waystone | Compliance Solutions

Regulatory Update

US, August 2026

Issued September 2, 2026

This edition includes – SEC Establishes New Financial Reporting and Accounting Unit to Strengthen Enforcement Efforts, FinCEN Permanently Eliminates Beneficial Ownership Reporting Requirements for U.S. Companies and U.S. Persons, SEC Considers Pay-to-Play Reform, CFTC Seeks Public Comment on Proposed Rule Changes for Commodity Pool Operator and Commodity Trading Advisor Registration, SEC Proposes Regulation Crypto Assets, and SEC Extends Compliance Date for 2024 Form PF Amendments to July 2027

SEC Creates Financial Reporting and Accounting Enforcement Unit

On August 5, 2026, the SEC announced the creation of a new Financial Reporting and Accounting Unit within its Division of Enforcement. According to the SEC, the specialized unit has been established to provide dedicated expertise and resources to pursue accounting and financial reporting fraud cases, as well as broader misconduct involving accounting and auditing practices. The SEC stated that the unit will work closely with other divisions and offices to support enforcement efforts consistent with the Commission's policy objectives.

For investment advisers, private fund managers, and public reporting companies, the announcement highlights the SEC's continued focus on the accuracy and integrity of financial reporting. While the SEC did not announce any new regulatory requirements, the formation of a specialized enforcement unit signals an increased emphasis on identifying and pursuing matters involving inaccurate financial statements, misleading disclosures, accounting irregularities, auditor misconduct, and other financial reporting issues. Firms should continue to ensure that their financial reporting controls, valuation processes, books and records, and disclosure practices are appropriately designed and consistently implemented.

The new unit will be led by Timothy Zimmerman and staffed by attorneys and accountants with specialized expertise in financial reporting, accounting, and auditing matters. The SEC noted that the unit expands upon the Division's existing efforts to address misconduct in the accounting and auditing profession. As a practical matter, firms may wish to review their internal controls, financial reporting procedures, and oversight of service providers to help ensure the accuracy of financial information and the effectiveness of compliance and governance processes.

Read the press release here:
SEC.gov | SEC Establishes Financial Reporting and Accounting Unit in Enforcement Division

FinCEN Finalises Beneficial Ownership Reporting Exemptions for U.S. Companies

On August 11, 2026, the U.S. Department of the Treasury announced that the Financial Crimes Enforcement Network (FinCEN) has issued a final rule permanently removing the requirement for U.S. companies and U.S. persons to report beneficial ownership information (BOI) under the Corporate Transparency Act (CTA). The rule, which became effective on August 14, 2026, adopts the exemptions first introduced through FinCEN's March 2025 interim final rule and relieves millions of U.S. small businesses from BOI reporting obligations. Treasury also announced that it will delete previously reported beneficial ownership information associated with U.S. persons from the BOI database.

The final rule also exempts U.S. persons with FinCEN identifiers from ongoing update and correction requirements, removes certain reporting obligations for foreign entities relating to U.S. company applicants, and exempts certain foreign pooled investment vehicles from reporting information regarding a U.S. person exercising control. Foreign entities that qualify as reporting companies, however, remain subject to beneficial ownership reporting requirements with respect to foreign beneficial owners. Firms should note that this rule significantly narrows the scope of the Corporate Transparency Act's reporting regime and may eliminate filing obligations that previously applied to U.S.-based entities and individuals.

Read the press release here: https://home.treasury.gov/news/press-releases/sb0603

SEC Considers Pay-to-Play Rule Reforms

On August 14, 2026, the SEC included potential Pay-to-Play Reform on its regulatory agenda, signaling that the Division of Investment Management is considering recommending amendments to Rule 206(4)-5 under the Investment Advisers Act. According to the Unified Agenda, the SEC is evaluating changes designed to address identified compliance burdens associated with the current pay-to-play rule, which generally prohibits investment advisers from receiving compensation for advisory services to government entities following certain political contributions. The rulemaking has been designated as economically significant, and a proposed rule is currently targeted for October 2026.

For registered investment advisers and exempt reporting advisers that interact with public pension plans, state investment programs, or other government entities, any proposed amendments could affect political contribution monitoring, recordkeeping, and existing compliance controls. While the SEC has not yet released specific proposed changes, advisers should continue adhering to current Rule 206(4)-5 requirements until further guidance is issued. Firms may wish to monitor developments closely, as future amendments could modify compliance obligations or provide relief from certain regulatory burdens identified by industry participants.

View the rule here: View Rule

CFTC Proposes Registration Relief for Certain Commodity Pool Operators and Commodity Trading Advisors

On August 18, 2026, the Commodity Futures Trading Commission (CFTC) published a Notice of Proposed Rulemaking seeking public comment on amendments to Part 4 of its regulations governing Commodity Pool Operators (CPOs) and Commodity Trading Advisors (CTAs). The proposal would create a registration exemption for certain SEC-registered investment advisers that manage commodity pools limited to sophisticated investors and satisfy specified conditions. The CFTC stated that the amendments are intended to reduce duplicative regulation while preserving market integrity and promoting U.S. market competitiveness. Comments will be accepted for 45 days following publication in the Federal Register.

The proposal would effectively codify relief similar to former CFTC Rule 4.13(a)(4), commonly known as the Qualified Eligible Person (QEP) exemption, which was rescinded in 2012. Prior to its repeal, the exemption generally allowed certain SEC-registered investment advisers operating commodity pools offered exclusively to sophisticated investors to avoid CPO registration.

In December 2025, the CFTC's Market Participants Division issued No-Action Letter 25-50, temporarily restoring similar relief for eligible SEC-registered advisers while the Commission considered permanent rulemaking. The proposal appears limited to SEC-registered investment advisers. As drafted, Exempt Reporting Advisers (ERAs) generally would not be eligible to rely on the proposed exemption and would need to evaluate other available CFTC exemptions.

Impact on Advisers Currently Relying on No-Action Relief. The proposal does not immediately alter the status of SEC-registered investment advisers currently relying on CFTC No-Action Letter 25-50. Instead, it represents the Commission's effort to codify similar relief through formal rulemaking. If adopted, the rule would provide a more permanent regulatory framework and reduce uncertainty associated with reliance on temporary staff no-action relief that could be modified or withdrawn. Advisers currently operating under the no-action position should continue monitoring developments as the rulemaking process progresses.

The proposal may also be significant for private fund managers currently relying on CFTC Rule 4.13(a)(3), the commonly used de minimis exemption that limits a fund's commodity interest exposure. If adopted, eligible SEC-registered advisers managing funds comprised solely of sophisticated investors may have an alternative path to avoid CPO and CTA registration without needing to rely on compliance with the Rule 4.13(a)(3) trading limitations. In addition, the proposal would increase the capital contribution threshold under the existing small pool exemption from $400,000 to $800,000 to account for inflation, potentially expanding the availability of that exemption to additional small operators. Advisers currently relying on Rule 4.13(a)(3), registered as CPOs or CTAs, or utilizing the December 2025 no-action relief should assess whether the proposed changes could affect their registration and compliance obligations.

The proposal has not been adopted and remains subject to public comment and potential revision before becoming effective.

View notice https://www.cftc.gov/PressRoom/PressReleases/9284-26?utm_source=govdelivery

SEC Proposes Regulation Crypto Assets

On August 18, 2026, the SEC proposed Regulation Crypto Assets, a new regulatory framework intended to facilitate capital formation for certain crypto asset projects while maintaining investor protections. The proposal would establish a tailored offering regime for investment contracts involving crypto assets and create two exempt offering pathways. Under the proposed rules, issuers could raise up to $5 million over a four-year period through a startup exemption or up to $75 million in a 12-month period through a larger fundraising exemption, provided specified disclosure requirements are met. These offerings would remain subject to the federal securities laws' antifraud and anti-manipulation provisions.

The proposal would require issuers relying on either exemption to provide investors with principles-based disclosures regarding the project, crypto assets, and associated risks. Issuers utilizing the larger $75 million fundraising exemption would be subject to additional obligations, including the provision of financial statements and ongoing reporting requirements. The SEC stated that the proposal is designed to accommodate innovation in the crypto asset markets while ensuring investors receive sufficient information to make informed investment decisions.

Notably, the SEC also proposed a conditional safe harbor under which certain crypto assets would no longer be considered subject to an "investment contract" and therefore would not be treated as securities under the Securities Act or Exchange Act if specified conditions are satisfied. If adopted, the proposal could create a clearer regulatory pathway for crypto asset issuers seeking to raise capital in the United States while potentially reducing uncertainty regarding the securities law status of certain crypto assets. The proposal is subject to a public comment period before the SEC determines whether to adopt final rules.

Read the rule here: https://www.sec.gov/files/rules/proposed/2026/33-11434.pdf

SEC and CFTC Extend Form PF Compliance Date

On August 31, 2026, the SEC and CFTC jointly extended the compliance date for the 2024 Form PF amendments from October 1, 2026, to July 1, 2027. According to Chairman Atkins, the extension is intended to provide the SEC and the Commodity Futures Trading Commission with additional time to complete their review of proposed amendments to Form PF and to carefully evaluate public comments received on those proposals. The SEC emphasized that, given the complexity and technical nature of Form PF reporting, a further extension is appropriate while regulators work toward finalizing a tailored reporting framework that continues to provide regulators with necessary information regarding private fund activities.

The announcement reflects the SEC's ongoing effort to reassess and refine private fund reporting requirements adopted in 2024. Following the previous extension, the SEC proposed additional amendments designed to streamline Form PF obligations and focus reporting on information deemed necessary for regulatory oversight and systemic risk monitoring. Chairman Atkins noted that Commission staff have made significant progress in reviewing comments and evaluating the proposed changes, but that additional time is needed before final amendments can be finalized. Until the new July 1, 2027 compliance date, advisers should continue to comply with the current Form PF requirements while monitoring further developments from the SEC and CFTC.

Read the statement here:
https://www.sec.gov/newsroom/speeches-statements/atkins-statement-form-pf-amendments-083126

Stay informed with our Regulatory Update

Navigate the ever-evolving regulatory landscape with Waystone's Regulatory Update. Our team of compliance experts provide a monthly review of a wide range of global regulatory compliance matters, including news, guidelines and significant regional updates. To sign-up to receive these updates, please follow the link below.

Sign-up →

About Waystone

Waystone is a leading global provider of institutional governance, administration, risk, and compliance services to the asset management and financial services industry. Our global Compliance Solutions team helps clients navigate the regulatory landscape with confidence, aligning investment strategies and operational processes with compliance requirements. With over 100 compliance specialists based across North America, Asia, the Middle East, and Europe, we offer a comprehensive range of solutions, from company registration to compliance programs and ongoing support.

In the United States, Waystone brings over 20 years of experience supporting investment advisers and funds regulated by the SEC, CFTC, and FINRA. Our US-based team delivers tailored, risk-focused, and cost-effective compliance solutions. With deep regulatory expertise, we help enhance your firm's governance framework while adding measurable value to your compliance program.

If you would like to discuss the themes raised in this guide with one of our US Compliance Solutions team members and learn how we can assist you, please contact us using the details below.

Contact us →