

Office of the Law Revision Counsel, U.S. House of Representatives

-CITE-

15 USC Sec. 7243

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-EXPCITE-

TITLE 15 - COMMERCE AND TRADE

CHAPTER 98 - PUBLIC COMPANY ACCOUNTING REFORM AND CORPORATE
RESPONSIBILITY

SUBCHAPTER III - CORPORATE RESPONSIBILITY

-HEAD-

Sec. 7243. Forfeiture of certain bonuses and profits

-STATUTE-

(a) Additional compensation prior to noncompliance with Commission
financial reporting requirements

If an issuer is required to prepare an accounting restatement due
to the material noncompliance of the issuer, as a result of
misconduct, with any financial reporting requirement under the
securities laws, the chief executive officer and chief financial
officer of the issuer shall reimburse the issuer for -

(1) any bonus or other incentive-based or equity-based
compensation received by that person from the issuer during the
12-month period following the first public issuance or filing
with the Commission (whichever first occurs) of the financial
document embodying such financial reporting requirement; and

(2) any profits realized from the sale of securities of the
issuer during that 12-month period.

(b) Commission exemption authority

The Commission may exempt any person from the application of subsection (a) of this section, as it deems necessary and appropriate.

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(Pub. L. 107-204, title III, Sec. 304, July 30, 2002, 116 Stat. 778.)

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