OPTIMA

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OPTIMA NEWSLETTER

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Upcoming Regulatory Deadlines

- AUGUST 14, 2026 | QUARTERLY FORM 13F
- AUGUST 29, 2026 | QUARTERLY FORM PF
- AUGUST 31, 2026 | FORM N-PX

Events

Optima Partners Recognized as Best Advisory Firm - Regulation & Compliance (Private Equity) at the With Intelligence APAC Hedge Fund Services Awards

SOURCE | WITH INTELLIGENCE | READ MORE

Optima Partners has been recognized as the Best Advisory Firm - Regulation & Compliance (Private Equity) at the 2026 With Intelligence APAC Hedge Fund Services Awards. The award recognizes firms demonstrating excellence in regulatory and compliance advisory services across the private equity industry in the Asia-Pacific region. The recognition reflects Optima's continued commitment to helping investment managers navigate evolving regulatory requirements, strengthen compliance frameworks, and support sustainable growth across global markets.

Regulatory Updates

FCA Finalizes Streamlined UK MiFIR Transaction Reporting Rules

SOURCE | FCA | READ MORE

On August 3, 2026, the FCA published Policy Statement PS26/15, finalizing reforms to the UK MiFIR transaction-reporting regime that take effect on April 3, 2028. The reforms reduce the number of transaction-report fields from 65 to 52, remove FX derivatives from the reporting perimeter, exclude approximately 7 million instruments traded solely on EU venues, and shorten the correction period for historic errors from five years to three. The changes apply across the reporting chain, and outsourcing to an approved reporting mechanism does not transfer responsibility for the completeness, accuracy and timeliness of reports. Firms should begin scoping the re-mapping of reporting logic, data lineage and exception controls, but should not treat field specifications as final until the FCA consults on the draft schema, validation rules and new guidelines in October 2026.

Regulatory Updates

FCA Publishes Findings on Consumer Duty Outcomes Monitoring

SOURCE | FCA | READ MORE

The FCA has published findings from its review of how 56 firms monitored customer outcomes under the Consumer Duty. Stronger firms used clear, product-specific definitions of good outcomes, meaningful data and management information, and governance arrangements that led to measurable action. Areas for improvement included: collecting data without clearly analyzing what it showed; relying on broad monitoring frameworks; and describing governance structures without demonstrating how decisions were made. Firms should use the findings to assess whether their monitoring enables them to identify harm, take corrective action and confirm that customer outcomes have improved.

FCA Identifies Financial Crime Control Weaknesses at Asset Managers

SOURCE | FCA | READ MORE

The FCA has published findings from its review of 242 asset management and alternatives firms, identifying weaknesses in business-wide and customer risk assessments, ongoing monitoring, screening and oversight of outsourced due diligence. Private-market firms were highlighted as facing heightened risks from complex ownership structures, high-risk customers and international fund flows. The FCA expects firms to review their financial crime frameworks, ensure MLRO resources are proportionate and demonstrate effective governance and oversight, warning that it will intervene where firms fall short.

FCA and Bank Appoint Reporting Harmonization Taskforce

SOURCE | FCA | READ MORE

The FCA and Bank of England have appointed industry members to a taskforce supporting the long-term harmonization of transaction and post-trade reporting under UK MiFIR, UK EMIR and UK SFTR. Its Policy, Strategy and Architecture working groups include representatives from asset managers, banks, market infrastructure providers and technology firms. The initiative does not create immediate new obligations but signals future efforts to simplify reporting requirements, improve data consistency and reduce duplication across the regimes.

Regulatory Updates

FCA Proposes Simplified Remuneration Code for Solo-Regulated Firms

SOURCE | FCA | READ MORE

The FCA has proposed replacing the separate AIFM, UCITS and MIFIDPRU remuneration codes with a single, outcomes-focused Solo-Regulated Firms Remuneration Code. The new framework would apply to UK UCITS managers, relevant AIFMs and non-SNI MIFIDPRU firms, while removing SNI firms from scope. Key proposals include more flexible deferral, malus and clawback arrangements, narrower material risk-taker requirements, and removal of mandatory remuneration committees, annual independent reviews and MIF008 reporting. The consultation closes on September 16, 2026, with final rules expected in Q1 2027.

CFTC Chair Sets Deregulatory Supervisory Agenda; Twice-Weekly COT Targeted by Year-End

SOURCE | CFTC | READ MORE

On July 29, 2026, CFTC Chairman Selig, signaling a shift to prioritize fraud and manipulation over technical compliance breaches, proposed an MOU with the USDA to support producer access to hedging, and directed staff to move Commitments of Traders ("COT") releases to a twice-weekly cadence targeted by year-end. Investment managers using commodity derivatives, FCMs, CPOs/CTAs and prime brokers should brief governance bodies and assess whether systems need to ingest increased COT frequency. The remarks also flag potential interagency engagement on bank capital that could affect intermediary capacity, so counterparties and contingency plans merit review.

Regulatory Updates

SEC Exempts Muzinich Closed-End Fund to Allow Multi-Class Shares and Asset-Based Fees

SOURCE | SEC | READ MORE

On July 28, 2026 (Release No. IC-36273), the SEC granted Muzinich Aviation Income Fund ("Muzinich") an exemptive order permitting multiple share classes, asset-based distribution/service fees and early withdrawal charges for specified closed-end funds, subject to conditions addressing nondiscrimination and repurchase parity. This is a substantive, conditional precedent for closed-end sponsors considering similar fee and share class designs and should inform exemptive application planning. Compliance and product teams should benchmark repurchase mechanics and disclosure requirements against the order's findings.

SEC Announces Roundtable on Preparations for 24-Hour Trading

SOURCE | SEC | READ MORE

On July 23, 2026, the SEC announced that it will hold a public roundtable on September 17, 2026, to examine operational, resiliency and market structure issues related to potential 24-hour U.S. equity trading; the event will be streamed and recorded. Written comments will be accepted and become public, so managers should coordinate any submissions with counsel. This signals likely future attention to overnight NAV, settlement and counterparty continuity issues that fund operations and trading teams should begin to map.

SEC Grants Exemption to Allow ETF Class and Non-Exchange Mutual Fund Classes in One Fund

SOURCE | SEC | READ MORE

On July 28, 2026 (Release No. IC-36272), the SEC granted case-specific relief under Sections 6(c) and 17(b) of the Investment Company Act of 1940 to permit a single open-end management company to offer both an ETF class and non-exchange mutual fund classes, effective immediately subject to conditions. This order provides a precedent for sponsors seeking combined ETF/mutual-class structures but is conditioned on applicant-specific requirements, so firms should not treat it as a rule change.

Regulatory Updates

ADGM FSRA Consults on Proposed Regulatory Framework for Transfer Schemes

SOURCE | ADGM FSRA | READ MORE

On July 27, 2026, the FSRA published Consultation Paper No. 2 of 2026, proposing enhancements to the framework governing transfers of regulated business within ADGM. The proposals would introduce a new, proportionate regime under Chapter 8A of the General Rulebook, with regulatory notification and consent requirements applying to business transfers other than insurance business transfers, which would continue to require court approval. The proposed framework is intended to streamline the transfer process while maintaining appropriate client protections. The proposals are particularly relevant to ADGM asset managers considering a sale, acquisition, restructuring or transfer of all or part of their regulated business. Firms not contemplating a business transfer are unlikely to require immediate action. The consultation closes on September 21, 2026.

UAE Federal AML/CFT: UAE and EU Conclude Ninth Structural Dialogue on AML/CFT

SOURCE | UAE MINISTRY OF FOREIGN AFFAIRS | READ MORE

On July 21, 2026, the UAE and the European Union concluded the Ninth EU–UAE Structural Dialogue on Anti-Money Laundering and Countering the Financing of Terrorism. Discussions covered judicial and law-enforcement cooperation, the exchange of financial intelligence, emerging financial-crime risks, illicit financial activity and sanctions circumvention. The parties agreed to continue developing technical deliverables to strengthen cooperation between the relevant UAE and EU authorities. The announcement does not introduce new regulatory requirements for UAE asset managers but indicates continued supervisory and governmental focus on effective AML/CFT controls, sanctions compliance and cross-border information sharing ahead of the UAE's FATF evaluation scheduled for February 2027.

Enforcement Actions

SEC Charges Individual and His Company in Alleged Multi-Million-Dollar Crypto Asset Mining Investment Scheme

SOURCE | SEC | READ MORE

On July 20, 2026, the SEC filed partially settled charges against Zan Shaikh, a Florida resident, and his company, Bright Vision Distribution LLC, d/b/a Mining Automatic, alleging that they misappropriated and misused investor funds after raising approximately $22 million from more than 380 investors through a fraudulent crypto asset mining investment scheme. According to the SEC's complaint, the defendants promised guaranteed monthly returns from purported crypto asset mining operations but used only about 13% of investor funds for mining-related expenses, instead diverting the majority of the funds to marketing efforts, personal expenses, and unrelated business activities while making numerous misrepresentations about the operation and performance of the business.

FCA Secures £655,951 Confiscation Order Against Convicted Fraudster

SOURCE | FCA | READ MORE

The FCA has obtained a £655,951 confiscation order against John Burford, who was convicted of operating unauthorized investment funds and defrauding investors. Together with earlier repayments, the order is expected to return approximately 99% of the money invested by around 70 known victims. Burford must pay within three months or face a default prison sentence of up to five years. The action highlights the FCA's continued use of criminal enforcement and confiscation powers to recover proceeds of fraud and compensate victims.

FCA Censures EFG Over Misleading Minibond Promotions

SOURCE | FCA | READ MORE

The FCA has censured Equity for Growth (Securities) Limited for approving minibond promotions that failed to disclose substantial commissions paid to appointed representatives and introducers, including that the fees would be deducted from investors' subscription monies. The FCA found that the omissions prevented investors from making fully informed decisions. No financial penalty was imposed because EFG is insolvent and being wound up, although the penalty would otherwise have been £386,467. The action reinforces the need for firms approving financial promotions to ensure that commissions, introducer fees and their effect on invested capital are clearly disclosed.

Enforcement Actions

Hong Kong SFC – SFC Reprimands and Fines Luk Fook Securities (HK) Limited HK$2.1 million for Inadequate Cybersecurity Control to Fend Off Cyberattack

SOURCE | SFC | READ MORE

On July 28, 2026, the SFC reprimanded and fined Luk Fook Securities (HK) Limited ("LFSHK") HK$2.1 million for failing to implement adequate and effective cybersecurity control measures, which may have contributed to its inability to withstand a ransomware attack on September 19, 2022, and led to a delay of approximately three weeks in fully recovering its systems. The attack disrupted LFSHK's critical IT infrastructure, including file servers, domain controllers, email servers, trading application servers, and accounting servers, leaving clients unable to trade via the firm's mobile app or internet platform and forcing them to place orders manually through account executives during the recovery period, which was not completed until October 7, 2022. Following LFSHK's self-report of the incident, in which a hacker exploited the firm's remote access system to gain server access, the SFC's investigation revealed multiple deficiencies, including a lack of firewall protection and network monitoring, outdated operating systems and antivirus software, weak user access and privileged account controls, unencrypted password storage, insufficient remote-access and external device controls, a lack of regular cybersecurity training, and inadequate data backup and business continuity arrangements. The SFC found LFSHK guilty of misconduct for failing to meet fundamental cybersecurity requirements across multiple frameworks, compromising client interests and operational integrity. In deciding the sanction, the SFC considered LFSHK's remedial reviews, including its appointment of an independent reviewer, system enhancements, absence of client loss, cooperation, and clean disciplinary record.

Hong Kong SFC – SFC Reprimands and Fines Bright Smart Securities International (H.K.) Limited HK$2.8 Million for Internal Control Failures in Monitoring Suspicious Trades

SOURCE | SFC | READ MORE

On July 27, 2026, the SFC reprimanded and fined Bright Smart Securities International (H.K.) Limited HK$2.8 million for failing to maintain effective controls to detect and prevent client wash trades. The SFC found the firm's reliance on manual and post-trade monitoring allowed suspicious trading activity to continue despite repeated control weaknesses. The action reinforces the expectation that firms implement robust, proactive surveillance controls to identify and prevent market abuse while maintaining effective governance over trading activities.

Enforcement Actions

Singapore MAS – MAS Issues Prohibition Order against Mr. Li Jinbo

SOURCE | MAS | READ MORE

On July 27, 2026, MAS issued a three-year prohibition order against former EC World Asset Management CIO Li Jinbo for his role in manipulating the unit price of EC World REIT between 2019 and 2020. MAS found that Mr. Li conspired with a market maker to create a false or misleading appearance of market activity and concluded that he was no longer fit and proper to participate in Singapore's financial industry. The order prohibits him from conducting regulated activities or holding senior roles at financial institutions for three years.

Hong Kong SFC – SFC Fines China Industrial Securities International Asset Management HK$6.8 Million for Private Fund Management Failures

SOURCE | SFC | READ MORE

On July 27, 2026, the SFC reprimanded and fined China Industrial Securities International Asset Management Limited HK$6.8 million for failing to properly manage a private fund established for Tahoe Life Insurance Company Limited. The SFC found the firm entered into complex investment arrangements despite multiple red flags, failed to exercise independent investment discretion, and did not conduct adequate due diligence or risk monitoring. The case reinforces that fund managers must independently assess investor-directed transactions and maintain robust governance and oversight, even where proposed by clients.

Enforcement Actions

Hong Kong SFC – SFC Reprimands and Fines Victory Securities Company Limited HK$1.7 Million and Suspends its Responsible Officer for Regulatory Breaches

SOURCE | SFC | READ MORE

On July 24, 2026, the SFC reprimanded and fined Victory Securities Company Limited (Victory) HK$1.7 million for regulatory breaches in handling a client account and suspended the license of Mr. Stephen Chiu Che Leung ("Chiu"), a responsible officer (RO) and manager-in-charge (MIC) of Victory, for three months from July 22 to October 21, 2026. The breaches were uncovered during a separate SFC investigation into a suspected ramp-and-dump scheme, after a client who opened an account in October 2019 placed sell orders supported by statements purportedly issued by other brokerages, despite red flags including a mismatch between his declared financial profile and purported share ownership. Victory failed to make adequate inquiries or seek satisfactory answers before executing the orders and did not report the client's suspected fraudulent conduct to the SFC when subsequent information suggested the documents may have been false. The SFC found these failures breached the Code of Conduct, the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, and related AML/CFT guidelines, attributing them to Chiu's neglect in his RO and senior management duties. In deciding the sanctions, the SFC noted this was an isolated incident with no evidence of systemic control weaknesses, and considered Victory's remedial enhancements, cooperation, and Chiu's clean disciplinary record.

UAE VARA: VARA Issues Notice of Fines Against Shelbit for Unlicensed Virtual Asset Activities

SOURCE | VARA | READ MORE

On July 24, 2026, the UAE Virtual Assets Regulatory Authority ("VARA") issued a Notice of Fines against Shelbit General Trading L.L.C., operating as Shelbit or Shelbit Exchange. VARA found that the entity had continued to provide virtual asset services to customers in and from Dubai without a valid regulatory license, onboarded users without completing mandatory KYC checks and marketed its services in Dubai without authorization. VARA imposed financial penalties and directed the entity to cease all unlicensed virtual asset activities immediately. The action reinforces the importance of regulatory-perimeter assessments, completion of customer due diligence before onboarding and compliance with applicable virtual asset marketing restrictions. It is principally relevant to virtual asset firms and financial institutions with exposure to virtual asset service providers.

Crypto Corner

SEC Explores Regulatory Framework for Crypto Vaults and Lending Strategies

SOURCE | SEC | READ MORE

On July 22, 2026, SEC Commissioner Hester Peirce released a statement discussing how existing securities laws may apply to crypto vaults, lending products, and yield-generating strategies. She emphasized that the SEC should continue providing clear guidance as digital asset products evolve and cautioned against applying traditional securities frameworks without considering the underlying technology. While not a rulemaking, the statement provides insight into the SEC's current thinking on decentralized lending and custody models. It also signals that crypto lending products remain an active area for future regulatory consideration.

SEC Continues Focus on Capital Formation While Crypto Rulemaking Advances

SOURCE | SEC | READ MORE

On July 21, 2026, SEC Chairman Paul Atkins reiterated the SEC's commitment to modernizing capital markets through targeted rulemaking. While the speech focused broadly on capital formation, it reinforced the SEC's previously announced agenda to develop clearer regulatory pathways for digital assets, tokenized securities, and crypto market structure. The remarks suggest that crypto regulation remains a priority within the SEC's broader modernization efforts rather than a standalone initiative.

Digital Chamber Sues Illinois Over Digital Asset Tax Act

SOURCE | ILLINOIS GENERAL ASSEMBLY | READ MORE

On July 21, 2026, the Digital Chamber filed suit in Sangamon County Circuit Court seeking to block Illinois' newly enacted Digital Asset Tax Act, enacted as part of Public Act 104-0006. The lawsuit argues the law's 0.2% tax on certain digital asset transactions unlawfully discriminates against blockchain-based transactions while exempting economically equivalent traditional financial activity. The complaint alleges violations of the Illinois Constitution, the U.S. Constitution's Commerce Clause, and the Internet Tax Freedom Act. If successful, the challenge could set an important precedent for whether states may impose technology-specific taxes on digital asset transactions before the law's scheduled January 1, 2027, effective date.

Crypto Corner

UAE ADGM: Tether Gold Recognized as an Accepted Spot Commodity in ADGM

SOURCE | ADGM | READ MORE

On July 23, 2026, Tether announced through an ADGM-hosted third-party communication that Tether Gold, or XAU₮, had been recognized as an Accepted Spot Commodity within ADGM. The recognition permits firms operating in ADGM to offer services involving XAU₮, subject to holding the relevant FSRA regulatory permissions and obtaining approval to use Accepted Spot Commodities. Each full XAU₮ token represents one troy fine ounce of gold held on a London Good Delivery bar. This is a product and market-perimeter development rather than a general regulatory change and is relevant primarily to ADGM firms providing regulated digital asset, custody, trading or spot commodity services.

Leadership & Development

The Most Underrated Leadership Skill—Emotional Regulation

CHERYL ROBINSON | FORBES | READ MORE

Have you ever seen a leader receive one difficult email and let the frustration spread across the entire team? Within minutes, one emotional reaction shapes their leadership, and people act as though everything is going better than it is.

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