

SEC Provides Certain Relief from Section 16(a) Reporting Obligations

March 16, 2026

PRACTICES Corporate, Capital Markets and Securities

This alert highlights recent relief measures available to certain directors and officers of foreign private issuers (FPIs) subject to Section 16(a) reporting obligations under the Holding Foreign Insiders Accountable Act (HFIA Act), which takes effect March 18, 2026. The Securities and Exchange Commission (SEC) has issued guidance that it will not bring enforcement action against certain FPI directors or officers for the untimely filing of a Section 16(a) report caused by (i) lack of EDGAR access due to delays in Form ID Application processing or (ii) the impact of military operations against Iran on Israel and other jurisdictions in the geographical region affected by such military operations. In addition, the SEC has issued an exemptive order providing relief from the new Section 16(a) beneficial ownership reporting requirements for directors and officers of certain FPIs.

Holding Foreign Insiders Accountable Act

On Dec. 18, 2025, the HFIA Act extended Section 16(a)'s beneficial ownership reporting obligations to the directors and officers of FPIs with a class of equity securities registered under Section 12 of the Securities Exchange Act of 1934. The HFIA Act, notably, did not modify existing FPI director and officer exemptions from Section 16(b)'s short-swing profit liability rules and Section 16(c)'s prohibition on short sales, nor did it introduce reporting obligations for shareholders who hold more than 10 percent of an applicable FPI. The SEC adopted [final rules](#) implementing the HFIA Act on Feb. 27, 2026 and published [FAQs](#) relating to the HFIA Act's effectiveness. Under the HFIA Act, directors and officers of FPIs with a class of registered equity securities must disclose their holdings and transactions in the FPI's equity securities on Section 16 forms beginning March 18, 2026. Accordingly, Form 3s for FPI directors and officers are due March 18, 2026. However, the SEC has issued a series of no-action positions, described below, providing various forms of relief for certain persons subject to Section 16(a).

Relief for Untimely Filings due to EDGAR Access Delays

On March 12, 2026, the SEC issued two additional FAQs describing its no-action position through April 1, 2026 towards untimely filings caused by delays in filers obtaining EDGAR access. The SEC noted that HFIA Act requirements are resulting in longer than usual processing times for Form ID Applications for EDGAR access and acknowledged that the SEC may be unable to provide EDGAR codes for all applicants in advance of the filing deadline on March 18, 2026.

According to the FAQs, the SEC will not recommend enforcement action against an FPI director or officer for an untimely Section 16(a) filing where the director or officer submitted a completed Form ID Application before March 18, 2026, but did not receive EDGAR access by that date and was therefore unable to timely file the required Section 16(a) reports. The delinquency relief period extends only through April 1, 2026, after which FPI directors and officers subject to Section 16(a)'s beneficial ownership reporting obligations under the HFIA Act must timely file all Section 16(a) reports.

Recognizing the impact of the HFIA Act on the processing time for all Form ID Applications, the SEC also extended delinquency relief to the directors, officers and 10 percent shareholders of domestic issuers with Section 16(a) obligations, provided that the domestic issuer filers have similarly submitted a Form ID Application ahead of the deadline for the required Section 16(a) report and are unable to timely file due to lack of EDGAR access. The SEC noted that domestic issuers must identify any affected Section 16(a) report as a late report in their Item 405 of Regulation S-K disclosure of delinquent Section 16(a) filings but may disclose reliance on this no-action position in such disclosure.

FPI directors and officers who have not yet submitted Form ID Applications for EDGAR access should do so by March 18, 2026 in order to avail themselves of the extended April 1, 2026 deadline for timely filing Form 3s.

Relief for Untimely Filings for Israeli and Other Filers

On March 13, 2026, in response to a [no-action request](#), the SEC issued a [no-action letter](#) describing relief from untimely Section 16(a) filings for the directors and officers of FPIs organized and headquartered in Israel or any other foreign jurisdiction in the geographical region directly affected by the military operations against Iran. Directors and officers of FPIs impacted by the conflict may avail themselves of a compliance deadline on April 20, 2026, provided they represent to the SEC that their inability to comply with the deadline on March 18, 2026, was due to the impact of military operations against Iran.

Exemptive Order

On March 5, 2026, the SEC issued an [order](#) granting a limited exemption to the HFIA Act's extension of Section 16(a) obligations for the directors and officers of FPIs incorporated or organized in a "qualifying jurisdiction" and that are subject to a "qualifying regulation" as defined within the order. To qualify for relief under the new rule, each of the following conditions must be met:

- The FPI must be incorporated or organized under the laws of a qualifying jurisdiction.
- The FPI must be subject to a qualifying regulation.
- The applicable director or officer must be obligated under such qualifying regulation to disclose transactions in the FPI's securities.
- Reports submitted under the qualifying regulation must be made publicly available in English and within two business days of their public posting.

Qualifying jurisdictions under the exemptive rule are:

- Canada
- Chile
- The European Economic Area
- The Republic of Korea
- Switzerland
- The United Kingdom

Qualifying regulations under the exemptive rule are:

- Canada's National Instrument 55-104 – Insider Reporting Requirements and Exemptions (supported by National Instrument 55-102 – System for Electronic Disclosure by Insiders)

(SEDI) and companion policies).

- Articles 12, 17 and 20 of the Chilean Securities Market Law (Ley de Mercado de Valores, Ley No.18,045) and General Rule (Norma de Carácter General) No. 269.
- Article 19 of the European Union Market Abuse Regulation (Regulation (EU) No. 596/2014, as amended by Regulation (EU) No. 2024/2809) (including, as applicable, implementing legislation and regulations adopted by the European Union's member states) and as incorporated into the domestic law of each European Economic Area state.
- Article 173 of the Republic of Korea Financial Investment Services and Capital Markets Act and Article 200 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act.
- Article 56 of the Listing Rules and implementing directives of SIX Swiss Exchange, as approved by the Swiss Financial Market Supervisory Authority.
- Article 19 of the United Kingdom Market Abuse Regulation (Regulation (EU) No. 596/2014), as it forms part of United Kingdom domestic law pursuant to the European Union (Withdrawal) Act 2018.

FPIs with directors and officers intending to rely on this exemption should ensure all conditions of the exemptive rule are satisfied. FPIs with directors and officers who are not eligible for this exemption should continue to identify the directors and officers who will become subject to Section 16(a) reporting obligations ahead of the Form 3 deadline on March 18, 2026, and ensure they have adequate internal procedures for compliance with Section 16(a).

For further information, please contact a member of the [Capital Markets and Securities](#).