

NEWS

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

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COMMISSIONER KARMEL RESIGNS

Commissioner Roberta S. Karmel has resigned from the Commission, effective February 1, it was announced today.

Mrs. Karmel, in a letter to President Carter dated January 21, said her resignation was prompted by the difficulty of fulfilling her obligations to her family, who reside in suburban New York City, while serving on the Commission. Although her term would ordinarily expire June 5, 1981, Mrs. Karmel noted that at the time of her appointment she had only committed herself to serve for two years.

"Despite the importance which I place on the work I have been doing at the Commission, and my desire to continue to effect the Commission's policies which persuaded me to remain in office beyond my two year commitment, I can no longer make the sacrifice of being away from my family so much of the time," she said in her letter of resignation. Mrs. Karmel's husband and four children lived in Washington for most of the two years following her appointment in September 1977, but moved back to the New York City area in September 1979.

Chairman Harold M. Williams expressed his "deep appreciation" for Mrs. Karmel's service on the Commission.

"As a colleague, " he said, "I will miss her. As a friend, I can fully appreciate her desire to be closer to her family."

"Roberta has brought a special dimension to our work. She came to Washington with a unique perspective on the Commission and with strongly held views for which she has been a vigorous advocate," Mr. Williams said. "Her positions on the scope and operation of the federal securities laws have stimulated much reflection and debate. The field in which the Commission operates is such a dynamic and changing one that the process of ongoing reappraisal of our responsibilities and how we discharge them, to which she has contributed, is essential and will continue."

Mrs. Karmel, 42, is the first woman to serve as a Member of the Commission. Prior to her appointment, she was a partner in the New York City law firm of Rogers & Wells, to which she will now return.

A native of Chicago, Mrs. Karmel received a B.A. degree from Radcliffe College in 1959 and an LL.B. from New York University School of Law in 1962. She served on the staff of the Commission's New York Regional Office from 1962 to 1969, rising to the position of Assistant Regional Administrator before leaving to enter private practice.

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OFFICE OF
THE COMMISSIONER

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

January 21, 1980

The Honorable Jimmy Carter
The President of the United States
Washington, D.C. 20500

Dear Mr. President:

With deep appreciation for the honor and privilege of serving as your appointee as Commissioner of the Securities and Exchange Commission, I submit my resignation from office, effective February 1, 1980.

When I accepted this position I explained that although my personal preference was to serve an entire term as SEC Commissioner, my intent to do so was contingent upon being able to make satisfactory arrangements for my family to live with me in Washington. Further, the probability of my being able to remain in office beyond September 1979 was unlikely. In fact, my husband and four children returned to our home in New York in September 1979 and I have been commuting to Washington since then. Despite the importance which I place on the work I have been doing at the Commission, and my desire to continue to effect the Commission's policies which persuaded me to remain in office beyond my two year commitment, I can no longer make the sacrifice of being away from my family so much of the time.

The public interest in the regulation of business by government is not always readily apparent. In my opinion, the relationship between government and business needs to become more cooperative and less adversarial in order to persuade a skeptical public that regulation is promoting the general welfare, and not merely the interests of the regulators and the regulated.

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I have found the SEC staff intelligent, hard working and dedicated. The staff is a resource which has given the Commission a reputation for excellence, and which should be utilized to promote the capital formation needed to improve business productivity. Like many government workers who sincerely wish to serve the public interest, they respond to good leadership. However, the nature of a permanent Washington bureaucracy and the complexity of the problems confronting the country make it difficult even for good leadership to effectively change the direction of government or control its day to day functions. Because the SEC is an independent agency of five Commissioners, the policies of your administration must be advanced primarily through the appointment process.

As one of your appointees, I have tried to bring a fresh perspective to the problems the SEC is addressing. I have taken issue, in public meetings, speeches and written dissents, with past and present Commission actions with which I disagree, notably in the agency's exercise of its investigatory and prosecutorial functions. I have worked to review, liberalize and articulate standards with respect to the promulgation and enforcement of the Commission's regulations. Although much remains to be done, I am proud to have been a Commissioner when a fresh start was at least considered in many key programs, notably disclosure policy. I hope that in my work I have forwarded the cause of regulatory reform which you and others in your administration have frequently espoused.

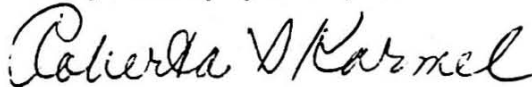
On February 1, I will rejoin Rogers & Wells, the law firm in which I previously was a partner. As a Commissioner, I have recused myself from enforcement and certain other matters where Rogers & Wells represented any party. This should minimize the conflict of interest problems about which you have been concerned, and relieve the burdens involved in my compliance with the commitments I made to you when I was appointed and the Ethics in Government Act.

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I have never believed that government officials had a monopoly on the public interest. As an attorney engaged in the private practice of law, advising clients, and expressing my views as a citizen, I believe I will continue to serve the public welfare.

My years as a Commissioner have been challenging and satisfying. I hope I have contributed as much to the government as I have benefited from my government service.

Very truly yours,

A handwritten signature in cursive script, reading "Roberta S. Karmel". The signature is written in dark ink and is positioned above the printed name.

Roberta S. Karmel
Commissioner