

Publications

SEC Adopts Final CEO Pay Ratio Disclosure Rule

ATTORNEYS & PROFESSIONALS

William Fogleman

wfogleman@groom.com

202-861-6619

Jeffrey W. Kroh

jkroh@groom.com

202-861-5428

Louis T. Mazawey

lmazawey@groom.com

202-861-6608

Allison Ullman

aullman@groom.com

202-861-6336

Brigen Winters

bwinters@groom.com

202-861-6618

Jeff Witt

jwitt@groom.com

202-861-6651

PUBLISHED

08/11/2015

SERVICES

Employers & Sponsors

Executive Compensation
Programs

On August 5, 2015, the Securities and Exchange Commission (SEC) adopted the final rule implementing Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), which requires public companies to disclose the median pay of their employees and the ratio of such amount to the pay of the CEO. Like the 2013 proposed rule, the final rule was adopted by a 3-2 vote, divided along party lines.

We previously discussed the proposed pay ratio disclosure rule in our September 24, 2013 client update, available at [this link](#). While closely resembling the proposed rule in most respects, the final rule includes some important changes intended to reduce the administrative burden for companies. The important changes from the proposed rule, and continuing aspects of the rule, are provided in the attached memo.

RELATED MATERIALS:

[SEC Adopts Final CEO Pay Ratio Disclosure Rule](#)