Harvard Law School Forum on Corporate Governance

SEC Proposes New E-Delivery Framework

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Executive Summary

- **What's new**: The SEC has proposed Regulation E-Delivery, a new rule that would govern how public companies, registered investment companies, business development companies (BDCs), broker-dealers, investment advisers and other market participants may satisfy delivery obligations to investors, clients and other covered recipients under the federal securities laws.
- **Why it matters**: If adopted, Regulation E-Delivery would supersede the SEC's existing e-delivery framework and permit electronic delivery to become the default method of delivery to investors, providing potential savings in printing and mailing costs.
- **What to do next**: Public companies, registered investment companies, BDCs, investment advisers, broker-dealers and other covered entities should consider evaluating how Regulation E-Delivery would impact existing delivery practices and prepare for the transition process for covered recipients receiving paper communications.

Background

On July 16, 2026, the U.S. Securities and Exchange Commission (SEC) proposed Regulation E-Delivery, a new rule that would make electronic delivery (e-delivery) the default method for delivering regulatory disclosures to investors, clients and other covered recipients under the federal securities laws, subject to certain conditions. If adopted, Regulation E-Delivery would become the SEC's primary rule on e-delivery and would supersede its decades-old, guidance-based e-delivery framework, which is built on an "opt-in" model requiring affirmative investor consent before documents can be delivered electronically.

Under the current framework, issuers and market intermediaries, among others, generally must deliver many required regulatory disclosures and reports in paper, unless the recipient opts into e-delivery. Regulation E-Delivery would "flip the script" by establishing e-delivery as the default delivery method, unless the recipient affirmatively opts out.

Regulation E-Delivery represents a significant step in furtherance of the SEC's ongoing initiative to modernize the SEC's regulatory framework and ease compliance burdens, and could significantly reduce printing and mailing costs while establishing a uniform, rules-based framework for e-delivery across the federal securities laws.

Scope of Proposed Rule

Regulation E-Delivery, if adopted, would apply broadly across the federal securities laws addressing e-delivery of "covered information" by "covered entities" to "covered recipients."

Covered entities. Proposed Regulation E-Delivery would apply to any entity that has an obligation to deliver covered information to a covered recipient under the federal securities laws. This includes public companies, registered investment companies, business development companies (BDCs), investment advisers, broker-dealers, funding portals, transfer agents and third parties conducting proxy solicitations or tender offers.

Covered information. Regulation E-Delivery broadly defines "covered information" as any information required to be delivered to a covered recipient under the federal securities laws. Examples include prospectuses, annual reports, shareholder reports, trade confirmations, Form CRS, privacy notices and investment adviser brochures, as well as proxy and tender offer materials for issuers and third parties (such as bidders in a contested tender offer and dissidents in a proxy contest).

Covered recipients. Under Regulation E-Delivery, "covered recipients" would include current or prospective customers, clients, investors, security holders, counterparties and similar recipients.

General E-Delivery Requirements

A covered entity could rely on Regulation E-Delivery to satisfy its delivery obligations where the following conditions are met:

- The covered recipient has provided an "electronic address," such as an email or mobile phone number.
- The covered entity has provided a prominent disclosure to the covered recipient that it will send covered information to the electronic address provided.
- The covered recipient has not opted out of e-delivery.

Regulation E-Delivery would permit, but not require, covered entities to use e-delivery as the default method for delivery, preserving flexibility for those that prefer to maintain paper.

Permissible Methods of E-Delivery

Regulation E-Delivery would provide for two permissible methods of e-delivery:

- **Direct delivery**. For covered information that does not include personal financial information (PFI),[1] a covered entity could electronically deliver covered information directly to a covered recipient's electronic address (e.g., attached to or included in the body of an email).
- **Statement of availability**. For covered information that includes PFI, a covered entity would be required to deliver a statement of availability of covered information to the covered recipient's electronic address (e.g., an email with a link to a secure website address where the covered recipient can access the transmitted information). This e-delivery method also would be permitted for covered information that does not include PFI.

Regardless of the e-delivery method, a covered entity would be required to allow recipients to: (1) obtain a paper version of covered information upon request, free of charge; (2) opt out of e-delivery at any time and receive all or a subset of covered information in paper format, free of charge; and (3) update their electronic address, free of charge.

Regulation E-Delivery also would impose other general requirements governing the method and timing of e-delivery, and requirements for websites on which covered information is available.

Transition Mechanics for Paper Recipients

Proposed Regulation E-Delivery includes a special transition process for covered recipients who are receiving paper at the time the rule becomes effective and whom the covered entity wishes to move to default e-delivery. Under this process, the covered entity would generally be required to provide those recipients with two paper notices before defaulting to e-delivery:

- **180-day initial notice**: Notice in paper at least 180 days before the transition to default e-delivery.
- **30-day follow-up notice**: Follow-up notice in paper 30 days before the transition.

The notices would alert the covered recipient about the upcoming transition to e-delivery, specify the electronic address where covered information would be provided, and include a prominent statement describing the ability and process to opt out of e-delivery. The transition process cannot be applied to recipients who request paper delivery after the effective date. Entities that already obtained affirmative consent to deliver all covered information electronically under the SEC's current e-delivery framework generally would not need to provide this transition disclosure.

Impact on Public Companies

Proposed Regulation E-Delivery would impact public companies in two principal respects, by:

- Adopting a new proxy statement delivery framework that would include replacing the current paper-based “Notice of Internet Availability” model with an electronic “statement of availability.” Proxy materials would continue to be made available through an internet website; however, shareholders would receive electronic notifications directing them to those materials in lieu of a paper notice.
- Replacing the current guidance-based framework for e-delivery of prospectuses under the Securities Act of 1933, as amended (the Securities Act), and other required disclosures with a comprehensive rules-based framework that permits default e-delivery without prior affirmative consent from the recipient.

Proxy statements. Currently, Rule 14a-16 under the Securities Exchange Act of 1934, as amended (the Exchange Act), generally permits public companies to satisfy proxy delivery obligations by mailing a “full set” of proxy materials (either in paper or electronically for shareholders who previously opted in) or using the SEC’s “notice-and-access” model, under which shareholders receive a paper Notice of Internet Availability directing them to proxy materials posted online.

If adopted, Regulation E-Delivery would eliminate the paper Notice of Internet Availability as a standalone delivery method and move companies to a default e-delivery of proxy materials through Regulation E-Delivery’s permitted delivery methods. Because the paper Notice of Internet Availability no longer would be required, the attendant requirement in current Rule 14a-16 that such notice be sent at least 40 calendar days before the meeting would be eliminated. Accordingly, applicable state corporate law and a company’s governing documents would drive the timeline for providing proxy materials to shareholders, rather than the 40-calendar-day notice-and-access requirement under Rule 14a-16. Regulation E-Delivery also would eliminate the long-standing prohibition on using the notice-and-access framework for business combination proxy solicitations, thereby extending e-delivery to transactions that historically required delivery of a full paper set of proxy materials.

Securities Act prospectuses and offering documents. Regulation E-Delivery would not replace Securities Act Rule 172 (i.e., “access equals delivery”), which permits many issuers and other offering participants to satisfy the final prospectus delivery obligation by filing the final prospectus on EDGAR. Instead, Regulation E-Delivery would provide another avenue for issuers for e-delivery, including with respect to offerings that are excluded from relying on Rule 172, such as offerings on Form S-8 and the corresponding requirement to distribute Section 10(a) prospectuses.

Impact on Escheatment Practices

The proposal could present practical concerns related to how firms identify abandoned property for state escheatment law purposes. Returned physical mail can serve as proof that an account is abandoned. Under some state escheatment laws, covered entities must identify dormant property and notify owners before transferring the assets to the state. Covered entities that currently rely on the return of physical mail as part of their state escheatment law compliance program will need to evaluate whether any changes they implement under Regulation E-Delivery would impact how they identify and handle abandoned property.

Impact on Broker-Dealers and Transfer Agents

Regulation E-Delivery would generally serve as a procedural overlay for many of the existing Exchange Act rules that require broker-dealers, transfer agents and other market intermediaries to furnish certain information to customers and security holders. Although many of these intermediaries have long been able to deliver trade confirmations, notices and certain required disclosures electronically, the proposal would allow them to rely on a more uniform electronic delivery framework as a default, subject to prescribed safeguards. As a result, these entities may be able to simplify provisions in customer or account agreements or onboarding procedures and streamline certain workflows involving electronic-delivery consent provisions.

Proposed E-SIGN Act Exemption

The proposal would exempt covered information delivered under Regulation E-Delivery from the consumer-consent requirements of the Electronic Signatures in Global and National Commerce Act (E-SIGN Act) to the extent those requirements would otherwise apply.

Next Steps

The public comment period will remain open until September 19, 2026. The SEC further proposes a 60-day effective date after adoption and a two-year transition period. Upon expiration of the transition period, the current SEC e-delivery interpretive guidance would be rescinded and covered entities would be required to comply with the new Regulation E-Delivery framework. This two-year transition period would allow public companies and other market participants time to review their delivery practices and adjust to the new rules, including transitioning recipients from receiving paper copies.

Although Regulation E-Delivery remains subject to public comment and may change before adoption, public companies, registered investment companies, BDCs and other covered entities may wish to begin evaluating how Regulation E-Delivery would impact existing delivery practices. In the near term, such entities may wish to begin planning by taking the following steps:

- **Evaluate current delivery practices**. Assess which SEC-required communications that would constitute "covered information" currently are delivered in paper versus electronically and identify the internal functions and third-party service providers responsible for those delivery processes.
- **Assess existing contact information**. Evaluate the completeness and accuracy of electronic addresses currently maintained for shareholders, investors, customers, clients and other covered recipients.
- **Review proxy administration processes**. Evaluate how the proposed rules could affect proxy solicitation procedures, coordination with intermediaries and annual meeting timelines.
- **Evaluate electronic delivery platforms**. Consider whether existing shareholder portals, websites, authentication procedures and mobile applications would satisfy Regulation E-Delivery's requirements, particularly for materials containing PFI.
- **Map the transition period**. For recipients currently receiving paper, plan for the 180-day initial notice and 30-day follow-up notice, opt-out handling, free paper-on-request fulfillment and website posting standards.

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[1] Consistent with current SEC guidance, the proposal would define PFI as "information specific to a covered recipient's personal financial matters, such as an account number or details regarding a specific securities transaction." See pp. 26 and 275 of the Proposing Release.