

Dodd-Frank Clawbacks: A Model Policy to Prepare for a Summer Effective Date

May 2, 2023

By notices released last week,¹ the U.S. Securities and Exchange Commission (the “SEC”) has now designated **June 11, 2023** as the date by which it will approve or disapprove the clawback-related listing standards proposed by New York Stock Exchange (“NYSE”) and Nasdaq pursuant to the SEC’s Rule 10D-1.² If the SEC approves the listing standards proposed by NYSE and Nasdaq by June 11, listed issuers would be required to adopt a compliant clawback policy by **August 10, 2023**.³

Each of NYSE’s [proposed new Section 303A.14](#) of the NYSE Listed Company Manual and Nasdaq’s [proposed Listing Rule 5608](#) provide that the rule will be effective on the date the SEC approves the rule filing. It is possible that the exchanges could amend their proposed listing standards to specify a later effective date, or the SEC could further extend the period to approve the proposed listing standards. Under Rule 10D-1, the latest possible effective date is November 28, 2023. Listed issuers will have 60 days from the effective date of the listing standards to adopt a compliant clawback policy.

To further assist issuers in preparing for the effective date, we have drafted a model Dodd-Frank clawback policy that complies with the listing standards proposed by NYSE and Nasdaq. This model policy will assist issuers when adopting a new clawback policy or revising an existing policy to comply with the rules. The model policy can be accessed at the following link: <https://www.debevoise.com/-/media/files/insights/publications/2023/05/debevoise-model-clawback-policy.pdf>

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Please do not hesitate to contact us with any questions.

¹ The SEC’s release regarding NYSE’s proposed rule can be accessed [here](#), and the SEC’s release regarding Nasdaq’s proposed rule can be accessed [here](#).

² The SEC’s Rule 10D-1 directed the national securities exchanges to establish listing standards that require each issuer to adopt and comply with a policy to recover from current and former executive officers erroneously awarded incentive compensation. For more information on the SEC’s Rule 10D-1, please see our prior [Debevoise In-Depth](#).

³ Given that June 11 is a Sunday, the approval date would likely be the week of June 5, making the compliance date the week of August 7.

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