

SEC Advisory Committee on Small and Emerging Companies

Disclosure Effectiveness

July 15, 2015 Discussion Outline

Reference is made to the Committee's recommendations made to the Commission on February 1, 2013.

- The Committee believes that expanding the scaled and other regulatory relief provided to smaller reporting companies to include some of the regulatory relief provided to emerging growth companies under the JOBS Act would be helpful to facilitate innovation and job creation by smaller companies without adversely affecting investor protection.
 - Revise the definition of smaller reporting company to include companies with a public float of up to \$250 million.
 - Conduct of shareholder advisory votes on executive compensation and on the frequency of such votes.
 - Disclosure about and shareholder advisory votes on golden parachute compensation.
 - Disclosure of ratio of median annual total compensation of all employees to total annual compensation of the CEO.
 - Relationship between executive compensation and issuer financial performance.
 - Compliance with new accounting standards on date private companies are required to comply.
 - Mandatory audit firm rotation and auditor discussion and analysis.
- Revise the definition of “accelerated filer” to include companies with a public float of \$250 million or more or more, but less than \$700 million.
- The Committee believes that regulatory relief should be provided to smaller reporting companies with respect to the Commission's other disclosure requirements that place a disproportionate burden on smaller reporting companies in terms of cost of, and time spent on, compliance without a corresponding benefit to investors.
 - Filing of schedules to material contracts
 - XBRL