

Americans for Financial Reform

NPR on Incentive-Based Compensation Arrangements (Dodd-Frank Act Section 956)

(Docket No. R-1536)

On June 20, 2016, the following representatives from the organizations noted met with staff from the agencies that issued the NPR: Marcus Stanley from Americans for Financial Reform; Vineeta Anand from the AFL-CIO; Bartlett Naylor, Andrew Richard, David King, and Jaimon Olmsted from Public Citizen; and Sarah Anderson for the Institute for Policy Studies. The following agency representatives were present at the meeting: Debra Peery, Patrick Tierney, Melissa Lisenbee, Alison MacDonald, David Cohen, and Michael Comizio from the Office of the Comptroller of the Currency; Rae-Ann Miller, Nefretete Smith, and Rosalind Bennett from the Federal Deposit Insurance Corporation; Mary Pat Fox and Lindsay Simmons from the Federal Housing Finance Agency; Alpa Patel, Sirimal Mukerjee, and Kevin Schopp from the Securities and Exchange Commission, and Elizabeth Wirick from the National Credit Union Administration. Attendees from the Federal Reserve Board were Michael Solomon, Teresa Scott, Meg Donovan, and Joe Maldonado from the Division of Banking Supervision and Regulation, and Michael Waldron from the Legal Division.

The representatives felt that while the NPR is an improvement over the 2011 proposal, it contains a number of flaws that can be corrected. The representatives indicated that they would submit a written comment or comments outlining their concerns, which primarily focused on the length of required minimum deferral periods, the downward adjustment and clawback provisions, the prohibition on hedging, the prohibition on acceleration of vesting of deferred amounts, the composition of compensation under the proposed rule, and the SEC's economic analysis.