

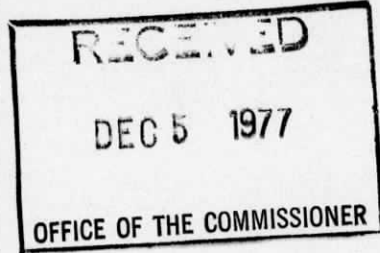


# AMERICAN BAR ASSOCIATION

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November 28, 1977

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Honorable Harold M. Williams  
Chairman  
Securities and Exchange Commission  
500 North Capitol Street, N.W.  
Washington, D.C. 20549

Dear Harold:

I want to express my appreciation to you and to your fellow Commissioners for your willingness to meet with the Federal Regulation of Securities Committee on November 17, and for your courtesies during the meeting. We appreciated the opportunity of exchanging views with the Commission and we feel that meetings of this kind are extremely valuable and important and I hope that you feel that the exercise was worthwhile.

In a very real sense the practicing securities bar is the first line of securities regulation and enforcement and I hope that you agree with us in feeling that, generally speaking, the practicing bar does a good job. There are bound to be areas of failure and oversights but that is to be expected in a diverse society and I hope I am not incorrect in expressing the view that the private practicing bar does have a deep concern in effective securities regulation. That has been an important aspect of the mission of the Federal Regulation of Securities Committee and it will continue to be one of our concerns.

Some of our members were concerned that the Commission feels that the practicing bar maintains an adversarial role to the Commission. I believe that would be an over-simplification. As earlier mentioned, the bulk

Honorable Harold M. Williams

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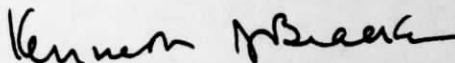
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of our effort is spent in advising clients with respect to compliance with the law. As a bar association group we feel that our criticism has been constructive and helpful, though not always in agreement with either the philosophy or purpose as may be expressed by the Commission or its staff. At times our role is adversarial but we believe that is necessary and in the highest tradition of a free society and, as such, is in active furtherance of the public good. To do less would be wrong.

These comments should not be taken as minimizing the respect, esteem and affection which we have for the Commission and its staff. We know of no finer agency or complement of dedicated and talented persons. Almost without exception the SEC Staff are individuals who could command higher salaries and less pressure in private life, and whose service on the Staff represents a real personal sacrifice in the public service.

Again, we appreciate your kindnesses. All the best.

Sincerely,

  
Kenneth J. Bialkin

KJB:MCK

cc-Honorable John R. Evans  
" Roberta S. Karmel ✓  
" Philip A. Loomis, Jr.  
" Irving M. Pollack