

SEC Adopts Final Say-on-Pay and Golden Parachute Rules

January 27, 2011 | Client Update

On January 25, 2011, in a 3-2 vote, the SEC adopted final rules implementing the provisions of the Dodd-Frank Act that require U.S. public companies to conduct separate shareholder advisory votes on (i) executive pay (say-on-pay), (ii) frequency of the executive pay vote and (iii) executive compensation in connection with M&A transactions that is presented for shareholder approval (say-on-golden parachutes). While the final rules substantially reflect the proposed rules, there are a several changes that are worth noting. The say-on-pay and frequency vote rules will become effective 60 days after publication in the Federal Register, while say-on-golden parachute disclosure and voting requirements will become effective for filings after April 25, 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.

Beverly Fanger Chase

+1 212 450 4383
beverly.chase@davispolk.com

Ning Chiu

+1 212 450 4908
ning.chiu@davispolk.com

Edmond T. FitzGerald

+1 212 450 4644
edmond.fitzgerald@davispolk.com

Kyoko Takahashi Lin

+1 212 450 4706
kyoko.lin@davispolk.com

Barbara Nims

+1 212 450 4591

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.

Related materials

[012711_sayonpay.pdf](#)