

SEC Deadline Pushed Back: CEO Pay Ratio, Hedging Disclosure, and Compensation Clawback

The SEC recently updated its [regulatory agenda](#), impacting select compensation-related rulemaking that resulted from the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”). As part of the update, the deadline to issue final CEO Pay Ratio rules, final Hedging Disclosure rules, and proposed Compensation Clawback rules was pushed back to April 2016 (from October 2015).

- Implication (**Pay Ratio**): if final rules are adopted in April 2016, companies with a December 31 fiscal year end are not expected to be required to comply with pay ratio rules/disclosure until publication of 2018 proxy statements
- Implication (**Hedging Disclosure**): if final rules are adopted in April 2016, companies with a December 31 fiscal year end are not expected to be required to comply with disclosure rules until publication of 2017 proxy statements. However, if the rule is released early, by the end of 2015, disclosure requirements could still be effective for 2016 proxy statements
- Implication (**Compensation Clawback**): No information regarding effective date(s) is currently available

These timeline changes reflect a new deadline, not the date rulemaking will be published, proposed or adopted.

We will provide additional updates as this issue continues to evolve.