

Target Adoption Date for Some Dodd-Frank Rules Pushed to 2012

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The Securities and Exchange Commission (SEC) recently revised its schedule for adopting rules under certain executive compensation provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Specifically, the target time frame to adopt rules regarding disclosure of pay-for-performance, CEO pay ratios, hedging by employees and directors, and incentive compensation clawbacks has been moved to the first half of 2012. The delay means that these rules may not be in place for the 2012 proxy season. Although also delayed, still targeted for adoption in late 2011 is guidance regarding disclosure by institutional investment managers of their votes on say-on-pay and say-on-frequency proposals, compensation committee independence, compensation adviser independence, and disclosure of compensation consultant conflicts.