

Legal News Alert: Financial Reform Act

August 3, 2010

One month after federal regulatory banking authorities released their Guidance on Incentive Compensation (the "Guidance"), President Obama signed into law The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Act").

Included among the provisions of this massive legislation are several provisions that will impact the executive compensation and corporate governance and securities law disclosure requirements of all public companies. In addition to incorporating the Guidance, public companies have additional regulations to digest and implement.

Some of the provisions of the Act are effective immediately; others will require rulemaking by the SEC and/or federal banking regulatory authorities. Many of the new requirements will impact the 2011 annual reporting season. Summarized here are the executive compensation, corporate governance and securities disclosure provisions of the Act.