SEC Permits Five Business Day "Any and All" Tender Offers for Debt Securities Regardless of Credit Rating

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On January 23, 2015, the Staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) issued a no-action letter (the “2015 Letter”) that superseded a nearly 30-year old position of the Staff with respect to debt tender offers. Rule 14e-1(a) under the Securities Exchange Act of 1934 (the “Exchange Act”) requires a minimum offer period for all tender offers – debt or equity – of 20 business days. In 1986, the Staff issued a series of no-action letters allowing issuers to conduct tender offers for non-convertible debt securities (later limited to debt securities with an investment grade rating) that reduced the minimum offer period to seven to ten calendar days subject to meeting certain qualifications.

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