

SEC Staff Issues Guidance on Disclosure Obligations for Activist Fund Structures Under Schedules 13D and 14A

July 16, 2026

On July 9, the Staff of the Securities and Exchange Commission (the SEC) issued three new Corporation Finance Interpretations (CFIs) addressing disclosure obligations under Schedules 13D and 14A. The guidance targets a specific but increasingly common activism structure: special-purpose vehicles that raise capital from investors to buy a single issuer's securities and conduct an activism or proxy campaign. Activists who form these vehicles must now name the underlying investors in their 13D and contested proxy filings.

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CFI 110.09: Investors in Company-Specific Activist Special Purpose Vehicles Must be Named in Schedule 13D

Under the guidance provided by [CFI 110.09](#), an entity (such as a special purpose vehicle) formed specifically to raise funds to acquire the securities of a specific issuer and engage in an activism campaign at that issuer must disclose the identities of its investors under Item 3 of Schedule 13D (Source and Amount of Funds or Other Consideration). Item 3 requires reporting persons to name all parties to any transaction through which they obtained funds “for the purpose of acquiring, holding, trading or voting the securities” of the issuer. Because investors in a purpose-built vehicle contribute capital for exactly that purpose, filers must identify them in the Schedule 13D filing.

To date, Schedule 13D filers generally have relied on General Instruction C to Schedule 13D to disclose only the general partner or manager of the vehicle. This position had judicial support in *Hubco, Inc. v. Rappaport*, 628 F. Supp. 345 (D.N.J. 1985), where the court held that General Instruction C, as the “specific instruction, requiring information only from the general partner in a limited partnership, controls over the more general instruction in Item 3.” *Id.* at 357–58. The SEC took issue with this control-based reasoning in a 1989 Release proposing certain amendments to Schedule 13D, stating that “[t]o the extent that the court suggested that Instruction C does not require disclosure of limited partners even if control is demonstrated, the Commission disagrees.” [Securities Exchange Act Release No. 34-26599](#), n.26 (March 13, 1989) (54 FR 10364). As to passive limited partners, the SEC acknowledged that “absent an actual control relationship additional disclosure may not be required under the current rules,” but noted that information about significant equity participants “may be material” to shareholders. To address this gap, the Commission proposed a threshold-based test that would have required disclosure concerning any person who contributes more than 10 percent of the equity capital of the filing entity or who has a right to receive more than 10 percent of its profits or assets upon liquidation.

The SEC also sought comment in the 1989 Release on whether disclosure should turn on “whether the acquiring entity was formed generally for acquisition purposes or solely for the acquisition of a single issuer” – the same single-issuer-vehicle distinction that CFI 110.09 now adopts. Ultimately, the proposals raised in the 1989 Release were not adopted.

A 2023 [comment letter](#) exchange involving Politan Capital Management LP and Masimo Corporation addressed a related but distinguishable fact pattern. There, the SEC Staff asked whether any limited partner of Politan’s funds had provided capital “for the specific purpose of acquiring, holding, trading or voting” Masimo stock. Politan responded that these funds were general-purpose investment funds in which the advisor maintained broad discretionary authority to invest in any securities it selected. CFI 110.09, by contrast, is directed at entities formed for the specific purpose of acquiring a named issuer’s securities. The new CFI does not address investment vehicles whose limited partners do not contribute capital earmarked for a specific target so the issue of whether disclosure of the identities of such partners is required remains open.

CFI 110.10: Instruction C to Schedule 13D Requires Disclosure in Addition to, Not in Place of, Reporting Person Information

[CFI 110.10](#) confirms that Instruction C to Schedule 13D does not limit the information that must be disclosed about the reporting person itself. Instead, Instruction C identifies additional persons (such as general partners and their controlling persons) about whom Items 2-6 information must also be provided. The SEC Staff cites *CNW Corp. v. Japonica Partners, L.P.*, 874 F.2d 193 (3d Cir. 1989), which held that Instruction C “stipulate[s] the entities and persons, in addition to the filer,” for whom disclosure is required.

**CFI 155.02: Investors in Company-Specific
Activist Special Purpose Vehicles are
“Participants” in Contested Proxy
Solicitations**

[CFI 155.02](#) addresses a parallel question applicable to disclosure on Schedule 14A in the context of a contested election. Where an investment vehicle is formed for the purpose of raising funds to acquire securities and engage in a proxy solicitation to change the board composition at a specific issuer, the SEC Staff confirms that investors in that entity who contribute more than \$500 are “participants” in the proxy solicitation under Instruction 3(a)(iv) to Item 4 of Schedule 14A. That instruction defines a “participant” to include any “person who finances or joins with another to finance the solicitation of proxies,” excluding only those who contribute \$500 or less.

This interpretation aligns with the SEC Staff’s position in CFI 110.09 and extends the same logic to a proxy context.

**The full text of these CFIs is included in the
Appendix below.**

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Appendix: Full Text of CFIs 110.09, 110.10, 155.02

<u>CFI 110.09</u> Question: An entity (e.g., a limited partnership) is formed for the purpose of raising funds to acquire securities of a specific issuer and engage in an activism campaign at such issuer. Prospective investors in the entity are informed in advance of the specific purpose for which their funds will be used, including the identity of the targeted issuer. If the entity is required to report beneficial ownership of the issuer's securities on a Schedule 13D, would the identities of the investors in the entity have to be disclosed in the Schedule 13D? Answer: Yes. Item 3 of Schedule 13D states that if any part of the purchase price is represented by funds "obtained for the purpose of acquiring, holding, trading or voting the securities, a description of the transaction" by which the funds were obtained and the names of the parties to such transaction must be disclosed in the Schedule 13D filing. Accordingly, the identities of the investors in an entity formed for the purpose of acquiring securities of a specific issuer and engaging in an activism campaign at that issuer must be disclosed. [July 9, 2026]	<u>CFI 110.10</u> Question: When a Schedule 13D reporting person is a general or limited partnership and not a natural person, does Instruction C to Schedule 13D operate to limit the information required to be disclosed in response to Items 2-6 of Schedule 13D to information about the persons or entities set forth in Instruction C? Answer: No. Instruction C to Schedule 13D lists the persons and entities in addition to the reporting person as to which the information required by Items 2-6 must be provided when the reporting person is not a natural person. It is not intended to limit or substitute the information required by Items 2-6 as to the reporting person itself. <i>See</i> CNW Corp. v. Japonica Partners, L.P., 874 F.2d 193, 200 (3d Cir. 1989) (finding that Instruction C to Schedule 13D "stipulate[s] the entities and persons, in addition to the filer, with respect to whom the information required by each item must be supplied when the filer is not a natural person.") For example, if the Schedule 13D reporting person is a limited partnership, information required by Items 2-6 of Schedule 13D must be provided for the reporting person and, pursuant to Instruction C, for each general partner and any partner that functions as a general partner, and each person controlling such partner. If any of the foregoing are corporations, information required by Items 2-6 of Schedule 13D must also be provided for each executive officer and director of such corporation, each person controlling such corporation, and each executive officer and director of any corporation or other person ultimately in control of such corporation. [July 9, 2026]
<u>CFI 155.02</u> Question: An entity (e.g., a limited partnership) is formed for the purpose of raising funds to acquire securities of a specific registrant and engage in a proxy solicitation to change the composition of the registrant's board of directors at the registrant's upcoming shareholder meeting. Prospective investors in the entity are informed in advance of the specific purpose for which their funds will be used, including the identity of the targeted registrant and the purpose of the planned proxy solicitation. Do the investors in the entity fall within the definition of "participants" under Instruction 3(a)(iv) to Item 4 of Schedule 14A (a "person who finances or joins with another to finance the solicitation of proxies, except persons who contribute not more than \$500 and who are not otherwise participants") for the planned solicitation? Answer: Yes, with respect to each investor that invested more than \$500 in the entity. [July 9, 2026]	