

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

December 31, 1980

The Honorable Ronald R. Reagan
President-elect of the United States
Office of the President-elect
1726 M Street, N.W.
Washington, D.C. 20270

Dear President-elect Reagan:

The conflicting press reports and other speculation regarding my future intentions and desires as Chairman and as Commissioner of the Securities and Exchange Commission require clarification.

When I accepted President Carter's invitation to serve as Chairman of the Commission, I committed myself to serve a full term as Chairman - - until June 5, 1982. My leadership of the Commission has been premised on the assumption that I would serve the full term, and I am fully prepared to honor the balance of my commitment if that is your desire. It was a commitment I did not undertake lightly when I made it to the President of the United States. I did so intending to fulfill it to the best of my ability.

At the same time, I recognize that the Chairman of the Securities and Exchange Commission serves in that capacity at the pleasure of the President. The position of Chairman of the Commission is, in my view, an important one - particularly since the Commission is independent, in law and in fact. For that reason, I fully expect that you will wish to make your own selection for this important position.

In order then for you to have a vacancy on the Commission to nominate a Commissioner of your choice who you could designate as Chairman, to assure an orderly transition of leadership, and to enable me to make my own plans with some certainty, I intend to resign effective March 1, 1981. The period of time following the inauguration should be adequate for the nomination and confirmation process and an orderly transition.

It has been my great privilege and pleasure to serve as Chairman of the Securities and Exchange Commission, lead an outstanding agency and be of service to my Country.

Respectfully yours,

Harold M. Williams
Chairman

HMW:llt