



SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

March 15, 1976

The Honorable Gerald R. Ford
President of the United States
The White House
Washington, D.C.

Dear Mr. President:

With considerable regret I hereby tender my resignation as a member of the Securities and Exchange Commission effective April 2, 1976.

I speak of doing this with "regret" because I have enjoyed my service on the Commission, and I shall miss the challenges which it has afforded me and the opportunity I have had to participate in an important work of the government. Nonetheless, substantial personal considerations require that I leave the federal government at this time and return to the private practice of law.

In leaving, however, I would like to remark on several things. First of all, I would like to commend you for the wisdom which you displayed in appointing Rod Hills as Chairman of the Commission. Rod has confronted the problems of the Commission, and the problems which the Commission itself confronts, with energy, skill, patience (but not, happily, too much) and high intelligence. I have been proud to serve with him during the four months since his appointment and one of my keen regrets is that by leaving now I will be denied the opportunity of further close association with him.

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Second, I wish again, as I did in September in speaking to the North American Securities Administrators at their annual meeting, to state my warm support for efforts to reduce the burden of federal regulation, an objective that Rod Hills is pursuing vigorously at the Commission. As I remarked at the conference you had at The White House with the members of the independent regulatory agencies, I think agency members must be impatient - with those who appear before them, with their staffs, with themselves, lest matters rock along much too slowly for the swiftly moving economy we have in this Country. I am pleased that after I leave the Commission I will continue to be involved in the effort to review and modernize a major portion of the Commission's activities as Chairman of the Commission's Advisory Committee on Corporate Disclosure, a distinguished group which is directing a thoroughgoing review of the Commission's disclosure policies with an eye to determining the extent to which they are relevant in view of corporate and market developments since the enactment of the basic securities laws in the early '30's.

Third, I would comment upon the outstanding, indeed, extraordinary, competence and dedication of the Commission staff and the members of the Commission with whom I have worked these two and one-half years. They serve with unusual distinction and dedication, are moved by no concern other than the public interest, and indeed, are one of the truly great resources of this Nation. I am grateful to have been among them and my proudest boast will always be that I once served with them.

Finally, while I can appreciate the desirability of economy, if not frugality, in the conduct of governments, I would urge that careful consideration be given in the future to the economic aspects of government service, particularly with respect to those who would, given appropriate economic opportunity, make federal service a career. At many levels of service, particularly the top levels, highly motivated, experienced and skilled professionals, executives and administrators are paid at

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considerably lower levels than their comparables in private industry. I have watched with considerable sadness departures from the Commission staff of people who had the ability to serve further and serve well but were constrained by economic forces to seek employment outside the government. When they leave, the government is doubly disadvantaged: first, it loses very competent people, and, second, it provides gratis to the private sector people who have acquired considerable skill and experience in the federal service that will thereafter be used to promote private, rather than public, interests.

In closing, I would reiterate the pleasure that I have gained from serving in the government and would wish you an abundance of blessings.

Yours very truly,



A. A. Sommer, Jr.
Commissioner