

## SEC Permits Shortened Offering Period for Certain Equity Tender Offers



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On April 16, 2026, the Division of Corporation Finance for the Securities and Exchange Commission (“SEC”) issued an [exemptive order](#) (the “Order”) permitting certain equity tender offers to utilize an abbreviated offer period of as few as 10 business days, rather than requiring a tender offer remain open for at least 20 business days, as is currently required under Rule 13e-4(i) of the Securities Exchange Act of 1934 (the “Exchange Act”).

The SEC cited several policy rationales for the Order including addressing market inefficiencies, the desire to better reflect technological implications and reducing exposure to market fluctuations during the offer period. However, the SEC reminds issuers that the Order does not relax any anti-fraud and anti-manipulation provisions of securities laws, including Sections 10(b) and 14(e) of the Exchange Act, and responsibility for compliance with the laws remains with the offeror.

The relief applies to qualifying tender offers for equity securities of both reporting and non-reporting companies, provided the specified conditions are satisfied.

For both reporting and non-reporting companies, eligibility is limited to all-cash offers at a fixed price, and transactions involving stock or mixed consideration remain subject to the traditional 20 business day minimum offering period. Additionally, any changes to the percentage sought (other than up to a two percent increase) or to the offer price must be disclosed to holders by 9:00 a.m. ET at least five business days before the offer expires and any other material change in the terms of the tender offer must be communicated to holders of the subject securities by no later than 9:00 a.m. ET on the second business day before expiration of the offer. These periods are shorter than those currently required for tender offers under Rule 14d-4(d)(2).

### Reporting Companies

The Order imposes several additional conditions to allow a reporting company to shorten the offer period to a minimum of 10 business days, including:

- For third-party tender offers subject to Regulation 14D that are made pursuant to a negotiated business combination agreement between the reporting company and the third party offeror and offer to acquire all outstanding securities, the reporting company must file and disseminate a Schedule 14D-9 by 5:30 p.m. ET on the first business day after commencement of the tender offer.
- For issuer tender offers subject to Regulation 13e-4, the offer must be for less than all outstanding securities.

In each case, to rely on the exemption:

1. Offer terms must be publicly disclosed promptly, including through widely disseminated press releases at commencement stating offer terms and containing a website for holders to access tender materials;

2. At commencement of the tender offer, the subject securities must not be subject to a previously announced tender offer by another offeror (if a competing tender offer is announced after commencement, the offer period must be extended to at least 20 business days after the initial commencement); and
3. The Offer must not be made in connection with a “going private” transaction subject to Rule 13e-3 or in reliance on the cross-border exemptions under Rule 14d-1(d) or Rule 13e-4(i).

**Non-Reporting Companies**

For non-reporting companies, in order to rely on the exemption and shorten the offer period to a minimum of 10 business days, in addition to the conditions applicable to all tenders described above:

1. The issuer must not have a class of securities registered under Section 12 of the Exchange Act and must not otherwise be required to file reports under Section 15(d) of the Exchange Act; and
2. The tender offer must be made by the issuer of the securities sought in the tender offer, or its wholly-owned subsidiary.