



CLIENT ALERT
Navigating Compensation
Governance in Uncertain Times

SEC Approves NYSE and Nasdaq Amendments to Listing Standards Requiring Listed Companies to Implement Mandatory Clawback Policy

The wait is over! On June 9, 2023, the Securities and Exchange Commission approved the New York Stock Exchange and Nasdaq proposed amendments to their respective listing standards (inclusive of recently filed amendments), which require listed companies to adopt and implement a mandatory compensation clawback policy.

The SEC's approval comes nearly 13 years after the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which directed the SEC to write rules on the mandatory clawback requirement.

The SEC-approved listing standards are effective October 2, 2023. As a result, NYSE- and Nasdaq-listed companies must adopt and implement a Dodd-Frank compliant mandatory clawback policy no later than December 1, 2023. The policy must apply to incentive-based compensation "received" by executive officers on, or after, October 2, 2023.

Listed companies will be required to attach a copy of their mandatory clawback policy as an exhibit to their annual report on Form 10-K (or Form 20-F or 40-F, in the case of foreign private issuers) filed on, or after, October 2, 2023. For calendar year companies, the initial disclosure requirement will apply to Form 10-Ks filed in early 2024.

For further information on the mandatory clawback requirements, please see the following Meridian Client Updates:

- [TNU-2022-16-SEC Adopts Final Rule on Mandatory Clawback](#)
- [TNU-2023-5-NYSE and Nasdaq Propose Listing Rule on Mandatory Clawback](#)
- [TNU-2023-13-NYSE/Nasdaq Propose Delaying Effective Date for Implementation of Mandatory Clawback Policy](#)

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