

**PUBLICATIONS**

## **Can Activist Hedge Fund Managers Provide Special Compensation to Nominees That Are Elected to the Board of a Target?**

**An Interview with Marc Weingarten, Co-Head of the Global Shareholder Activism Practice at Schulte Roth & Zabel**

**April 25, 2014**

Activist hedge fund managers typically seek to implement their ideas at a target company by nominating new directors and advocating for the election of those nominees. Such nominees are more likely to be elected — and, once elected, are more likely to be effective in implementing the activist’s ideas — if they are better qualified, or, to use the activist term of art, if they are “rock stars.” Accordingly, activists have asked how they can find rock star nominees and get the best performance out of those nominees if they are elected as directors. At least two prominent hedge fund managers have answered this question by offering special compensation to nominees that are elected to the target board. In this interview, SRZ partner and co-head of the firm’s shareholder activism practice Marc Weingarten talks to *The Hedge Fund Law Report* about the “market” for director compensation and the structuring of special compensation of nominees by activists, among other topics.

## Related People



### Marc Weingarten

Partner  
New York

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## Practices

**SHAREHOLDER ACTIVISM**

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## Attachments

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## Resources

- [Shareholder Activism Resource Center](#)