
SEC Issues New Exemptive Order Updating Governing Five Business Day Tender Offers for Debt Securities

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On June 30, 2026, the SEC's Division of Corporation Finance issued a formal Exemptive Order that supersedes the SEC's January 23, 2015 no-action letter issued to Cahill Gordon & Reindel LLP regarding abbreviated tender and exchange offers for non-convertible debt securities. The 2015 Letter itself superseded a nearly 30-year old position of the SEC with respect to debt tender offers.

In the 2015 Letter, the SEC superseded the 1986 no-action relief and allowed issuers to make tender offers, as well as exchange offers, for "any and all" of one or more series of non-convertible debt securities, regardless of credit rating, that are held open for five business days and satisfy certain criteria described in the 2015 Letter. In furtherance of the stated objective "to further expand the availability of a five business day minimum offering period in certain types of debt tender offers in order to address market inefficiencies, better reflect technological advancements, reduce exposure to fluctuations in the market and in interest rates, and facilitate the availability of tender offers as debt management transactions," the 2026 Order grants a formal exemption from Exchange Act Rule 14e-1(a) with respect to Five Business Day Offers and provides a more flexible set of eligibility criteria.

The 2026 Order also supersedes any similar no-action or interpretive letters previously issued by the SEC on this topic. These changes reflect the SEC's commitment to investor protection by addressing market inefficiencies, better reflecting technological advancements, reducing exposure to fluctuations in the market and interest rates, and facilitating the availability of tender offers as debt management transactions.

Click on this client alert and SEC's Exemptive Order to learn more.

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