BRIAN FOLEY & COMPANY, INC.

EXECUTIVE COMPENSATION ADVISERS

December 2, 2013

Via Internet Comment Form

Ms. Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: **Proposed CEO Pay Ratio Disclosure Regulations**
File # S7-07-13

Dear Ms. Murphy:

This comment letter responds to the Commission's request for comments on the September 2013 proposed "CEO pay ratio" disclosure rules (the "Proposal"), and supplements my prior comments, a number of which were cited in the 2013 release discussion accompanying the new proposed rules.

I will be brief.

BACKGROUND

I have 35+ years of experience as an attorney and consultant in dealing with CEO compensation, including 20+ years as an independent executive compensation consultant/expert with my own firm. I have advised and continue to advise Boards, Board Compensation Committees, Board Special Committees, individual CEOs, outside institutional investors, activist investors, governmental agencies and others on CEO pay issues, and have been a widely-cited media commentator on CEO pay issues.

GENERAL COMMENTS

1. I stand by my prior comments, which, in my view, are still valid.

2. I generally agree with the views expressed by Commissioner Gallagher in his September 18, 2013 published statement, and am disappointed that the SEC chose to prioritize issuance of the Proposal over more important and more time-sensitive projects (such as the "clawback" rules).

3. Realistically, given, among other things, the range of detailed actual and projected CEO pay level data already available to investors and the public generally (which the Proposal does not improve on or add to in any way), and the already known and available general published median and mean employee pay data cuts provided each year by the U.S. Bureau of Labor Statistics (the "BLS") and others, I don't see the Proposal as something that will provide any meaningful new

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data to most institutional or other investors – as evidenced by the SEC Staff's own self-acknowledged inability to quantify any meaningful "benefits" arising from the Proposal, let alone establish that there was and will be a reasonable cost/benefit relationship.

4. I continue to question the merits of (i) including, on any basis, pay/benefits data on overseas employees who are not U.S. citizens, and (ii) including pay/benefits data on temporary and seasonal employees (and any other non-"permanent" part-time employees) "as is" without any ability to annualize such data to reflect the actual full-year, full-time equivalents.

5. I also question the Commission's and the Staff's apparent overreliance on "statistical sampling" as a path forward without regard to how many public companies currently have payroll and benefit systems across their U.S. and worldwide units that will readily permit / be susceptible to accurate statistical sampling.

SPECIFIC COMMENTS/SUGGESTIONS REGARDING TRANSITION PERIOD RELIEF

6. I see no justification, from a U.S. policy or securities law standpoint, for requiring the inclusion of pay/benefits data for employees on non-U.S. payrolls who are not U.S. citizens, and submit that it would be reasonable in general or at least initially (for a 1 or 2 year transition period) to permit such data to be excluded.

7. I see no justification, from the standpoint of preserving the relevance and accuracy of pay data comparisons, for requiring companies to include the pay for any temporary and seasonal employees (and any other non-"permanent" part-time employees) "as is" -- without any reasonable annualization / full-time equivalency adjustment if and to the extent that such employees work, e.g., less than 1,800 hours a year (the equivalent of 45 weeks at 40 hours a week, or some other comparable "full-time" standard), and submit that it would be reasonable in general or at least initially (for a 1 or 2 year transition period) to permit such data to be reasonably adjusted to reflect full-time equivalents.

8. I also see no justification for requiring companies to calculate and include in the reportable pay/benefits of the median employee pay items that are not cash compensation or stock-based compensation, provided that the CEO pay numbers reflect all of the compensation and benefit numbers required to be reported in the Summary Compensation Table. Omitting the median benefits number(s) for the median employee or using a flat conservative disclosed assumed add-on factor to cover such items might of course modestly overstate the resulting pay ratios, but would in many cases likely have no real statistical significance, and could reduce compliance costs substantially.

9. I urge the Commission to permit public companies at least initially (for a 1-2 year period) to report pay-ratio estimates using an approximate range (e.g., "in the range of approximately 250:1 to 300:1"), rather than having to chase down and report a more precise estimated ratio.

10. I urge the Commission to permit all public companies (or at least those with, e.g., revenues of $500M or less), if they so choose, at least initially (for a 1-2 year period) to report estimated pay-ratio data using the BLS-reported median full-time worker pay statistics for the U.S. generally or for a specific sector or industry in the U.S.

11. I also urge the Commission, at least for the first 1-2 years after the Proposal becomes effective, to permit companies to report their pay ratio numbers for a given year not only (i) in the Form 10K filing covering such year, or (ii) in the first regular Form DEF 14A proxy statement filed after the end of such year, but also alternatively (iii) in an Form 8K filing made at any time during the first 5 months after the end of such year (provided that any 8K filing report of the pay ratio data is also reported in the company's next 10K or proxy statement filing).

12. Finally, I would urge the Commission to consider providing appropriate reporting relief to companies involved in a merger/acquisition transaction. This could, e.g., involve allowing the pay ratio reporting for the year in which the transaction closes to be delayed until at least 6 months after the end of the fiscal year in which the M&A transaction closes, or 6 or more months after the closing date. It, e.g., could also involve some form of year-1 separate reporting for each company involved in the merger under certain conditions/circumstances.

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I thank the Commission and the Staff for their efforts, and for their willingness to entertain further comments and to adjust the Proposal if and where deemed warranted.

Respectfully submitted,

Brian T. Foley, Esq.

Managing Director