

**Congress of the United States**  
Washington, DC 20515

March 30, 2009

President Barack Obama  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear Mr. President:

We write today to reiterate our commitment to work together on a bicameral basis with your Administration to enact legislation by the end of the year to create a new, more robust regulatory framework to enhance financial stability and protect investors and consumers in the 21<sup>st</sup> Century.

Our country is in the midst of the most severe economic crisis in generations. This crisis has exposed serious weaknesses and gaps in the supervision and regulation of the financial sector and has shaken public confidence in the financial system. We recognize the need to act expeditiously, carefully and deliberately to craft comprehensive reform premised on the lessons learned from this crisis and designed to provide a framework for more effective supervision and regulation going forward.

We agree on the core principles for modernizing the financial regulatory system that you and Secretary Geithner have articulated, including providing for systemic risk regulation, strengthening consumer and investor protection, streamlining prudential supervision, and addressing gaps in regulation. We also recognize that the mobility of capital means that, while the ultimate decision as to what rules to adopt is a sovereign decision of each individual nation, success in this effort requires us to consult closely with other major financial centers with the goal of achieving appropriate coordination and minimizing any opportunities for regulatory arbitrage.

In addition, we agree that we must redouble our efforts to promote openness, transparency and plain language throughout our financial system. Such openness and transparency will benefit consumers, investors, the markets, and the entire financial sector.

We also support comprehensive reform of the corporate governance and executive compensation of financial institutions. We will continue to work together with your Administration to ensure a new corporate governance framework which demands strict accountability of executives and promotes long-term value and growth for shareholders, companies, workers and the economy at large.

We look forward to working together on this historic undertaking to craft legislation that creates a new financial regulatory framework for the 21<sup>st</sup> Century.

Sincerely,

Handwritten signature of Christopher J. Dodd in blue ink.

CHRISTOPHER J. DODD  
Chairman  
Senate Committee on Banking,  
Housing, and Urban Affairs

Handwritten signature of Barney Frank in blue ink.

BARNEY FRANK  
Chairman  
House Committee on  
Financial Services