

Compensation Provisions in the American Recovery and Reinvestment Act of 2009

February 17, 2009 | Client Update

Today, the President is expected to sign into law the American Recovery and Reinvestment Act of 2009, commonly referred to as the stimulus bill. This new legislation contains provisions relating to compensation paid by institutions that receive government assistance under TARP, including institutions that have already received such assistance. These provisions include restrictions on the amounts and forms of compensation payable, provision for possible reimbursement of previously paid compensation and a requirement that compensation be submitted to non-binding "say on pay" shareholder votes.

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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