
Nasdaq Proposes to Amend its Listing Rules Regarding Independence of Compensation Committee Members

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The NASDAQ Stock Market LLC ("Nasdaq") recently filed with the Securities and Exchange Commission ("SEC") a proposed rule change to amend its listing rules implementing Rule 10C-1 of the Securities Exchange Act of 1934 ("Exchange Act"), regarding the independence of compensation committee members (the "Proposed Rule"). The Proposed Rule would replace the current prohibition on the receipt of compensatory fees by compensation committee members with a requirement that a company's board of directors consider such fees paid by the company, in aggregate with all other sources of compensation of the director, when determining whether he or she is "independent" for purposes of eligibility for compensation committee membership.

Attorney

- Charles A. Gilman