

SEC's Enforcement Division Issues 2025 Report That Shuns Knuckleballs and Embraces Down-the-Middle Fastballs—and Brings In Woodcock as a Reliever

April 8, 2026

On April 7, 2026, the U.S. Securities and Exchange Commission's ("SEC" or "Commission") Division of Enforcement ("Division") announced its enforcement results for fiscal year ("FY") 2025, providing the first official snapshot of enforcement activity under the Commission's new leadership.¹ The results confirmed a significant recalibration of the SEC's enforcement program, with fewer overall actions and emphasis on investor harm. On April 8, 2026, the SEC announced the appointment of SEC veteran David Woodcock as Director of Enforcement—a strong selection for the Division given Mr. Woodcock's SEC leadership and securities litigation experience. The press release announcing Mr. Woodcock's appointment as Enforcement Director referenced the same "significant course correction" articulated in the FY 2025 Enforcement results, signaling that this recalibration will likely continue.²

The results, which were reported in a press release and an accompanying addendum, showed a significant decline in the number of enforcement actions from FY 2024, which was already a 10-year low.³ The Commission also specifically noted its dismissal of seven enforcement actions involving crypto assets and that the agency's reported numbers do not include the "1,095 matters" in which the Staff determined that there had not been a violation or the potentially violative practice had been remediated or "that were otherwise not pursued."⁴ The inclusion of this metric is new and signals that the current Commission is taking a deliberate approach as to which investigations

¹ Press Release, SEC Announces Enforcement Results for Fiscal Year 2025 (Apr. 7, 2026), https://www.sec.gov/newsroom/press-releases/2026-34?utm_medium=email&utm_source=govdelivery ("FY 2025 Press Release").

² Press Release, SEC Appoints David Woodcock as Director of the Division of Enforcement (Apr. 8, 2026), https://www.sec.gov/newsroom/press-releases/2026-35-sec-appoints-david-woodcock-director-division-enforcement?utm_medium=email&utm_source=govdelivery.

³ See Debevoise in Depth, SEC Enforcement Actions Fall Significantly As Crypto and Text Message Cases Predominate (Nov. 25, 2024), <https://www.debevoise.com/-/media/files/insights/publications/2024/11/sec-enforcement-actions-fall-significantly-as.pdf?rev=c3f6830f92f6461db87891fbd2762652&hash=A5C7D15A581B17CE89C77D11A85C23BA>.

⁴ FY 2025 Press Release.

ultimately ripen into enforcement actions, opening up possible “off ramps” for investigated parties.

The Commission obtained \$17.9 billion in orders for monetary relief, \$14.9 billion of which came from the entry of the final judgment in the *Stanford International Bank Ltd.* case,⁵ which the Commission filed more than 15 years ago.⁶

Most notably, the press release offered a sharp rebuke of the priorities and practices of the prior Commission and its enforcement regime.

ENFORCEMENT ACTIVITY DECLINES AS SEC RESETS PRIORITIES

The Commission filed 456 total enforcement actions in FY 2025, including 303 stand-alone actions, 69 “follow-on” administrative proceedings and 84 delinquent filing actions.⁷

These figures reflect a notable decline from prior years, particularly with respect to stand-alone actions, which are actions alleging violations not predicated on a prior violation. The 303 stand-alone actions filed in FY 2025 are a 29% decrease from the 431 stand-alone actions brought in FY 2024,⁸ and a 39% decrease from the 501 stand-alone actions brought in FY 2023.⁹

The three most common types of stand-alone enforcement actions were:

- Securities offering matters (88 actions; 29% of the total);
- Investment adviser and investment company matters (72 actions; 24% of the total); and
- Broker-dealer matters (39 actions; 13% of the total).¹⁰

⁵ Addendum to Division of Enforcement Press Release Fiscal Year 2025 at note 2 (Apr. 7, 2026), <https://www.sec.gov/files/2026-34-addendum.pdf> (“FY 2025 Addendum”).

⁶ Press Release, SEC Charges Two Accountants and Antiguan Regulator for Roles in Stanford Ponzi Scheme (June 19, 2009), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-21092>.

⁷ FY 2025 Addendum at 1.

⁸ Press Release, SEC Announces Enforcement Results for Fiscal Year 2024 (Nov. 22, 2024), https://www.sec.gov/newsroom/press-releases/2024-186?utm_medium=email&utm_source=govdelivery.

⁹ Press Release, SEC Announces Enforcement Results for Fiscal Year 2023 (Nov. 14, 2023), <https://www.sec.gov/newsroom/press-releases/2023-234>.

¹⁰ FY 2025 Addendum at 2.

Compared to FY 2024, the Commission brought 26% fewer investment adviser and investment company matters and 33% fewer broker-dealer matters.¹¹

According to the press release, the slowdown is intentional. The press release noted that FY 2025 “was characterized by an unprecedented rush to bring a significant number of cases in advance of the presidential inauguration and the aggressive pursuit of novel legal theories under the prior Commission.”¹² It stated that the current Commission resolved “prior cases that were not sufficiently grounded in the federal securities laws” and was moving to “deliberately refocus[.]... on matters of fraud,” cases that it characterized as “requiring up to two or more years to manifest results.”¹³

MONETARY REMEDIES REMAIN SIGNIFICANT

Despite fewer cases, the SEC reported approximately \$17.9 billion in total monetary remedies in FY 2025, including civil penalties and disgorgement.¹⁴ But, of this, \$14.9 billion stemmed from one case involving a large Ponzi scheme, the *Stanford International Bank Ltd.* matter.¹⁵

The Commission further broke out and highlighted \$232 million in monetary remedies that were deemed satisfied by a court order in a separate, non-SEC action, such as a parallel criminal proceeding, and \$71 million in penalties in off-channel communications cases, which it “views as representing an inappropriate use of enforcement resources by the prior Commission that did little to advance investor protection.”¹⁶

Excluding the monetary remedies for *Stanford International Bank Ltd.*, “deemed satisfied” relief, and the off-channel cases, the total for FY 2025 would be just \$2.7 billion.¹⁷ The exclusion of the “deemed satisfied” monetary remedies, which the Commission noted in its press release “historically had not been broken out or excluded,” and the off-channel communications penalties, further underline the current

¹¹ FY 2025 Addendum at 2; Addendum to Division of Enforcement Press Release Fiscal Year 2024 (Nov. 22, 2024), <https://www.sec.gov/files/fy24-enforcement-statistics.pdf>.

¹² FY 2025 Press Release.

¹³ FY 2025 Press Release.

¹⁴ FY 2025 Press Release.

¹⁵ FY 2025 Addendum at note 1.

¹⁶ FY 2025 Addendum at notes 3, 4.

¹⁷ FY 2025 Addendum at note 2.

Commission's interest in distinguishing itself from and criticizing prior administrations.¹⁸

SHIFTING ENFORCEMENT FOCUS

Chairman Paul S. Atkins noted that enforcement would be recentered on the Commission's "core mission," which he described as a focus on fraud, market manipulation, and abuses of trust. The press release characterized this focus as "bringing actions that actually prevent investor harm instead of headlines and inflated numbers."

FOCUS AREAS

The press release featured efforts to protect retail investors, hold individuals accountable, and safeguard against market abuse and highlighted new task forces.

Retail Investors

The press release underscored the Commission's focus on protecting retail investors, who it noted may be particularly vulnerable to securities fraud, highlighting that it devoted significant resources in this area in FY 2025.

In this regard, the press release specifically identified two alleged Ponzi schemes,¹⁹ as well as charges of false representations and misappropriation brought against a commercial real estate investment company²⁰ and a settlement with a biopharmaceutical company that concealed criticism from the FDA from investors.²¹

Individual Accountability

The press release noted that the Commission prioritized charging individuals and that doing so would continue to be a focus.²² It noted that appropriately two-third of the

¹⁸ FY 2025 Press Release.

¹⁹ Press Release, SEC Charges Pennsylvania Resident and His Companies with \$770 Million Ponzi Scheme (Sept. 3, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26387>; Press Release, SEC Charges Georgia-based First Liberty Building & Loan and its Owner for Operating a \$140 Million Ponzi Scheme (July 10, 2025), <https://www.sec.gov/newsroom/press-releases/2025-98-sec-charges-georgia-based-first-liberty-building-loan-its-owner-operating-140-million-ponzi-scheme>.

²⁰ Press Release, SEC Charges New York-Based Commercial Real Estate Firm and its Owner with Using an Internet Funding Platform to Steal Over \$52 Million from Investors Nationwide (Feb. 21, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26254>.

²¹ Press Release, Biopharmaceutical Company Settles Charges for Disclosure Failures (Mar. 12, 2025), <https://www.sec.gov/enforcement-litigation/administrative-proceedings/33-11367-s>.

²² FY 2025 Press Release.

stand-alone actions brought in FY 2025 involved charges against individuals, a 27% year-over-year increase, and that nine out of 10 stand-alone actions filed under Acting Chairman Mark Uyeda and Chairman Paul Atkins involved individual charges.²³

The Commission obtained 119 orders barring individuals from serving as directors and officers of public companies, in line with the 124 orders obtained in FY 2024.²⁴

Market Abuse

The Commission brought 32 insider trading actions and 16 market manipulation cases in FY 2025, small decreases from last year.²⁵ The press release highlighted a number of actions aimed at combatting market abuses, including a case against an individual for “spoofing,”²⁶ and numerous insider trading actions, including cases against a former executive at a biopharmaceutical company,²⁷ former head of trading at an investment firm²⁸ and former employee at a consulting firm.²⁹

New Task Forces

The press release highlighted the Commission’s new Cross-Border Task Force, formed in September 2025, which aims to help address the threats posed by bad actors outside of the United States.³⁰

The Commission also stated that it “remains committed to detecting, deterring, and bringing actions against those seeking to take advantage of investors by misusing new technologies,” and touted its formation of the Cyber and Emerging Technologies Unit and Crypto Task Force to address misconduct arising from securities transactions involving blockchain technology, artificial intelligence, account takeovers and cybersecurity issues.³¹

²³ FY 2025 Press Release.

²⁴ FY 2025 Press Release; Press Release, SEC Announces Enforcement Results for Fiscal Year 2024 (Nov. 22, 2024), https://www.sec.gov/newsroom/press-releases/2024-186?utm_medium=email&utm_source=govdelivery.

²⁵ FY 2025 Addendum at 2; Addendum to Division of Enforcement Press Release Fiscal Year 2024 (Nov. 22, 2024), <https://www.sec.gov/files/fy24-enforcement-statistics.pdf>.

²⁶ Press Release, SEC Charges California Resident for Engaging in a Manipulative Options Spoofing Scheme (Aug. 11, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26371>.

²⁷ Press Release, SEC Charges Former Biopharmaceutical Company Vice President with Insider Trading (Mar. 10, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26262>.

²⁸ Press Release, SEC Charges Connecticut Resident with Insider Trading in Multiple Securities (Sept. 5, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26388>.

²⁹ Press Release, SEC Charges Former Investor Relations Executive and Two Friends with Insider Trading (Aug. 18, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26376>.

³⁰ FY 2025 Press Release.

³¹ FY 2025 Press Release.

The Commission highlighted charges brought against Unicoïn, Inc. and executives for alleged false statements in an offering of certificates purportedly conveying rights to crypto assets;³² the founder of PGI Global for an alleged \$198 million crypto asset and foreign exchange fraud scheme;³³ and the founder of Nate, Inc. for allegedly fraudulently soliciting investments through the use of misleading statements about the company's use of artificial intelligence.³⁴ The Commission also specifically called out its dismissal of seven enforcement actions brought by the prior Commission involving crypto assets, which it described as "a necessary course correction."³⁵

KEY TAKEAWAYS FOR MARKET PARTICIPANTS

The SEC's FY 2025 results and the messaging accompanying them have several important implications:

- **Continued Focus on Traditional Fraud-Based Cases.** Companies and individuals should expect sustained scrutiny of conduct involving clear investor harm, including disclosure fraud, insider trading, and market manipulation.
- **Reduced Emphasis on Technical or Novel Theories.** Enforcement risk may be lower in areas involving technical compliance violations or emerging legal theories. In this regard, the Commission specifically criticized the prior Commission's off-channel communications sweep and pursuit of alleged "dealer" activity that posed a threat that traditional asset managers could be considered dealers and required to register as such.
- **Increased Importance of Individual Accountability.** The press release highlighted that the Commission is prioritizing individual accountability and will continue to do so, further bolstered by the relatively consistent number of individuals barred from servings as officers and directors of public companies in a year otherwise marked by decreased enforcement activity.

³² Press Release, Unicoïn, Top Executives Charged in Offering Fraud That Raised More than \$100 Million from Thousands of Investors (May 20, 2025), <https://www.sec.gov/newsroom/press-releases/2025-75>.

³³ Press Release, SEC Charges PGI Global Founder with \$198 Million Crypto Asset and Foreign Exchange Fraud Scheme (Apr. 22, 2025), <https://www.sec.gov/newsroom/press-releases/2025-69>.

³⁴ Press Release, SEC Charges Founder and Former CEO of Artificial Intelligence Startup with Misleading Investors (Apr. 11, 2025), <https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26282>.

³⁵ FY 2025 Press Release.

CONCLUSION

The SEC's FY 2025 enforcement results confirm a strategic reset of the agency's enforcement program.

Market participants should expect a more targeted enforcement environment that prioritizes substantive misconduct over technical violations but still carries meaningful financial and reputational risk where enforcement actions are pursued.

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Please do not hesitate to contact us with any questions.



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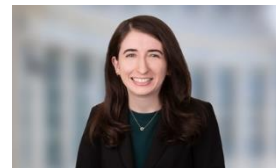
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