

# SEC Proposes Say-on-Pay Rules for Companies and Proxy Vote Reporting Rules for Investment Managers

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On October 18, 2010, the SEC proposed rules to implement the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act that require U.S. public companies to conduct separate shareholder advisory votes on (i) executive pay, (ii) frequency of the executive pay vote and (iii) executive payments in connection with M&A transactions that are presented for shareholder approval. In a companion release issued the same day, the SEC proposed rules implementing the Dodd-Frank Act provision requiring institutional investment managers to report how they voted on executive pay, the frequency of executive pay and golden parachutes. The executive pay and frequency of executive pay votes will be in effect for the 2011 proxy season. Subject to the SEC's final rules becoming effective, the say-on-golden parachute requirements will be in effect for meetings taking place on or after January 21, 2011. The first reporting by institutional investment managers is anticipated to occur by August 31, 2011.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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[101910\\_SayonPay.pdf](#)