

Section 16(a) Reporting: SEC Grants Exemptive Relief for Foreign Private Issuers in Certain Jurisdictions

March 6, 2026

On March 5, 2026, the SEC granted exemptive relief from Section 16(a) beneficial ownership reporting requirements for directors and officers of foreign private issuers ("FPIs") incorporated or organized in certain jurisdictions with insider reporting regimes substantially similar to the United States. The exemption covers FPIs incorporated in Canada, Chile, member states of the European Economic Area, the Republic of Korea, Switzerland, and the United Kingdom—provided the FPI is subject to a qualifying regulation and each individual director or officer satisfies certain conditions. This relief arrives just ahead of the March 18, 2026 deadline for initial Form 3 filings, although qualifying FPIs and their directors and officers should review the exemption's conditions carefully before concluding they can rely on it. In this alert, we summarize the qualifying jurisdictions, the exemption's conditions and limitations, and what FPIs should do now.

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Qualifying Jurisdictions and Regulations

Under [the exemptive order](#), the exemption applies to directors and officers of FPIs that meet two requirements: (1) the FPI is incorporated or organized in a qualifying jurisdiction, and (2) the FPI is subject to a qualifying regulation.

Qualifying Jurisdictions:

- Canada
- Chile
- The European Economic Area¹
- The Republic of Korea
- Switzerland
- The United Kingdom

Qualifying Regulations:

The SEC identified insider reporting laws and regulations in each qualifying jurisdiction that it determined impose "substantially similar" requirements to Section 16(a):

- **Canada:** National Instrument 55-104 – Insider Reporting Requirements and Exemptions
- **Chile:** Articles 12, 17, and 20 of the Chilean Securities Market Law and General Rule No. 269
- **European Economic Area:** Article 19 of the EU Market Abuse Regulation ("EU MAR")
- **Republic of Korea:** Article 173 of the Financial Investment Services and Capital Markets Act and Article 200 of its Enforcement Decree
- **Switzerland:** Article 56 of the SIX Swiss Exchange Listing Rules and implementing directives

¹ As noted in footnote 8 to the exemptive order, the European Economic Area consists of the 27 member states of the European Union (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden) as well as Iceland, Liechtenstein, and Norway. Any country

- **United Kingdom:** Article 19 of the UK Market Abuse Regulation ("UK MAR")

Both Prongs Matter: Key Nuances to Consider

Companies should understand that both the incorporation/organization requirement and the qualifying regulation requirement must be satisfied, although they need not be tied to the same jurisdiction. For example, as provided in footnote 7 to the order, directors and officers of an FPI incorporated in Canada with securities listed in Germany—where the company is subject to Article 19 of EU MAR—would qualify for the exemption. The FPI satisfies the incorporation requirement (Canada is a qualifying jurisdiction) and the qualifying regulation requirement (EU MAR is a qualifying regulation), even though these arise from different jurisdictions.

The flip side, however, is that satisfying only one prong is insufficient. Consider an FPI incorporated in Bermuda (which is not a qualifying jurisdiction) with securities listed on a securities exchange in the EU and that is subject to Article 19 of EU MAR. Despite being subject to a qualifying regulation, this FPI's directors and officers would not qualify for relief because the FPI is not incorporated or organized in a qualifying jurisdiction. These individuals would need to file Forms 3, 4, and 5 in addition to their reporting obligations under EU MAR.

Companies should confirm both requirements are met before concluding that their directors and officers are exempt from Section 16(a) reporting obligations.

that joins the EEA would also be required to adopt EU MAR (and therefore this exemptive relief would apply to directors and officers of its FPIs), while a country that leaves the EEA may no longer be subject to EU MAR (and directors and officers of its FPIs would no longer qualify for this exemptive relief to the extent the country is no longer subject to EU MAR).

Additional Conditions

The exemption carries two additional conditions.

The Director or Officer Must Be Actually Reporting Under the Qualifying Regulation. Each director or officer seeking to rely on the exemption must be reporting their transactions in securities as set forth under the qualifying regulation to which they are subject. As footnote 10 to the order explains, this condition ensures "any director or officer that does not fall within the defined category of reporting persons under the applicable qualifying regulation will still be required to file Section 16(a) reports."

Thus, even if an FPI qualifies for the exemption by virtue of its incorporation and regulatory status, individual directors or officers who do not satisfy this condition will still need to file on Forms 3, 4, and 5. Despite the SEC's determination that each qualifying regulation is substantially similar to Section 16(a), some FPIs may find that certain insiders fall within Section 16(a)'s definition of "director" or "officer" but are not subject to the reporting requirements of the FPI's home jurisdiction. Those individuals would need to file Section 16 reports while their colleagues who are covered by and reporting under the local rules would not, potentially creating dual insider reporting regimes that the FPI would need to monitor for compliance. FPIs may wish to consider whether it is possible to determine that the qualifying regulation arguably covers the same persons as the directors and officers required to report under Section 16(a), allowing them to satisfy the exemption's conditions and avoid the need for parallel Section 16(a) filings.

Reports Must Be Made Available in English. Any report filed under a qualifying regulation must be made available in English to the general public within no more than two business days of its public posting (which we expect refers to U.S. business days, absent clarification from the SEC). Footnote 11 to the order addresses the practical reality that some qualifying regulations do not require English-language filings: if an English version cannot be filed through the relevant regulator's or exchange's online database, the report may instead be posted publicly on the company's

website. Even where the local regulatory platform accepts English filings, companies may want to consider also posting reports on the company's website as a supplemental disclosure practice, particularly where the company is already involved in the local reporting process or has established practices for publishing director and officer trading information. Doing so can enhance transparency and improve accessibility for investors, who may be more familiar with an FPI's website than with the equivalent of EDGAR in a local jurisdiction.

What FPIs Should Do Now

Assess Eligibility. FPIs incorporated or organized in qualifying jurisdictions should conduct a thorough, individualized analysis to identify the persons who are Section 16(a) directors and officers and whether these persons are currently reporting under the qualifying regulation. The exemptive order does not appear to require any public disclosure that an issuer or its directors and officers are relying on the exemption. However, companies should conduct this analysis and build it into onboarding processes for new insiders. If the SEC ever questions an FPI's reliance on the exemption, having already worked through the analysis will allow the issuer and/or the individuals to respond efficiently and with support.

Establish English-Language Reporting Processes. FPIs relying on the exemption that do not already publish reports under the qualifying regulation in English as a matter of course should confirm how they will satisfy the English-language disclosure requirement. Where the local regulatory platform does not allow filings in English, companies should establish a process for preparing and submitting English-language versions within the two-business-day window. If the relevant regulator's or exchange's filing system does not accept English filings, companies should develop a plan for posting English-language reports on the company's website, including determining where on the website the reports will appear and who will be responsible for timely posting.

Prepare for Uneven Coverage. Companies that determine some—but not all—of their directors and

officers qualify should update their compliance infrastructure accordingly. Some insiders may need to file Forms 3, 4, and 5 while others do not.

Alternatively, FPIs may wish to explore whether identified Section 16(a) directors and officers who are not currently reporting under the qualifying regulation could arguably be covered under such regulation, which may simplify the compliance obligations by remaining under a single reporting regime.

Future Exemptive Relief for Other Jurisdictions

The exemptive order states that the SEC "may exercise its exemptive authority from time to time and extend exemptive relief to the directors and officers of FPIs incorporated or organized in and subject to regulation in other jurisdictions that set forth requirements substantially similar to Section 16(a) requirements" and that "[a]ny such relief would be granted in separate Commission orders." However, the order does not provide any timeline for evaluating additional jurisdictions or indicate that any are currently under review.

FPIs incorporated or organized in jurisdictions not covered by this exemptive order should not expect relief before the March 18, 2026 compliance deadline. Those FPIs should proceed with preparations for Section 16(a) compliance, including obtaining EDGAR credentials, collecting beneficial ownership information from directors and officers, and preparing initial Form 3 filings.

For additional background on the Holding Foreign Insiders Accountable Act ("HFIAA") and the final implementing rules, please refer to our prior alert, [Section 16\(a\) Reporting: SEC Adopts Final Rules for Foreign Private Issuers](#).

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