

Publications

# SEC Proposes Increased Proxy Disclosures on Benefits

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**SERVICES**

On January 27, the Securities and Exchange Commission (the SEC) released new rules proposing extensive changes to the rules that govern public company disclosures of executive and director compensation.<sup>1</sup> The SEC intends the new rules to improve the clarity and completeness of these disclosures.

One of the major changes is a requirement that a single figure for total compensation be provided for covered executives each year. This annual figure would include the value of option and other equity grants made and retirement benefits earned during a year. In addition, the rules would require dramatic changes to the disclosures on both retirement benefits and equity grants.

We highlight some of the key changes in the proposed rules in this memo.

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