



LEAD WITH REGULATORY CONFIDENCE

OPTIMA NEWSLETTER

TRUSTED EXPERTISE.
GLOBAL REACH.
STRATEGIC EXECUTION.

MARCH 3
2026

This Edition:

- Regulatory Deadlines
- Upcoming Events
- Regulatory Updates
- Enforcement Actions
- Crypto Corner
- Leadership & Development

Upcoming Regulatory Deadlines

- MARCH 31, 2026 | [FORM ADV ANNUAL AMENDMENT](#)
- APRIL 1, 2026 | [VC DEMOGRAPHIC DATA REPORT](#)

Upcoming Events

Optima Partners Hosts Industry Happy Hour

LOS ANGELES, CA | MARCH 5, 2026 | [REGISTER](#)

Optima Partners is hosting an Industry Happy Hour on March 5, 2026, in Los Angeles, CA. Join us at La Pizza & La Pasta (10250 Santa Monica Blvd, Los Angeles, CA 90067) for a relaxed evening to connect with peers across the industry, share perspectives, and discuss the current market environment over great food and drinks.

Optima Partners Webinar: Latest FCA Authorization Trends

WEBINAR | MARCH 12, 2026 | [REGISTER](#)

Optima Partners is hosting a focused webinar exploring the latest FCA authorization trends and what new managers should be considering when navigating the approval process in 2026. Our panel will walk through the practical realities of obtaining FCA authorization, including current regulatory expectations, tax structuring considerations, and key legal factors that can influence timing and outcomes. Featuring speakers from Optima Partners, McDermott Will & Schulte, and Green Day Advisors, this session will offer clear, experience-led guidance for firms. If FCA authorization is part of your 2026 roadmap, join us for a practical discussion on how to prepare effectively and position your application for success.

Investment Advisor Compliance Conference

WASHINGTON, DC | MARCH 18, 2026 | [REGISTER](#)

Optima is pleased to share that Jennifer Duggins, IACCP®, CRCP®, will be speaking at the IAA Compliance Conference on March 18, 2026, in Washington, DC. Jennifer will join industry leaders from the SEC, Guggenheim Investments, and Weil, Gotshal & Manges for a panel discussion on “Private Fund Advisers: Navigating the Evolving Compliance Landscape”.

Upcoming Events

Optima Partners at PLI SEC Speaks Conference

WASHINGTON, DC | MARCH 19, 2026 | [REGISTER](#)

Optima Partners is pleased to announce that we will be attending the PLI SEC Speaks Conference, including the associated networking dinner, a premier annual event featuring senior officials from the SEC. The conference offers direct insights into current SEC priorities, enforcement trends, rulemaking developments, and examination focus areas impacting investment advisers and financial institutions.

Book Launch & Panel Discussion: The Inside Story of *Tipper X*

NEW YORK CITY, NY | MARCH 26, 2026 | [INFO](#)

Optima Partners is hosting “The Inside Story of Tipper X” book launch, an in-person discussion examining one of the most influential insider-trading investigations in recent history. The event features Tom Hardin, author and founder of Tipper X Advisors, alongside Optima Partners’ Adam Reback and Jennifer Duggins. The panel will explore insider trading enforcement trends, compliance lessons learned, and the real-world implications for financial institutions and investment managers. The discussion will conclude with audience Q&A and networking.

Optima Partners Co-Sponsors Wall Street South Industry Event

SUNRISE, FL | MARCH 10, 2026 | [REGISTER](#)

Optima Partners is pleased announced that we are co-sponsoring an upcoming Wall Street South event, bringing together South Florida’s investment and financial community on March 10, 2026, at Amerant Bank Arena. Join us for an evening of networking and relationship-building in an energetic setting. The event is designed to foster meaningful business discussions while enjoying a memorable evening with industry peers. Thanks to the support of Optima Partners and our fellow co-sponsors, tickets are being subsidized for current Wall Street South members, while also welcoming new participants interested in connecting with the community. Each ticket includes access to the game, a full dinner buffet, and an open bar featuring beer, wine, and soft drinks. We look forward to seeing you there and connecting in person.

Regulatory Updates

SEC Announces Roundtable on Private Markets Valuation as Retail Investor Access Accelerates

[SOURCE](#) | [SEC](#) | [READ MORE](#)

The SEC are hosting a roundtable on March 4, 2026, to discuss private market valuations and responsible retailization. The roundtable will be hosted by the Division of Investment Management from 1 p.m. to 3 p.m. ET at the SEC's Washington, DC headquarters and streamed live on the SEC website.

CFTC Enforcement Division Issues Prediction Markets Advisory

[SOURCE](#) | [CFTC](#) | [READ MORE](#)

On February 25, 2026, the CFTC's Enforcement Division released an advisory related to prohibited trading practices in prediction markets (also known as event contracts), highlighting recent cases involving misuse of nonpublic information and fraud on KalshiEX, a Designated Contract Market:

- In May 2025, social media posts contained videos that appeared to show a political candidate trading on his own candidacy on Kalshi. Kalshi's compliance team contacted the candidate that same day, and the trader acknowledged that he knew these trades were improper and violated Kalshi's rules, which prohibit trading in a contract over which the trader has direct or indirect influence over the outcome. Kalshi imposed a \$2,246.36 financial penalty and a 5-year suspension from direct or indirect access to the exchange.
- In August and September 2025, an individual traded a prediction market related to a YouTube channel while having an employment relationship or other formal affiliation with the subject of the contract, through which the trader likely had access to material nonpublic information related to his trades, in violation of exchange rules. Upon investigating the highly successful trades and the trader responsible, Kalshi discovered that the trader was an editor for a YouTube channel who likely had advanced knowledge of the contents of the channel's videos prior to the time they were publicly posted. Kalshi imposed a \$20,397.58 financial penalty and a 2-year suspension from direct or indirect access to the exchange.

The advisory follows the enforcement matters outlined above, where traders exploited insider-type information or influence over outcomes in prediction market contracts. The cases underscore that practices such as insider trading and fraud are subject to regulatory and exchange discipline even in emerging contract types.

Regulatory Updates

CFTC Reaffirms Exclusive Jurisdiction over Prediction Markets in U.S. Circuit Court Filing

SOURCE | CFTC | [READ MORE](#)

On February 17, 2026, the CFTC filed an amicus brief confirming its exclusive jurisdiction over the U.S. commodity derivatives markets (including event contract markets, commonly referred to as prediction markets). The brief asserts that states and other federal entities do not have the authority to further regulate markets within the CFTC's exclusive jurisdiction, and attempting to do so would have destabilizing economic effects.

SEC's Division of Enforcement Announces Updates to Enforcement Manual

SOURCE | SEC | [READ MORE](#)

On February 24, 2026, the SEC announced significant updates to its Enforcement Manual, including changes to investigative procedures that are intended to enhance consistency and uniformity in Enforcement's practices and create greater efficiencies in support of the Commission's mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation.

SEC Proposes Amendments to Reduce Burdens in Reporting of Fund Portfolio Holdings

SOURCE | SEC | [READ MORE](#)

On February 18, 2026, the SEC proposed amendments to Form N-PORT, the filing used by most registered investment companies to report portfolio holdings and related information. The goal is to reduce reporting burdens while preserving the SEC's ability to monitor fund portfolios and provide investors with useful information. Key elements of the proposal:

- **Extended filing timeframe:** Funds would have an additional 15 days to submit monthly portfolio data to reduce errors and resubmissions.
- **Less frequent public disclosure:** Publication of portfolio reports would shift from monthly to quarterly, which is expected to lessen potential costs to funds and shareholders associated with frequent public disclosure.
- **Streamlined reporting:** Certain information would be modified or removed (including prior Names Rule reporting) and new items added, such as enhanced data for ETFs.

In connection with these changes, the SEC is extending compliance dates for current Names Rule reporting requirements to November 17, 2027 for larger fund groups and May 18, 2028 for smaller ones.

Regulatory Updates

2025–26 Names Rule FAQs

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 18, 2026, the SEC published updated FAQs relating to the 2023 amendments to Rule 35d-1 under the Investment Company Act of 1940 (the "Names Rule"). These FAQs provide staff interpretations to help registered funds implement the expanded rule ahead of compliance deadlines. The updated FAQs clarify how the amended Names Rule applies to various fund names and investment terms, building on the 2023 amendments that broadened the rule's scope to cover names suggesting particular investment focuses or characteristics.

- The Names Rule requires funds whose names imply a specific investment focus (e.g., sector, region, "growth," "value," or certain characteristics) to adopt an 80% investment policy, meaning at least 80% of assets must be invested in holdings consistent with the name's implication.
- The FAQs address practical questions, including when shareholder approval is (or isn't) required for adopting or revising an 80% policy, how the rule applies to tax-exempt and single-state municipal funds, including use of income or asset tests, and the treatment of specific terms such as "high-yield," "income," "money market," "tax-sensitive," "growth," "value," and strategy-oriented names.
- These FAQs, while not legally binding rules, offer important interpretive guidance to support compliance and investor protection.

CFTC Clears Path for Expanded Use of Non-Cash Collateral in Cleared Derivatives Markets

[SOURCE](#) | [CFTC](#) | [READ MORE](#)

The CFTC has taken steps to facilitate the expanded use of non-cash collateral in cleared derivatives markets, signaling continued efforts to modernize margin practices and enhance liquidity flexibility for market participants. The action clarifies the circumstances under which certain non-cash assets may be accepted as margin by derivatives clearing organizations, while reaffirming core risk management safeguards designed to preserve financial stability and protect customer funds.

The CFTC emphasized that any expansion in eligible collateral must remain consistent with sound valuation, liquidity, and haircut standards. Market participants should assess whether updates to collateral policies, margin agreements, and operational processes are warranted in light of the Commission's position.

Regulatory Updates

Remarks from the SEC's Director of the Division of Enforcement

SOURCE | SEC | [READ MORE](#)

On February 11, 2026, the SEC's Director of the Division of Enforcement, Margaret Ryan, delivered remarks at the Los Angeles County Bar Association's 56th Annual Securities Regulation Seminar in Los Angeles, outlining her background, guiding principles, enforcement process including a transparent Wells process, and substantive enforcement priorities such as focusing on fraud that harms investors while calibrating enforcement of non-fraud compliance failures. "Identifying, rooting out, and remedying scams, particularly those that inflict devastating costs on everyday retail investors, is the cornerstone of what we do." She continued, emphasizing "We will continue to charge violations of the securities laws for misconduct that clearly undermines market integrity, including accounting fraud, insider trading, wash trading, and market manipulation schemes."

FCA Updates Consumer Duty Board Reporting Guidance – Focus on Smaller Firms

SOURCE | FCA | [READ MORE](#)

The FCA has updated its 'Consumer Duty board reports: good practice and areas for improvement' guidance to include refreshed examples of good and poor practice, and to provide additional insight tailored to smaller firms. While the FCA reiterates that all firms must be able to monitor customer outcomes and align strategy with the Duty, it acknowledges that smaller firms may face different operational and resourcing challenges. The updated guidance suggests practical steps for smaller firms, including seeking independent challenge from a suitably experienced "critical friend" and, where proportionate, engaging external advisers to support remediation efforts.

EU EMIR – Active Account Requirement (AAR) RTS Adopted and Published

SOURCE | EU OFFICIAL JOURNAL / ESMA | [READ MORE](#)

The Regulatory Technical Standards (RTS) relating to the EU EMIR Active Account Requirement (AAR) have now been formally adopted and published in the EU Official Journal. The RTS set out detailed technical standards covering representativeness and operational requirements, as well as reporting templates linked to the AAR framework.

ESMA has indicated that entities subject to the AAR should prepare to submit their first report by July 2026. This initial submission is expected to include backlog data demonstrating compliance from June 2025, alongside current reporting data. Firms within scope should therefore ensure systems and reporting processes are aligned in advance of the implementation timeline.

Regulatory Updates

EU AMLA Consults on Draft RTS for Customer Due Diligence

SOURCE | [AMLA](#) | [READ MORE](#)

The European Union's Anti-Money Laundering Authority (AMLA) has launched a consultation on draft Regulatory Technical Standards (RTS) specifying the information and requirements necessary for customer due diligence under the new EU AML Regulation. As a directly applicable regulation, the measures will apply consistently across all entities within scope, including financial institutions, supporting greater harmonization of AML controls across Member States.

The draft RTS address key areas such as acceptable documentation for identity verification and enhanced requirements relating to higher-risk relationships, including the identification of politically exposed persons (PEPs). The consultation remains open until 8 May 2026.

UK Sanctions Regime: Updated Search Tool and User Guidance

SOURCE | [UK GOVERNMENT](#) | [READ MORE](#)

Following the rationalization of the UK sanctions regime, there is now a single consolidated UK Sanctions List in place as of 28 January 2026. To support firms in screening activities, the government has introduced an enhanced search tool designed to facilitate more efficient identification of individuals and entities subject to financial sanctions. Firms should ensure that their sanctions screening procedures reflect the updated framework and that staff are familiar with both the consolidated list and the revised guidance.

Appointed Representatives Regime – Proposed Reforms to Principal Oversight and Governance

SOURCE | [HM TREASURY](#) | [READ MORE](#)

HM Treasury has published a consultation on proposed reforms to the Appointed Representatives (AR) regime, signaling potential structural changes to the current framework. Key proposals include: requiring authorized firms to seek FCA permission to act as a principal (with transitional provisions for existing principals), removal of the "tied agents" concept, extension of Financial Ombudsman Service coverage to complaints involving AR-regulated activities, and bringing ARs within scope of SMCR.

The FCA would gain the ability to create a dedicated AR Senior Management Function within principal firms. The consultation closes on 9 April 2026. Firms operating AR models should consider the potential operational and governance implications of these proposals.

Regulatory Updates

FCA Whistleblowing Data: Q4 2025 Update

SOURCE | FCA | [READ MORE](#)

The FCA has published its whistleblowing data for Q4 2025, reporting 281 new disclosures, down from 405 in the previous quarter. Approximately one-third of reports were made anonymously.

During the quarter, the FCA closed 282 reports, with 37% resulting in significant action to manage or reduce harm. The data continues to underline the FCA's focus on intelligence-led supervision and enforcement, and firms should ensure that internal whistleblowing arrangements remain robust and effective.

Suspicious Transaction and Order Reports (STORs): FCA 2025 Market Abuse Data

SOURCE | FCA | [READ MORE](#)

The FCA has published a high-level summary of STORs received in 2025. A total of 3,806 reports were submitted, compared to 4,528 in 2024. Most reports related to suspected insider dealing, rather than market manipulation. As STOR submissions remain a regulatory obligation for firms professionally arranging or executing transactions where there is reasonable suspicion of market abuse, firms should continue to assess the effectiveness of their surveillance and escalation frameworks.

FCA Market Observations: Voluntary Reporting Trends for 2025

SOURCE | FCA | [READ MORE](#)

The FCA has also published statistics on voluntary "market observations" received in 2025, with 302 submissions compared to 341 in 2024.

Unlike STORs, which are mandatory where there is reasonable suspicion of market abuse, market observations are voluntary notifications of activity that may raise concern but fall outside formal reporting requirements. The data highlights the continued importance of clear internal processes for determining when to submit a STOR versus a market observation.

Regulatory Updates

UK Securitization Framework Reform: FCA and PRA Consultations Launched

SOURCE | [FCA / PRA](#) | [READ MORE](#)

The FCA has published CP26/6, proposing reforms to the UK securitization framework aimed at simplifying due diligence, transparency, risk retention and securitization requirements. In parallel, the PRA has issued CP2/26 addressing prudential aspects for PRA-authorized firms. These consultations mark a significant review of the UK securitization regime and signal a potential period of transition and recalibration. Firms active in securitization markets should assess the proposals and consider responding to the consultations where appropriate.

FATF Grey List Update – Kuwait and Papua New Guinea Added

SOURCE | [OPTIMA INSIGHTS](#) | [READ MORE](#)

The Financial Action Task Force (FATF) has updated its list of jurisdictions under increased monitoring (the “Grey List”) to include Kuwait and Papua New Guinea. There has been no change to the list of high-risk jurisdictions subject to a call for action. Under the UK Money Laundering Regulations, firms must apply enhanced due diligence and ongoing monitoring measures in respect of high-risk third countries. Firms should review their risk assessments and screening processes to ensure alignment with the updated FATF position.

Data Protection Complaints – New ICO Requirements Effective June 2026

SOURCE | [ICO](#) | [READ MORE](#)

The Information Commissioner’s Office has issued guidance in anticipation of new requirements introduced by the Data (Use and Access) Act 2025, which amend the Data Protection Act 2018.

From 19 June 2026, controllers must facilitate the submission of data protection complaints, including by providing accessible complaint mechanisms. Organizations will be required to acknowledge complaints within 30 days and respond without undue delay, informing complainants of the outcome.

Firms should review their data protection complaints procedures, policies and privacy notices to ensure readiness ahead of implementation.

Enforcement Actions

SEC Obtains Final Consent Judgments in Alleged Insider Trading Cases

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 24, 2026, the SEC announced the entry of final consent judgments as to Joseph C. Lewis, Carolyn W. Carter, Patrick J. O'Connor, and Bryan L. Waugh in the SEC's civil enforcement action against Lewis, his then-girlfriend Carter, and his private pilots, O'Connor and Waugh. According to the SEC's complaint, Lewis obtained material non-public information about two public companies through his majority ownership and control of a biotechnology investment fund, and then tipped this information to Carter, who realized ill-gotten profits by trading in the stock of both companies. Separately, the complaint alleged that Lewis tipped information about one of the companies to O'Connor and Waugh, who realized ill-gotten profits by trading in that company's stock while in possession of this information.

SEC Files Settled Action as to Additional Individual in Alleged \$196 Million South Florida Ponzi Scheme

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 23, 2026, the SEC filed a settled action as to Joel Castellanos for his role in an alleged \$196 million fraudulent securities offering orchestrated by MJ Capital Funding, LLC, its affiliated company, MJ Taxes and More, Inc., and their principal officer, Johanna M. Garcia. According to the SEC's complaint, Castellanos personally and through his sales team of about 42 sales agents, solicited and raised at least \$25.2 million in MJ Capital's unregistered securities from at least 1,222 investors. The complaint alleges Castellanos earned commissions on his sales, even though he was not registered as a broker or dealer or associated with a registered broker-dealer.

SEC Obtains Final Consent Judgment as to Denver Day-Trader Charged with Defrauding Investors

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 23, 2026, the U.S. District Court for the District of Colorado entered a final consent judgment as to Ian G. Bell in the SEC's civil enforcement action that charged Bell in connection with an alleged fraudulent day-trading scheme. According to the SEC's complaint, Bell, between July 2020 and March 2023, fraudulently raised more than \$1.3 million from at least 29 investors by lying to investors about his trading performance, including by sending fabricated account performance screenshots. The complaint further alleged that Bell lost or squandered nearly all the investors' money, misappropriated investor money for his personal use, and, to conceal his fraud, lied about his plans and ability to repay investors.

Enforcement Actions

SEC Charges Texas Startup and Former CEO In Connection With Alleged Fraud in \$4.2 Million Stock Offering

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 19, 2026, the SEC charged Texas-based C-Hear, Inc. and its former CEO, Adena Harmon, with securities fraud, alleging that they made misleading statements that misrepresented C-Hear's technology and concealed Harmon's past criminal convictions. Harmon was also charged with allegedly making misrepresentations to investors in another company she controlled, Elite Performance Data Labs, LLC, and misappropriating investor funds in both C-Hear and Elite Performance. Harmon is also alleged to have opened two bank accounts in C-Hear's name without notifying the company, directed three investors to deposit their investment funds into these unauthorized accounts, and misappropriated approximately \$641,000 of such funds for her personal benefit.

SEC Charges Brothers in North Texas in Connection with Alleged Real Estate Offering Fraud

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 18, 2026, the SEC filed charges against Texas residents and brothers Saumil Thakkar and Poorvesh Thakkar, and two companies they control, for allegedly conducting a real estate offering fraud. As alleged in the complaint, the defendants made several misrepresentations in the fund's written offering materials, emails sent to prospective investors, and in verbal investment solicitations. The alleged misrepresentations concerned key aspects of the fund's real estate investments. The complaint further alleges the defendants misrepresented how much money the Thakkar family invested in the fund and failed to disclose related-party agreements, rendering statements in the fund's private placement memorandum misleading.

Hong Kong SFC - SFC Bans Andy Lau Ka Ho For Life

[SOURCE](#) | [SFC](#) | [READ MORE](#)

On February 26, 2026, the SFC prohibited Andy Lau Ka Ho, a former licensed representative of Sun Hung Kai Investment Services Limited, Sun Hung Kai Commodities Limited and SHK Fund Management Limited (collectively, SHK Entities), from re-entering the industry for life over serious misconduct. The SFC found that Lau carried out unauthorized trading, falsified client instructions, and accessed a client's account without permission. He also provided forged account statements and a fake certificate of deposit to conceal misconduct and prevent the client from withdrawing funds. His dishonest acts constitute serious breaches of the Code of Conduct and call into question his fitness and properness to be a licensed person.

Crypto Corner

Cutting by Two Would Do

[SOURCE](#) | [SEC](#) | [READ MORE](#)

On February 19, 2026, the SEC introduced new guidance allowing broker-dealers to apply a "2% haircut" to proprietary positions in certain stablecoins, a move that some crypto stakeholders say helps bring digital assets closer to traditional finance. In guidance issued by the SEC's Division of Trading and Markets, the staff addressed a customer protection rule requiring broker-dealers to safeguard customers' assets and maintain a cushion for those assets. The new guidance states that staff would not object if a broker-dealer were to apply a 2% haircut on proprietary positions. A haircut is typically a percentage applied to an asset and deducted when it is being used as collateral.

California Sets 2026 Licensing Deadline for Crypto Firms

[SOURCE](#) | [DFPI](#) | [READ MORE](#)

On February 18, 2026, California moved forward with firm rules for crypto companies operating in the state. The Department of Financial Protection and Innovation (DFPI) confirmed that under the new Digital Financial Assets Law (DFAL), any individual or company providing covered crypto services to California residents must, by July 1, 2026, hold a DFAL license, have submitted a license application, or qualify for an exemption. The application window opens March 9, 2026, through the Nationwide Multistate Licensing System (NMLS). Regulators are encouraging firms to review the NMLS application checklist and participate in industry training scheduled for March 23.

Leadership & Development

Why Adaptability, Not Resilience, Is Today's Key Leadership Skill

KARL MOORE | FORBES | [READ MORE](#)

In a recent conversation, leadership consultant Mike James Ross argues that resilience is no longer enough for today's leaders; instead, adaptability has become the essential skill in a world where there is no "return to normal." Citing survey data showing 92% of CEOs believe they must cultivate unprecedented adaptability, Ross contends that thriving amid constant, accelerating change, not merely withstanding it, should be the goal. He highlights how companies like Amazon embed change into their operating model, urges organizations to rethink hiring to prioritize diverse experiences and learning agility, and emphasizes that adaptability can be intentionally developed as a discipline. In an era shaped by AI and continuous disruption, Ross's message is clear: leaders must learn to ride the waves of change, not brace against them.

USEFUL LINKS:



View SEC News & Notices [here](#)



View FINRA site [here](#)



View NFA News & Notices [here](#)



View FCA site [here](#)



View SFC news and updates [here](#)



View DIFC site [here](#)



View MAS news and updates [here](#)



View ADGM site [here](#)