

SEC's New Exam Handbook: What Registrants Should Know

October 2, 2026

On October 1, 2026, the SEC's Division of Examinations ("Exams") released its latest examination handbook, which replaces and expands upon the previous examination brochure.¹ The Handbook covers each stage of an exam and provides registrants with practical tips for preparing for exams. The Handbook was updated with three primary goals in mind: first, to provide a clearer roadmap for Exams staff across the country and thereby supporting greater consistency in experience for registrants; second, to reflect "the Commission's commitment to approach each examination with an accessible and collaborative mindset"; and third, to improve compliance, monitor risk and prevent fraud.²

Below we summarize the key changes in the Handbook as compared to the prior 2023 Brochure, including our thoughts on the impact of those changes on exam preparation and experience.

¹ Compare [The SEC Exam Handbook: A Practical Guide on Process and Engagement](#) (Oct. 1, 2026) (the "Handbook") with [Examination Information for Entities Subject to Examination or Inspection by the Commission](#) (Mar. 1, 2023) (the "2023 Brochure").

² See [SEC's Division of Examinations Announces New Exam Handbook](#) (Oct. 1, 2026).

Topic	2023 Exam Brochure	2026 Exam Handbook	Takeaways
<i>Changes Beneficial to Registrants</i>			
Purpose	Five-page brochure giving a high-level description of exam objectives, process, completion, hotline and whistleblower program. Emphasizes cooperation and prompt production of complete and accurate information. Examination hotline can be used for questions, comments, complaints or concerns. Caller may remain anonymous and can speak with Exams or the Commission's Office of Inspector General.	Nineteen-page handbook with process roadmap, separate process stages and deadlines chart. States that selection for an exam does not imply misconduct and that staff should approach exams with an "accessible and collaborative mindset," rather than an adversarial one. Adds a "Working Together" matrix, spelling out what registrants can expect from Exams and what Exams expects from registrants. Adds a page with links to exam resources for registrants. Adds explicit solicitation of feedback via the examination hotline about staff conduct and the examination process. Adds the SBA National Ombudsman as a contact for small-business concerns about uneven or excessive federal regulatory enforcement.	The new document is intended as an operational guide rather than simply background information. Reflects the Commission's stated effort to foster collaboration.

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Exam Announcement	Exams may be announced or unannounced. In many exams, Exams staff will conduct an on-site visit, including an initial interview and tour.	Most exams will start with a call to the CCO to announce the exam. The registrant should let the staff know if it is navigating other ongoing regulatory inquiries that may slow responsiveness. Where facts and circumstances allow, the staff will try to work with the registrant on scheduling. In “limited instances” the exam may be unannounced.	Expressly states flexibility on exam timing and implies that unannounced exams are less likely.
Exit Conference	Staff typically holds an exit interview to discuss any of the issues raised in the exam and plans to address. The exit interview may include the registrant’s senior management and/or the board.	Supervisory Exams staff may attend exit interviews and Exams typically requests that the registrant’s senior management or board members attend. Registrants are encouraged to correct inaccuracies and supply overlooked information during the conference.	This change acknowledges the opportunity for more substantive engagement by the staff in exit meetings, as opposed to simply reading from a draft deficiency letter, but whether it results in a change in practice will remain to be seen. ³

³ See Keith Cassidy, Director, SEC Division of Examinations, [EXAMS Accessible and Integrated](#) (Sept. 16, 2026) (the “Cassidy Speech”) (“The examination exit conference should provide registrants with an opportunity to engage with the examination team and review findings. We encourage robust dialogue; if you believe an observation or deficiency is unwarranted, the exit conference is an excellent occasion to raise your concerns. Our teams are not perfect. It is possible that something was overlooked or that a procedure or policy was not produced which could affect a finding.”)

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<i>New Topics</i>			
Privilege	No discussion of privilege procedure.	Registrants asserting privilege should submit a privilege log with sufficient information for staff to evaluate the privilege claim for each relevant document (including redacted documents), including subject matter, privilege asserted and the request to which the document relates.	New privilege guidance for counsel managing an exam production.
Recording, Transcription and AI Notetaking	No discussion of recording or notetaking.	Staff will not record or transcribe meetings, will instruct participants not to do so, and will not consent to recording, transcription, AI notetaking tools, or similar technologies.	New restriction on transcription of meetings, which reflects the Staff's acknowledgment that use of such AI tools has become more prevalent.
<i>Changes Reflecting Increased Transparency</i>			
Selection of Registrants for Exams	Lists broad examples of selection criteria, such as statutory mandate, risk profile, tip/complaint/referral or review of a compliance risk area.	Includes a list of additional factors contributing to selection, including prior exam history, disciplinary history, time since last exam, customer base, conflicts, management changes, financial/market stress, media	Although the selection factors referenced in Handbook were generally known, the expanded list reflects the Commission's

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		reporting, SEC filings and custody of client assets. Also explains thematic initiatives and annual priorities.	stated effort to increase transparency.
Staffing, Pre-Examination Planning	No discussion of examination staffing. Staff attempts to allocate resources efficiently and minimize overlap with other regulatory examinations.	Exams are generally staffed by one or more examiners, an exam manager and an assistant director, with an identified a lead point of contact. Senior Exams staff may also participate in some exams, although their participation does not itself indicate heightened concern. Registrants will be told when personnel from another SEC division or office will participate. Adds that the staff conducts pre-exam due diligence to determine the initial scope of the exam, including likely review of filings and websites. Current and accurate filings can make the exam more efficient and reduce findings. Clickthrough agreements on the registrant's website or elsewhere are not binding on the staff or the Commission.	Provides greater transparency regarding staffing and Exams' diligence before the commencement of an exam.

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Information Requests	The initial document request letter will ask that the documents be delivered to the Commission by a specific date or made available for review at the registrant's offices on a specific date.	The Commission expects that most records should be available to staff within 24 hours, although in practice the staff usually provides two weeks to produce a response to an initial information request. Expressly states that staff will grant requests for reasonable extensions or rolling productions where appropriate, and asks registrants to communicate promptly about problems with requests.	Although the two-week production window and rolling productions are not new, their express inclusion in formal guidance is new.
Third-Party Requests	Exams staff may request records directly from service providers or agents, including custodians, and may contact clients/customers.	Adds administrators and auditors as examples of potential third parties that may be approached and highlights third-party requests relating to asset verification (i.e., confirmation of the existence and integrity of client assets).	Additional detail on kinds of potential third-party requests.
Interviews	Registrants should make knowledgeable employees available for interview.	Adds that an initial CCO interview may be conducted to help determine exam scope. Interviews with knowledgeable personnel can reduce the number of meetings.	Additional detail regarding interview expectations.

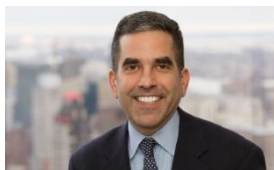
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		Staff will generally provide notice of the start date of an on-site visit. When interviews are conducted by videoconference, participants are encouraged to use their cameras and screensharing.	
Ongoing Dialogue	Encourages prompt questions and keeping staff informed. Expressly contemplates a possible “preliminary exit interview.”	Staff will discuss examination status with the registrant throughout the exam. Registrants are urged to keep the staff informed of changes and to flag misunderstandings of policies and practices early. The Handbook does not specifically discuss a “preliminary exit interview.”	Although “preliminary exit interviews” are not expressly contemplated by the Handbook, the context for this change is a broad emphasis on continuous communication.
Exam Outcomes, Deficiency Letter Responses	Explains the statutory 180-day requirement and that completion is typically communicated through a deficiency letter.	Clearly distinguishes three potential disposition outcomes: (i) concluded; (ii) concluded without findings; or (iii) corrective action requested. The first two require no response. The outcome of most exams is the third—i.e., a deficiency letter. A deficiency letter	Clarification of potential exam outcomes and what a deficiency letter is <i>not</i> , ⁴ as well as possible response extensions.

⁴ See also the [Cassidy Speech](#) (“We have also heard that some registrants have concerns that exam close out letters that note deficiencies do not articulate a specific roadmap to remediate the potential instance of noncompliance. Given that we are not merit regulators, this is by design. In most instances, firms are in the best position to develop their own remedial measures based on their legal obligations.”)

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	Deficiency letter response generally due within 30 days.	does not mandate a particular corrective action beyond compliance with law, does not provide a grade or peer ranking, and does not describe best practices. Retains the 30-day norm for a deficiency response, but a registrant should request an extension as soon as it knows it cannot meet the deadline.	
Remediation, Referral and Closure	Registrant must provide a written response to a deficiency letter describing corrective steps. Staff generally responds to the registrant within 60 days or receipt or explains when comments will come. If the staff has no further comments, the staff will send no further communication and the examination will be closed. If the staff identifies serious issues during an examination, in addition to sending a deficiency letter, they may refer the issues to the Division of Enforcement.	Adds that Exams staff generally does not comment on the adequacy of proposed corrective actions. Adds that a registrant can contact its exam team to confirm closure. Closure is not a finding or conclusion binding on the Commission. Adds that prompt and appropriate corrective action, while not dispositive, may be a mitigating factor when Exams considers whether to refer a matter to Enforcement.	Additional transparency regarding remediation and its impact on potential referral to enforcement.

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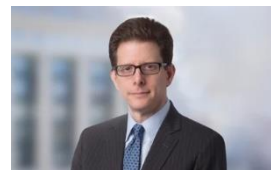
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