look back on?

Michael Sachs: You know, the thing I'm most, proud of probably has nothing to do with law. but really it has to do with leadership. And I would say that good leaders are individuals who are able to sort of set a direction for a company and move people in that direction. And I've tried, I'm still learning, I'm still on a path, there's no question about it. so I've tried to do that, but I'd also say that great leaders are people that make other leaders, that create other leaders. And so when you ask, what am I most proud of? I'm most proud of when my team members go on and they take up the helm. So, for example, at the treasury department, I had four political, direct reports. I had two career direct reports, and they went on to do very well. But of the four deputy assistant secretaries, three of them were nominated and confirmed by the president to become assistant secretaries. One of them became a special assistant to, the president at the White House, at the CFTC. My executive team members there went on to do great things, including the newest general counsel for the New York Stock Exchange. She was my, chief operating officer developing these leaders, and she hadn't had a real leadership position before that, but I saw in her, the potential for greatness. And now she is a leader in the private sector and here in my in house roles. my goal is to make whatever company I'm at the destination for the industry, for future gcs, future deputy gcs, future chief compliance officers, et cetera. So that really is what I'm most proud of. I'm most proud of when my team members go on and they step up and they become leaders.

Michael Sachs: Well, you've been kind enough to have a couple people, speak, ah, to me, that have worked for you, and they've always said incredibly gracious and kind things about having worked with you and about what a positive, incredible experience that was. So, I'm sure that surprised me. That would be something you would focus on, for sure.

### You mentioned becoming an Eagle Scout when you were younger

one thing you and I have gotten to know, obviously, is, ah, we are on, cub Scouts and then Boy Scouts. One of the very first conversations I think I had with you, maybe not the first one, but you mentioned how becoming an Eagle Scout when you were younger was. I don't remember how you phrase it, but you said it's something that you're the. I don't remember how you phrase it, but I could sense that you were incredibly proud of having achieved that. And I know you're not the first person who I've heard that from. I think Reichs Tillerson might have said something similar back when he was in the news a lot. So I think I asked you at the time, and I am curious, like, why you feel that way, what that experience was like. And you can tell from, our camp out, seath, I am not a, I am not a boy Scout person. I'm learning and things like that. So I'd love for you to tell me a little bit about that. By the way, I heard you gave a great speech at the, boy scout on Sunday. Unfortunately, I missed it. And I heard you transformed, into a suit for the event, which was very impressive.

Michael Sachs: Well, it's been a pleasure to come back into scouts as an adult leader, and to sleep on the ground in the middle of Illinois again in a rainstorm with you, a couple of weeks ago. so that definitely has hardened me. Maybe I've become a little soft in these roles as a GC and chief legal officer, but boy scouts definitely put you down to size when we're eating half, cooked brats and sleeping in the rain. but, yes, interestingly enough, I will say that being an eagle scout is the. Is the professional achievement I'm most proud of, because, in many ways, it was the first, but it also shaped me. and I'm a big believer in scouts. I, really think that at a young age, you know, scouts is a tremendous program. And again, this was one where I was, you know, I didn't pick scouts. Scouts picked

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Michael Sachs: me. I was. I was terrible at every single sport I ever tried. I, have virtually zero athletic bone in my body. I was a budgie kid. I needed to find something that got me off the couch and into a physical environment with team, and that was scouts. That was scouts. And so, through scouts, I mean, the very first, the motto of scouts is be prepared. Right? And quite frankly, that should be a motto for everybody listening who is a lawyer, an in house lawyer, a general counsel, a chief legal officer, or a chief executive, right? Be prepared. And you learn that at a young age, you go on camping trips, it rains, you complain, but then you toughen up. you learn how to get your tent up quickly, your dining fly, you learn how to pack the right clothes and plenty of them. boy scouts teaches you that there are storms in life and you've got to prepare for them. And then things like the scout law, I can still recite it after all these years. Trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent. And you think to yourself, well, you know what? If everybody in the business world and in wall street and in Washington actually had those things, we may not be in the predicament that we're in today. I'm thinking about Eisenhower. Eisenhower did have those. You mentioned him earlier. But I'm, you know, you can debate whether or not, many of the people today have those attributes. So I really think, scouts teaches you, like, what matters, what you should aspire to be and what we all fail. Nobody's perfect. But I think at a young age, having that as a north Star is tremendous. And so now the scouts have both, you know, boys and girls, and, I think, you know, it's terrific that, that girls can now become Eagle scouts. I think, though, there's a question, what's going to happen to Girl scouts? but ultimately, instilling all young people with the same values that boy scouts have had over the era, I think will continue to make better leaders for the future.

Michael Sachs: As a father of somebody who's both a boy scout right now and a girl scout, they both love the experience, and it's been tremendous for them already. So I'm going through the scouting experience for the first time through my kids, and so everything you're saying registers. And I do think we could do with more eagle scouts in our government. And to your point, I think we'd be in a better situation for sure. I know you've been very generous with your time.

### Are there any other career aspirations you have beyond practicing law

Just one last question. I guess. I mean, you've done all these things we talked about. Are there any other career, aspirations? it doesn't have to just be practicing law, but anything else you're maybe looking to achieve as you, hit this 50, yard line, so to speak, for your career. Anything else you're looking, to get to?

Michael Sachs: Well, I look at myself and I say, look, you're very much still a worker in progress. and Benjamin Franklin once, said that the doorstep to the temple of wisdom is knowledge of our own ignorance. So there's a ton more I need to learn. I want to continue to develop and be a better leader, and so any opportunities that I have that enable me to do that, I think I would pursue. I'm very passionate about circle and what it hopes to achieve. So, I have no doubt I'll be there for some time. But after that, I think, again, I seek out positions that can make me better and where I can develop leaders. So whether that's in government, whether that's in other companies, on boards, as well as in education, I really think that's critically important, educating the next generation of law students, so they can be leaders. so we'll see what happens. but no, it's been truly an honor, and again, grateful for you taking the time, because I know how many people you've helped, in their careers, and I know that I have always found great guidance when I've come to you. So, it's particularly an honor for me to be here with you today.

Michael Sachs: I appreciate that. two last things I'll say. We've quoted, Dwight Eisenhower, Benjamin Franklin, and Abraham Lincoln in this podcast. We are, hitting almost. I'm trying to think of it. We need a teddy Roosevelt quote. although I think I've used all those since my dog's name is Teddy Roosevelt.

Michael Sachs: and secondary arena, we can leave with the note that regardless of who you are listening to this podcast, don't be afraid to climb in the arena. At some point, you're going to need to.

Michael Sachs: You've definitely been in the arena. I think that's a sure thing. And I was going to say, if you're looking for something else, I hear our local school board might have some elections in a couple of years. So if you're interested in running and carry on the tarbert, tradition, I hear there's an election coming up soon.

Michael Sachs: I think our wives, your wife and mine, have done a far better job than I. Than I would. but it's fine, elementary school students. I probably have a lot less to offer.

Michael Sachs: Well, Heath, I really appreciate the time today. Thank you so much for being on the podcast, and always great to speak to you.

Michael Sachs: Really an honor. Thank you so much. And thank you to the audience for listening.

Michael Sachs: Well, that will do it for this episode. We would love to get your feedback on these podcasts. Feel free to email me at the msaxlaglobal.com and tell me what you liked and what you didn't like and any suggestions for future topics of episodes. So long, everyone. Thanks for listening.

Michael Sachs: Thank you for listening

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Michael Sachs: to in house uncovered. Join us next time as we dig into another topic that will better help you navigate your in house legal career.

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