

AMENDMENT TO H.R. 3269

OFFERED BY MR. FRANK

Page 2, line 9 insert “, the solicitation of which is subject to the rules of the Commission pursuant to subsection (a),” after “authorization”.

Page 2, line 10, strike “(or a special meeting in lieu of the annual meeting)” and insert “to elect directors (or a special meeting in lieu of such meeting) where proxies are solicited in respect of any security registered under section 12”.

Page 2, line 16, insert “for named executive officers” after “disclosure rules”.

Page 2, line 19, insert “, to the extent required by such rules” after “materials”.

Page 2, line 20, strike “corporation” and insert “issuer”.

Page 3, line 6, insert “, the solicitation of which is subject to the rules of the Commission pursuant to subsection (a),” after “solicitation material”.

Page 3, beginning on line 6, strike “for an annual meeting of the shareholders (or a special meeting in lieu

of the annual meeting)” and insert “for a meeting of the shareholders”.

Page 3, line 11, strike “that concerns” and insert “at which shareholders are asked to approve”.

Page 3, line 16, strike “tabular”.

Page 3, beginning on line 19, strike “principle” and insert “named”.

Page 4, beginning on line 2, strike “that have not” and all that follows through “under paragraph (1),”.

Page 4, line 14, insert “, unless such agreements or understandings have been subject to a shareholder vote under paragraph (1)”.

Page 4, line 16, strike “corporation” and insert “issuer”.

Page 4, line 19, strike “such board” and insert “any such person or issuer”.

Page 4, line 20, strike “such board” and all that follows through line 24 and insert “any such person or issuer”.

Page 5, beginning on line 4, strike “rules and regulations” and insert “final rules”.

Page 5, after line 5 insert the following:

1 “(4) EXEMPTION AUTHORITY.—The Commis-
2 sion may exempt certain categories of issuers from
3 the requirements of this subsection, where appro-
4 priate in view of the purpose of this subsection. In
5 determining appropriate exemptions, the Commis-
6 sion shall take into account, among other consider-
7 ations, the potential impact on smaller reporting
8 issuers.”.

Page 5, line 15, strike “270 days” and insert “9 months”.

Page 5, line 20, strike “security” and insert “class of equity security”.

Page 6, beginning on line 16, strike “a member of the board of directors of the issuer and shall otherwise be”.

Page 6, line 23, strike “committee—” and all that follows through page 7, line 2 and insert “committee accept any consulting, advisory, or other compensatory fee from the issuer.”.

Page 7, beginning on line 3, move subparagraph (C) 2 ems to the left and redesignate such subparagraph as paragraph (3) (and redesignate the succeeding paragraph accordingly).

Page 7, line 21, strike “, legal counsel,”.

Page 7, line 22, insert “similar” after “other”.

Page 9, beginning on line 2, strike “Commission—” and all that follows through line 16, and insert “whether the compensation committee of the issuer retained and obtained the advice of a compensation consultant meeting the standards for independence promulgated pursuant to subsection (c).”.

Page 9, after line 16, insert the following:

1 “(3) REGULATIONS.—In promulgating regula-
2 tions under this subsection or any other provision of
3 law with respect to compensation consultants, the
4 Commission shall ensure that such regulations are
5 competitively neutral among categories of consult-
6 ants and preserve the ability of compensation com-
7 mittees to retain the services of members of any
8 such category.”.

Page 11, line 2, strike “date of enactment of this Act” and insert “rules required by the amendment made by this section take effect”.

Page 11, beginning on line 9, strike “Not later than 270 days” and insert the following:

9 (1) IN GENERAL.—Not later than 9 months

Page 11, beginning on line 14, strike “the incentive-based compensation” and all that follows through “institution” and insert “all incentive-based compensation arrangements offered by such covered financial institutions”.

In section 4(a), redesignate paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively.

Page 11, beginning on line 22, strike “for officers and” and insert “offered by such institutions for”.

Page 12, after line 2, insert the following:

1 (2) RULES OF CONSTRUCTION.—Nothing in
2 this subsection shall be construed as requiring the
3 reporting of the actual compensation of particular
4 individuals. Nothing in this subsection shall be con-
5 strued to require a covered financial institution that
6 does not have an incentive-based payment arrange-
7 ment to make the disclosures required under this
8 subsection.

Page 12, line 4, strike “270 days” and insert “9 months”.

Page 12, line 8, strike “compensation structure or”.

Page 12, line 10, strike “compensation structure or”.

Page 12, beginning on line 11, strike “financial institutions or officer and employees of”.

