

## **MEMORANDUM**

January 30, 2012

To: File No. S7-12-11

From: Scott H. Kimpel  
Office of Commissioner Troy A. Paredes

Re: Incentive-Based Compensation Arrangements

On January 26, 2012, Commissioner Troy A. Paredes and Scott H. Kimpel, Counsel to the Commissioner, met with:

- Vineeta Anand, Chief Research Analyst, AFL-CIO Office of Investment
- Brandon Rees, Deputy Director, AFL-CIO Office of Investment.
- Lisa Gilbert, Deputy Director, Congress Watch/Public citizen
- Marcus Stanley, Policy Director, Americans for Financial Reform
- John Keenan, Corporate Governance Analyst, AFSCME Capital Strategies
- Alya Z. Kayal, Director of Policy & Programs, US SIF: The Forum for Sustainable and Responsible Investment
- Bartlett Collins Naylor, Financial Policy Advocate, Congress Watch, Public Citizen

The participants discussed the Commission's proposed rules concerning incentive-based compensation arrangements.

**From:** Vineeta Anand  
**Sent:** Tuesday, January 31, 2012 05:48 PM  
**To:** Kimpel, Scott H.  
**Subject:** Materials on the CEO-to-Worker Pay Ratio provision

Dear Scott,

We appreciate Commissioner Pardes and you taking time out of your busy schedule to meet with us to discuss the CEO-to-worker pay ratio proposal.

I've attached some of the materials I offered to send you, including examples of companies that are already disclosing the pay disparity ratio in some form or another.

1. MBIA Inc.

<http://www.sec.gov/Archives/edgar/data/814585/000119312511070813/ddef14a.htm>

2. Whole Foods.

[http://www.sec.gov/Archives/edgar/data/865436/000120677412000189/wholefoods\\_def14a.htm](http://www.sec.gov/Archives/edgar/data/865436/000120677412000189/wholefoods_def14a.htm)

3. Bank of South Carolina.

[http://www.sec.gov/Archives/edgar/data/1007273/000114420411012545/v212932\\_def14a.htm](http://www.sec.gov/Archives/edgar/data/1007273/000114420411012545/v212932_def14a.htm)

2. El Paso Corp. does not disclose the numbers for median and average employee pay but it says in its proxy that it is " committed to internal pay equity and our Compensation Committee monitors, on an annual basis, the relationship between the compensation of our named executive officers and the compensation of our nonmanagerial employees. "

From its 2011 Proxy:

<http://www.sec.gov/Archives/edgar/data/1066107/000095012311030217/h80859ddef14a.htm>

I hope these materials are helpful.

Warmest regards,  
Vineeta

Vineeta Anand  
Chief Research Analyst  
AFL-CIO Office of Investment