

Disney Strikes Back on ISS Say-on-Pay Recommendation

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While ISS voting recommendation reports for companies are not “public”, sometimes additional soliciting materials filed by a company are informative. On March 2nd, Disney filed its first communication indicating that the ISS recommendation to vote against its say-on-pay proposal is based on the disclosure of excise tax gross-ups that was granted in January 2010, and the compensation committee has since then adopted a policy that prohibits excise tax gross-ups in any future agreements (including any material amendments). It’s tough to battle ISS recommendations, as on March 18th, Disney filed another communication indicating that the company has amended four employment agreements to remove excise tax gross-ups entirely.

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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