



Tender Offer Exemptive Relief: SEC Shortens Offering Period for Certain Equity Tender Offers to 10 Business Days

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On April 16, 2026, the Office of Mergers and Acquisitions of the SEC’s Division of Corporation Finance (Division) issued an **exemptive order shortening the standard 20-business-day minimum initial offering period to 10 business days for qualifying issuer and third-party fixed-price, all-cash tender offers for equity securities of both reporting and non-reporting companies**. The relief is subject to specified conditions, including disclosure requirements and advance notice periods for material changes.

The exemptive order—which is effective immediately—is designed to “address market inefficiencies, better reflect technological advancements, and reduce exposure to market fluctuations” and is the latest in a series of exemptive orders and no-action letters issued by the Division in recent years granting relief to issuers and third parties for certain types of tender offers (principally for debt securities). The abbreviated 10-business-day framework provides greater flexibility in transaction structuring and timing, potentially reduces exposure to market risk and reflects the Division’s continued efforts to modernize and streamline the tender offer rules.

The relief for tender offers for equity securities of SEC reporting companies applies to both third-party tender offers conducted under Regulation 14D under the Securities Exchange Act of 1934 (Exchange Act) and issuer self-tender offers conducted under Exchange Act Rule 13e-4.

The relief for tender offers for equity securities of non-reporting companies is limited to offers made by the issuer itself or its wholly-owned subsidiary; **third-party tender offers for private company equity securities are expressly excluded from the relief.**

Tender Offers for Equity Securities of Reporting Companies

So long as the following conditions are met, the Division grants exemptions from Exchange Act Rules 13e-4(f)(1) and 14e-1(a) and (b) to permit a tender offer for any class of equity security to remain open for a minimum initial offering period of 10 business days:

- **Offer Type** — the tender offer is subject to Regulation 14D (governing third-party tender offers) or Rule 13e-4 (governing issuer self-tenders):
 - *if subject to Regulation 14D:* (i) the offer is made pursuant to a negotiated merger agreement or similar business combination agreement between the subject company and the offeror (i.e., the offer may not be a “hostile” tender offer); (ii) the offer is made for all outstanding securities of the subject class; and (iii) a Schedule 14D-9 is filed and disseminated by the subject company no later than 5:30 p.m. ET on the first business day following the date of commencement of the tender offer; or
 - *if subject to Rule 13e-4:* the offer is made for less than all outstanding securities of the subject class;
- **Fixed-Price Cash Consideration** — the consideration offered in the tender offer consists only of cash at a fixed price;
- **No Going-Private Transactions** — the tender offer is not subject to Rule 13e-3 under the Exchange Act, which governs certain going-private transactions;
- **No Cross-Border Exemptions** — the tender offer is not made in reliance on the cross-border exemptions set forth in Rule 14d-1(d) or Rule 13e-4(i) under the Exchange Act;
- **No Competing Offers at Announcement** — at the time of public announcement of the tender offer, the subject securities are not already the subject of a previously announced or pending tender offer by another offeror;
- **Extension for Competing Offers After Commencement** — if another tender offer for the subject securities is publicly announced following the commencement of the initial tender offer made in reliance on this relief, the initial

offer must be extended so that it remains open for at least 20 business days from its original commencement date;

- **Launch Announcement and Website Access** — the tender offer is announced in a press release issued through a widely disseminated news or wire service by **10:00 a.m. ET on the date the offer commences**, which contains the basic terms of the offer—such as the identity of the offeror, the class of equity security sought to be purchased, the amount of consideration offered and the expiration date of the offer—and an active hyperlink to a website address where security holders may access the tender offer materials, letter of transmittal (if any) and any other documents relating to the offer;
- **Notice of Percentage or Price Changes** — any (i) increase or decrease in the percentage of the subject securities sought in the tender offer (other than the acceptance for payment of an additional amount of securities not to exceed 2% of the subject securities), or (ii) change in the consideration offered, is communicated in each case by press release or other public announcement that is widely disseminated no later than **9:00 a.m. ET on the fifth business day before expiration of the offer**; and
- **Notice of Other Material Changes** — any other material change in the terms of the tender offer is communicated by press release or other public announcement that is widely disseminated no later than **9:00 a.m. ET on the second business day before expiration of the offer**.

Tender Offers for Equity Securities of Non-Reporting Companies

So long as the following conditions are met, the Division grants an exemption from Exchange Act Rule 14e-1(a) and (b) to permit a tender offer for any class of equity security to remain open for a minimum initial offering period of 10 business days:

- **Issuer Eligibility** — the tender offer is made for the equity securities of an issuer that (i) does not have a class of securities registered under Exchange Act Section 12 and (ii) is not subject to Exchange Act Section 15(d) reporting obligations;
- **Issuer or Subsidiary Offers Only** — the tender offer is made by the issuer whose securities are sought in the tender offer or by a wholly-owned subsidiary of such issuer;
- **Fixed-Price Cash Consideration** — the consideration offered in the tender offer consists only of cash at a fixed price;

- **Notice of Percentage or Price Changes** — any (i) increase or decrease in the percentage of the subject securities sought in the tender offer (other than the acceptance for payment of an additional amount of securities not to exceed 2% of the subject securities), or (ii) change in the consideration offered, is communicated in each case by notice to holders of the subject securities no later than **9:00 a.m. ET on the fifth business day before expiration of the offer**; and
- **Notice of Other Material Changes** — any other material change in the terms of the tender offer is communicated by notice to holders of the subject securities no later than **9:00 a.m. ET on the second business day before expiration of the offer**.

Relief Limitations

The exemptive order cautions that offerors remain responsible for compliance with all applicable federal securities laws—including the anti-fraud and anti-manipulation provisions of Exchange Act Sections 10(b) and 14(e)—and that the Division expresses no view on other legal questions the tender offer may raise, including disclosure adequacy and state law applicability. The Division also reserves the right to reconsider, modify or withdraw the relief if it becomes aware of material issues stemming from the order.

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