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OPTIMA NEWSLETTER

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Upcoming Regulatory Deadlines

- AUGUST 29, 2026 | QUARTERLY LARGE HEDGE FUND ADVISER FORM PF
- AUGUST 31, 2026 | PROXY VOTE DISCLOSURE FORM N-PX

Regulatory Updates

CFTC Orders KalshiEX to Continue Operating Amid New York Litigation

SOURCE | CFTC | READ MORE

On August 11, 2026, the CFTC used its emergency authority to order federally-regulated financial exchange and prediction market KalshiEX to continue operating as a designated contract market following a New York Attorney General action seeking to halt its nationwide event-contract offering, alleging it operates an unlicensed, illegal gambling ring in violation of New York law. The Commodity Exchange Act requires the CFTC to provide a uniform national market in derivatives transactions. As part of this obligation, the CFTC ensures public confidence in its markets by safeguarding market resilience and orderliness. The CFTC is also tasked with providing competitive, fair, and efficient markets that protect the price discovery process of trading in the centralized derivatives markets. Major market disruptions hamper these efforts. The action is a jurisdictional and supervisory signal rather than a new obligation for investment advisers, but advisers with actual or proposed event-contract exposure should monitor the federal-state litigation for effects on product availability and legal-risk assessments.

FinCEN Removes BOI Reporting Obligations for U.S. Companies and Persons

SOURCE | FINCEN | READ MORE

On August 11, 2026, FinCEN issued a final rule permanently eliminating Corporate Transparency Act ("CTA") beneficial ownership reporting requirements for U.S. companies and U.S. persons, effective upon Federal Register publication. FinCEN also announced that it will delete previously reported information by U.S. persons, now exempt from the reporting requirements, from the beneficial ownership information database. Under the final rule, foreign entities that are reporting companies will still be required to report beneficial ownership information for foreign individuals. U.S.-organized sponsors and portfolio-company affiliates should update CTA procedures and pause outstanding filings when the rule is published, while non-U.S. investment advisers and entities should assess whether they remain foreign reporting companies subject to the rules.

Regulatory Updates

KalshiEX LLC Denied Preliminary Injunction in CT

SOURCE | US DISTRICT CT STATE OF CT | READ MORE

On August 10, 2026, in *KalshiEX LLC v. Cafferelli*, the U.S. District Judge in Connecticut federal court denied KalshiEX's request for a preliminary injunction, ruling that its sports-event prediction contracts are not federally preempted "swaps" and that Connecticut can continue enforcing its state gaming laws against the platform. Connecticut's Department of Consumer Protection issued a cease-and-desist order telling Kalshi to stop offering unlicensed sports event contracts, labeling them illegal sports gambling. The Court ruled that predicting the specific outcomes or winners of sporting events does not legally qualify as a "swap" under federal law. The court noted that treating them as swaps would effectively strip states of traditional police powers over all sports betting without any clear signal from Congress. The judge further stated that, even if the contracts were considered swaps, federal law does not preempt state authority in this area, meaning Kalshi must still comply with state licensing requirements. This case is part of a nationwide legal battle where courts are split on whether state regulation of event contracts is pre-empted by federal law. Thus far, Nevada, Utah and Washington have ruled in favor of state law, while New Jersey and Tennessee have ruled against. The New York case described above is pending.

SEC Establishes Financial Reporting and Accounting Unit

SOURCE | SEC | READ MORE

On August 5, 2026, the SEC created a specialized Financial Reporting and Accounting Unit within its Division of Enforcement, led by Timothy Zimmerman, to pursue financial reporting fraud and accounting and auditing misconduct. Mr. Zimmerman joined the Division of Enforcement in May 2026 as a senior advisor to the Director. Prior to joining the agency, Mr. Zimmerman worked for 12 years at an international law firm, and most recently served as Deputy General Counsel at an international accounting and professional services firm. The Financial Reporting and Accounting Unit will be staffed by both attorneys and accountants with specialized skills related to financial reporting, accounting, and auditing in securities regulation. Although this does not introduce new obligations, it signals increased specialist scrutiny of valuation, performance reporting, fund financial statements, accounting judgments and auditor-related matters relevant to investment advisers.

Regulatory Updates

FCA Policy Statement PS26/15: Improving the UK Transaction Reporting Regime

SOURCE | FCA | READ MORE

The FCA has published final rules simplifying the UK transaction reporting regime, introducing new Market Abuse Regulation ("MAR") chapters covering record keeping, transaction reporting and financial instrument reference data. Key changes include reducing reporting fields from 65 to 52, removing FX derivatives and millions of EU-only instruments from scope, shortening the default back-reporting period from five to three years and introducing a new Conditional Single-Sided Reporting framework. The FCA estimates the reforms will save firms more than £100 million annually. The new regime takes effect on April 3, 2028, although certain supervisory easements, including the three-year back-reporting period, apply from August 2026.

Market Activity Reporter for Shares (MARS)

SOURCE | FCA | READ MORE

The FCA has launched the Market Activity Reporter for Shares ("MARS") to give market participants a clearer view of aggregate trading activity across UK equity markets. The tool combines data from multiple trading and reporting venues and provides daily transaction numbers, volumes and values for shares on the FCA's Official List. MARS is intended to address the difficulty of assessing total market activity where trading is fragmented across venues and will operate as an interim solution ahead of the FCA's planned equity consolidated tape.

Enforcement Actions

SEC Settles Case Against Former New Jersey Corrections Officer Charged in Alleged Crypto Offering and Investment Fraud Schemes

SOURCE | SEC | READ MORE

On August 4, 2026, the SEC filed a consent and proposed final judgment as to defendant John A. DeSalvo, a former New Jersey Corrections Officer, in connection with a previously filed action alleging that he engaged in crypto offering and investment fraud schemes. According to the SEC's complaint, Mr. DeSalvo fraudulently raised at least $623,888 from approximately 222 investors in connection with the so-called Blazar Token, while falsely claiming, among other things, that the token was registered with the SEC, would replace traditional state pension systems, and would provide investors with extraordinary returns. The SEC also alleged that DeSalvo previously raised approximately $95,000 from 17 investors through a separate fraudulent investment program involving purported investments in stocks, options, and crypto assets.

Court Enters Final Judgment against Investment Adviser That Made Misrepresentations in SEC Filing

SOURCE | SEC | READ MORE

On August 3, 2026, the U.S. District Court for the District of Columbia entered a final judgment against purported investment adviser Wisdom Capital Management Group Ltd. ("Wisdom") for making material misrepresentations and unsubstantiated statements in a Form ADV filed with the SEC. According to the SEC's complaint, Wisdom claimed that: it was an Exempt Reporting Adviser; it was also a public company operating out of office space on Wall Street in New York City; it managed $10 million in private funds in the U.S.; it advised two private funds; and a separate registered investment adviser reported information about these two private funds on its own Form ADV. Contrary to Wisdom's representations, the current business resident of the New York office space had no knowledge of Wisdom or its purported management personnel, and the other adviser had not reported information about the two purported private funds. Additionally, Wisdom failed to respond to the SEC's requests to provide records to substantiate the information on the Form ADV. The final judgment enjoins Wisdom from future violations of the Advisers Act, from filing a Form ADV as an Exempt Reporting Adviser, and orders the firm to pay a $1,152,316 civil penalty.

Enforcement Actions

SEC fines UBS Financial Services $20 million for AML and SAR failures

SOURCE | SEC | READ MORE

On August 3, 2026, the SEC censured UBS Financial Services ("UBSFS") and imposed a $20 million civil penalty for AML surveillance, customer due diligence and suspicious activity reporting failures involving foreign-exchange wire activity. UBSFS failed to timely file certain suspicious activity reports ("SARs") in violation of the broker-dealer books and records provisions of Section 17(a) of the Exchange Act and Rule 17a-8 thereunder. UBSFS failed to adequately monitor its customers' foreign currency FX wire transactions for possible suspicious transactions, as required by its own AML policies and procedures because of flaws first with its legacy AML transaction monitoring system and then with its new automated AML transaction monitoring system. The case emphasizes the need for broker-dealers, including dual registrants, to validate data feeds, exception handling, customer-risk updates and SAR escalation processes throughout system implementations and remediation projects.

Singapore MAS – MAS Issues Prohibition Order Against Low Jia Mei, Camie for Unauthorised Access to Bank Customer Information

SOURCE | MAS | READ MORE

On August 12, 2026, MAS issued a four-year prohibition order ("PO") against Ms. Low Jia Mei, Camie under the Financial Services and Markets Act 2022 ("FSMA") for offences relating to unauthorized access to customer information. A former relationship manager with Standard Chartered Bank (Singapore) Limited, Ms. Low used other employees' computers on 10 occasions to access a customer's personal information and transaction history without authorization and for reasons unrelated to her work. She was subsequently convicted of two charges under the Computer Misuse Act and fined SGD$12,000. MAS found Ms. Low not fit and proper under its Guidelines on Fit and Proper Criteria. Under the PO, she is prohibited for four years from carrying on MAS-regulated activities, participating in the management of a financial institution, holding certain senior roles or performing critical system administration functions.

Enforcement Actions

Singapore MAS – MAS Issues Prohibition Order against Lai Mei Lin

SOURCE | MAS | READ MORE

On August 3, 2026, the MAS issued a 6-year PO under the FSMA against Ms. Lai Mei Lin, a former representative and Unit Manager of Manulife Financial Advisers Pte. Ltd. ("Manulife FA"), for forgery offences and unauthorized access to computer material. As a unit manager supervising a team of sales representatives, Ms. Lai obtained login details from two of her sales representatives between December 2019 and December 2020, then forged the signatures of four clients and her sales representatives to submit four policies on Manulife FA's system, subsequently approving these policies herself as the team's supervisor to earn higher commissions and boost her team's performance targets. Ms. Lai also forged policyholders' signatures to create false policy surrender forms when two policies' premiums fell due in December 2020. On August 6, 2024, she was convicted of two counts of unauthorized access to computer material under the Computer Misuse Act and three counts of forgery under the Penal Code, with four further charges taken into consideration for sentencing, resulting in an eight-month imprisonment term. In view of her offences, MAS found Ms. Lai not fit and proper under the Guidelines on Fit and Proper Criteria, and under the PO effective July 20, 2026, she is prohibited for six years from carrying on any MAS regulated activity, participating in the management of any financial institution, acting as a director, partner or manager of any financial institution, becoming or increasing her interest as a substantial shareholder of any financial institution that is a corporation, and from performing the function of critical system administration.

Crypto Corner

CFTC Announces Crypto Regulation as Priority for Inaugural Innovation Advisory Committee Meeting

SOURCE | CFTC | READ MORE

On August 13, 2026, CFTC Chairman Michael S. Selig released the agenda for the agency's inaugural Innovation Advisory Committee meeting, with crypto asset regulation, artificial intelligence, and prediction markets among the central topics. The committee is designed to bring entrepreneurs, market participants, and technology experts into discussions about how CFTC rules should evolve alongside emerging financial products. The public will also be able to submit comments following the August 20 meeting. For digital asset firms, the initiative provides another formal channel for influencing how the CFTC approaches crypto regulation and market innovation. This meeting will be streamed live on CFTC.gov and dial-in information is available on the CFTC’s website.

Treasury and U.K. Regulators Advance Cooperation on Stablecoins and Digital Finance

SOURCE | U.S. TREASURY | READ MORE

On August 4, 2026, the U.S. Treasury and U.K. authorities published a joint statement detailing continued regulatory cooperation on digital finance, stablecoins, tokenization, and cross-border payments. U.S. officials provided updates on implementation of the GENIUS Act and ongoing work on digital asset market structure, while both jurisdictions discussed their respective approaches to stablecoin regulation. Regulators also addressed tokenization and opportunities to reduce unnecessary cross-border regulatory friction. The discussions point toward greater international coordination as U.S. regulators move from establishing digital-asset frameworks toward implementing them.

CFTC Charges Goliath Ventures and CEO Over Alleged $397 Million Crypto Fraud

SOURCE | CFTC | READ MORE

On August 11, 2026, the CFTC filed a civil complaint against Goliath Ventures Inc. and its CEO, Christopher Delgado, alleging fraud in the solicitation of customer funds for bitcoin and ether trading. The CFTC alleges that approximately 1,600 customers contributed at least $397 million based on promises of principal protection and profits, while funds were misappropriated and account statements reported fictitious returns; the SEC filed a parallel action the same day. Although the case concerns a retail-facing alleged Ponzi scheme, it highlights the importance for digital-asset managers of substantiating performance and capital-protection claims, maintaining robust custody controls, and overseeing the use of investor assets.

Leadership & Development

Strengthening Leadership for the Long Term with Succession Planning

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Succession planning is one of the most important responsibilities of an organization's leadership, and it's not a single event or contingency plan reserved for moments of crisis. Instead, effective succession planning is an ongoing discipline that builds resilience, develops talent and ensures continuity in service to the organization and industry you represent. The most successful succession plans are built early and revisited often. They evolve alongside the organization's strategic plan and reflect both current needs and future priorities. Waiting until a transition is imminent is not recommended and not a best practice. The SEC will often inquire about succession planning in connection with an investment adviser's business continuity and considers such planning a part of the adviser's fiduciary duty to its clients.

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