SEC Releases Additional Guidance on CEO Pay Ratio Disclosure

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The SEC recently published Compliance and Disclosure Interpretations ("***C&DIs***") relating to the CEO pay ratio disclosure rule. This disclosure rule under Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act requires a public company to disclose the ratio between its CEO's annual compensation and the median annual compensation of all other employees. The new C&DIs include guidance on the selection of an appropriate alternative compensation measure and clarify that if an alternative compensation measure is utilized to determine the median employee, the time period utilized does not have to be a full annual period. Moreover, the time period utilized does not have to include the date on which the employee population was determined. View our prior post on the SEC's adoption of the CEO pay ratio disclosure rule?Ã¡**here**. View the full text of the C&DIs **here**.

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