

MORROW & CO., LLC

Proxy Update

September 21, 2010

SEC Posts Schedule for Implementation of Dodd-Frank

The SEC has posted on its website a tentative schedule for implementation of the Dodd-Frank Act. The link to the schedule is <http://www.sec.gov/spotlight/dodd-frank/dfactivity-upcoming.shtml>. The schedule makes it clear that most of the rulemaking regarding executive compensation will not be in place until after the 2011 proxy season. Time frames for the key elements of Corporate Governance and Disclosure are:

- **Say on Pay / Golden Parachutes:** The SEC plans to propose rules in October to December of 2010, and adopt rules in January to March 2011.
- **Compensation Committee Independence and Compensation Adviser Independence:** The SEC plans to propose exchange listing standards in October to December of 2010, and adopt rules in April to July 2011.
- **Disclosure of Pay-for-Performance, Pay Ratios, Hedging by Employees and Directors:** The SEC plans to propose rules in April to July 2011.
- **Claw Backs - Recovery of Executive Compensation:** The SEC plans to propose rules in April to July 2011.
- **Definition of "Other Significant Matters" Regarding Broker Discretionary Voting:** The SEC plans to propose rules in April to July 2011.

Below is a summary of the SEC's posted schedule pertaining to Corporate Governance and Disclosure:

October - December 2010 (planned)

§951: Propose rules regarding shareholder votes on executive compensation, golden parachutes

§951: Propose rules regarding disclosure by investment advisers of votes on executive compensation

§952: Propose exchange listing standards regarding compensation committee independence and factors affecting compensation adviser independence; propose disclosure rules regarding compensation consultant conflicts

§1502: Propose rules regarding disclosure related to “conflict minerals”

§1503: Propose rules regarding disclosure of mine safety information

§1504: Propose rules regarding disclosure by resource extraction issuers

January - March 2011 (planned)

§951: Adopt rules regarding shareholder votes on executive compensation, golden parachutes

§ 951: Adopt rules regarding disclosure by investment advisers of votes on executive compensation

§1502: Adopt rules regarding disclosure related to “conflict minerals”

§1503: Adopt rules regarding disclosure of mine safety information

§1504: Adopt rules regarding disclosure by resource extraction issuers

April - July, 2011 (planned)

§952: Adopt exchange listing standards regarding compensation committee independence and factors affecting compensation adviser independence; adopt disclosure rules regarding compensation consultant conflicts

§§953 and 955: Propose rules regarding disclosure of pay-for-performance, pay ratios, and hedging by employees and directors

§954: Propose rules regarding recovery of executive compensation

§957: Propose rules defining “other significant matters” for purposes of exchange standards regarding broker voting of uninstructed shares

We will continue to monitor implementation of Dodd-Frank and provide you with commentary, guidance, and advice. In the meantime, if you have any questions please call or email your Morrow contact or you can call Fred Marquardt, Tom Ball or John Ferguson at 203-658-9400.

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