

November 4, 2025

**THE NEW SEC: NEW
DIRECTOR AND
ENFORCEMENT
WEBINAR**

GIBSON DUNN

MCLE CERTIFICATE INFORMATION

MCLE Certificate Information

- Approved for 1 hour of General PP credit.
- CLE credit form must be submitted by ***Tuesday, November 11th***.
- Form Link: https://gibsondunn.qualtrics.com/jfe/form/SV_1MMy1pufmIVkFDg
 - Most participants should anticipate receiving their certificate of attendance in four to eight weeks following the webcast.
- **Please direct all questions regarding MCLE to CLE@gibsondunn.com.**

AGENDA

01 Welcome & Opening Remarks

02 New Faces at the SEC

03 Shifting Enforcement Priorities

04 Voluntary Dismissal of Prior Litigation

05 Wells Process and Greater Transparency

06 Recent Enforcement Actions

07 Opportunities and Strategies in Navigating an Investigation

WELCOME & OPENING REMARKS

01

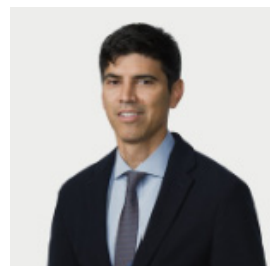
Our Speakers



Jina L. Choi
Partner / San Francisco

Jina Choi is a partner in the San Francisco office of Gibson Dunn and a member of the firm's Securities Enforcement and White Collar Defense and Investigations Practice Groups. Prior to joining Gibson Dunn, Jina served as the Chief of the Corporate and Securities Fraud Section at the U.S. Attorney's Office for the Northern District of California as well as the Director of the SEC's San Francisco Regional Office. Jina represents public and pre-IPO companies and asset managers, as well as their executives and boards on government and internal investigations, whistleblower complaints, and compliance programs.

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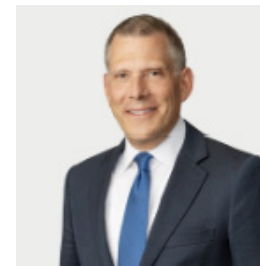
Osman Nawaz
Partner / New York

Osman Nawaz is a partner in Gibson Dunn's New York office, and a member of the firm's Securities Enforcement and White Collar Defense and Investigations practice groups. Prior to joining Gibson Dunn, Osman concluded a 14-year career with the SEC where he served in all staff positions and most recently in national leadership as a Senior Officer in the agency's Division of Enforcement, focused on complex products and trading. Osman worked closely with all Divisions at the SEC, covering the entire breadth of the federal securities laws involving investment advisers, broker-dealers, security-based swap dealers, rating agencies, issuers, and others.



Tina Samanta
Partner / New York

Tina Samanta is a partner in the New York office of Gibson Dunn. She is a member of the firm's Litigation, Securities Enforcement, White Collar Defense and Investigations, and Securities Litigation Practice Groups. Tina's practice focuses on representing financial institutions, corporations, and individuals in sensitive and high-stakes securities-related investigations and litigation. She has represented clients in investigations conducted by the Securities and Exchange Commission, the Department of Justice, the Financial Industry Regulatory Authority, the New York Attorney General's Office, and numerous other regulatory authorities.



Mark K. Schonfeld
Partner / New York

Mark K. Schonfeld is a litigation partner in the New York office of Gibson Dunn and co-chair of the firm's Securities Enforcement Practice Group. Prior to joining Gibson Dunn, Mark concluded a 12-year career with the SEC, the last four years as the Director of the New York Regional Office, the largest of the SEC's regional offices. Mark's practice focuses on the representation of financial institutions, public companies, hedge funds, accounting firms and private equity firms in investigations conducted by the Securities and Exchange Commission (SEC), Department of Justice (DOJ), States Attorneys General, Financial Industry Regulatory Authority (FINRA) and other regulatory organizations. Mark also conducts internal investigations and counsels clients on compliance and corporate governance matters.



David Woodcock
Partner / Dallas

David Woodcock is a partner in the Dallas and Washington offices of Gibson Dunn. He is a co-chair of the firm's Securities Enforcement Practice Group, and a member of the firm's Securities Regulation and Corporate Governance Practice Group. His practice focuses on internal investigations and SEC defense, with a particular emphasis on accounting and financial reporting, corporate compliance, and audit/special committee investigations. David regularly advises clients on corporate securities and governance, the role of the board, shareholder activism, and ESG-related issues. David served as the Director of the SEC's Fort Worth Regional Office and Chair of the Financial Reporting and Audit Task Force.

NEW FACES AT THE SEC

02

Chairman Paul S. Atkins

- **Chairman Atkins was sworn into office on April 21, 2025**
 - Chairman Atkins is familiar with the SEC – he was a Commissioner from 2002 to 2008.
 - During his tenure, Atkins advocated for transparency, consistency, and the use of cost-benefit analysis at the agency.
- **Atkins, in his own words:**
 - Chairman Atkins has stressed returning to the “familiar three-part mission enunciated by Congress in the Exchange Act: protecting investors; furthering capital formation; and safeguarding fair, orderly and efficient markets.”
 - Speaking on SEC enforcement priorities, Atkins has called for enforcement priorities to return to the SEC’s core mission of investor protection with a focus on traditional fraud, holding accountable “those who lie, cheat, and steal.”
 - Atkins has stated that the SEC will move away from what he characterizes as “*ad hoc*” enforcement, returning the Commission “to Congress’ original intent, which is to police violations of [] established obligations, particularly as they relate to fraud and manipulation.”
 - Atkins has signaled a more innovation-friendly regulatory approach to crypto, and noted that its “shoot first, ask questions later approach—are days of the past.”



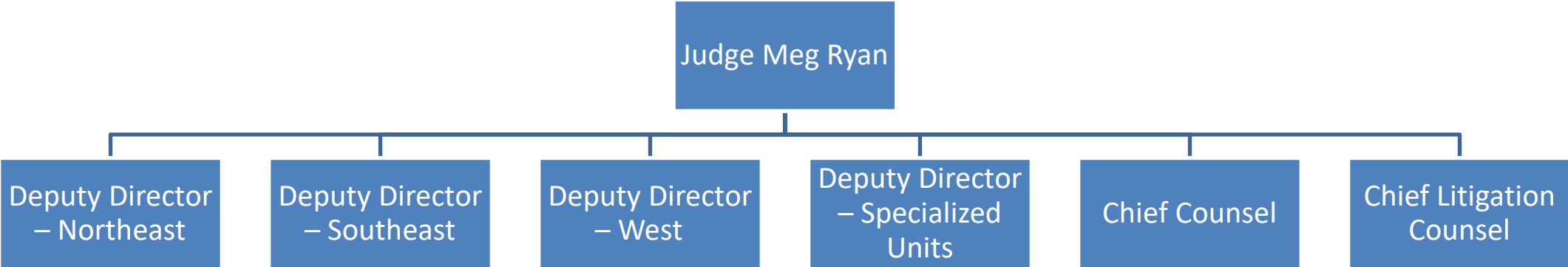
Director, Division of Enforcement – Judge Margaret Ryan



- Judge Margaret “Meg” Ryan became Director of the SEC’s Division of Enforcement on September 2, 2025.
- Background
 - Judge Ryan is a former senior judge of the U.S. Court of Appeals for the Armed Forces. She was nominated to the court in 2006 by President George W. Bush.
 - Before her tenure as a judge, Ryan was partner at two law firms, Wiley Rein & Fielding and Bartlit Beck Herman Palenchar & Scott.
 - She previously served as a law clerk to Supreme Court Associate Justice Clarence Thomas and to Judge J. Michael Luttig of the U.S. Court of Appeals for the Fourth Circuit.
- In announcing Judge Ryan as the Director of the Division of Enforcement, Chairman Atkins said: “She brings to the Commission decades of experience as a respected judge and practitioner of the law. She is fulfilling a critical role. . . . Judge Ryan will lead the Division guided by Congress’ original intent: enforcing the securities laws, particularly as they relate to fraud and manipulation.”

Current Leadership Structure

- Acting Chairman Mark Uyeda reorganized Enforcement structure
- Four new Deputy Directors created
- Enforcement Associates and Unit Chiefs report to Deputies



Enforcement Division Units

Units Under Gensler Commission

Foreign Corrupt Practice Act (FCPA) Unit

Crypto Assets and Cyber Unit

Complex Financial Instruments Unit

Market Abuse Unit

Public Finance Abuse Unit

Asset Management Unit

removed

changed

unchanged

unchanged

unchanged

unchanged

Units Under Atkins Commission

No longer listed as a specialized unit after the retirement of unit leadership.

Cyber and Emerging Technologies Unit

Complex Financial Instruments Unit

Market Abuse Unit

Public Finance Abuse Unit

Asset Management Unit

SHIFTING ENFORCEMENT PRIORITIES

03

Chairman Gensler Enforcement Priorities Ended



U.S. Securities and Exchange Commission

Environmental, Social, and Governance (ESG)

Digital Assets and Crypto

Corporate Disclosure and Cybersecurity

Record-keeping and Internal Controls

Chairman Atkins's Priorities – Back to Basics Enforcement



U.S. Securities and Exchange Commission

Insider Trading

Offering Frauds

Market Manipulation

Accounting Fraud

Protection of Retail Investors

Matters that Involve Genuine Harm and Bad Acts

New Cross-Border Task Force

- The SEC announced the formation of a Cross-Border Task Force within its Division of Enforcement on September 5, 2025.
 - The task force will focus on investigating foreign-based issuers for potential market manipulation, such as pump-and-dump schemes, and will increase scrutiny of gatekeepers, particularly auditors and underwriters, who help foreign issues access the U.S. capital markets.
 - The announcement notably singles out China as a jurisdiction where governmental control and other factors pose unique investor risks.



VOLUNTARY DISMISSAL OF PRIOR LITIGATION

04

Commission Reverses Course on Cases that are Not In Line with Priorities

- The SEC has dismissed several major crypto lawsuits, reflecting Chairman Atkins's innovation-friendly regulatory approach to crypto.
- In line with Chairman Atkins's stated priority of holding accountable those who lie, cheat and steal, the Commission dismissed certain cases that involved alleged controls and registration violations, without alleging fraudulent conduct.
- After several disclosure and controls cases were brought by the Commission under Chairman Gary Gensler against public companies who were victims of a cyberbreach, there have been no new cyberbreach disclosure cases filed by the Commission in 2025.

WELLS PROCESS AND GREATER TRANSPARENCY

05

The Wells Process

On October 7, 2025, Chairman Atkins delivered a speech at Fordham Law School, during which he announced updates to the Wells process and enforcement policies focused on enhancing fairness, transparency, and consistency.

Atkins Philosophy on the Wells Process:

- The Wells process should be “viewed as an extension of due process and fundamental constitutional rights that play an integral role in protecting citizens from a powerful government agency that could become policeman, prosecutor, judge, jury, and executioner all in one.”
- “I can definitely say that Wells submissions can and do change the trajectory of enforcement actions[.]”

Providing Sufficient Information

- “My expectation is that the enforcement staff, in giving a Wells notice, will provide sufficient information for potential respondents or defendants to understand the potential charges and the evidentiary basis for those charges, such as testimony transcripts and key documents. . . [t]he staff must be forthcoming about material in the investigative file.”

Increasing Engagement

- “[S]enior enforcement leadership will meet with defense counsel before making a recommendation to the Commission.”
- The Wells process “generally should not be the only opportunity for enforcement staff and potential respondents or defendants to discuss the direction of an investigation.”

Consideration of Settlements and Collateral Waivers

- **In September 2025, Chairman Atkins announced that the Commission will simultaneously consider enforcement settlements and collateral waiver requests. This is a reversal of the approach during the Biden administration and a return to a policy adopted in 2019 by then-Chairman Clayton.**
 - Restores the Commission's practice to simultaneously consider offers of settlement by entities and requests by those entities for waivers from certain collateral effects of the settlement.
 - Permits an entity to withdraw an offer of settlement if the Commission denies the accompanying waiver request, effectively making settlement offers contingent on waivers.
 - Enables entities considering settlement of an enforcement action to make a decision fully informed of the collateral regulatory consequences of a settlement.
 - Mitigates the uncertainty and risk to a settling party of being bound to a settlement without knowing whether the Commission or, by delegation, the Commission's Staff will grant important waiver relief from a regulatory disqualification.

RECENT ENFORCEMENT ACTIONS

06

Large Scale Fraud Actions

- **As anticipated, SEC enforcement has focused heavily on offering fraud, with notable actions involving significantly high monetary amounts and/or impacting numerous investors.**
 - The SEC filed fraud charges against a New York-based commercial real estate firm and its owner for allegedly using an internet funding platform to obtain over \$52 million from over 700 investors nationwide by falsely claiming the funds would be used to purchase or recapitalize two specific commercial real estate deals. The funds were allegedly misused for unrelated real estate projects and debt payments, luxury purchases, and personal stock trading. In a parallel action, the U.S. Attorney's Office for the Northern District of Georgia and the Fraud Section of the U.S. Department of Justice filed a criminal information charging the real estate firm's owner with wire fraud. The SEC is litigating its case in the Northern District of Georgia.
 - The SEC filed charges against the founder and former CEO of a privately held technology startup for allegedly raising over \$42 million through the sale of company stock, including the sale of approximately \$3 million of his own personal shares, by making false and misleading statements about the company's use of artificial intelligence (AI). According to the complaint, the former CEO allegedly told investors that the startup's mobile shopping application used AI to complete purchases without human involvement, even though the tasks were carried out by human contract workers. The case is being litigated in the Central District of California.

Investment Adviser Focus

- **Disclosure-based fraud and other investment adviser misconduct have seen an uptick in enforcement.**
 - The SEC settled charges against a Massachusetts-based investment adviser with violations of marketing, recordkeeping, and compliance rules under the Investment Advisers Act of 1940. According to the SEC's order, the firm misrepresented its conflicts of interest policies in advertising materials, failed to maintain advertising materials as required, and neglected to conduct the mandatory annual review of its compliance policies and procedures.
 - The SEC settled charges against a State of Minnesota-registered investment adviser for defrauding advisory clients through an eighteen-month cherry-picking scheme. According to the SEC's order, the principal disproportionately allocated profitable trades to his own accounts, his family members' accounts, and the investment advisory firm's accounts, while allocating unprofitable trades to 78 client accounts.
 - The SEC filed a complaint against a California-based investment advisory firm and its founder. The SEC alleges that the individual and firm violated the anti-fraud provisions of the Investment Advisers Act by taking nonpublic personal client information from the investment adviser's former employer to solicit clients for his newly launched investment adviser firm and sharing the information with his new business partner. The case is being litigated in the Central District of California.

**OPPORTUNITIES
AND STRATEGIES
IN NAVIGATING AN
INVESTIGATION**

07

Looking Ahead

- **Opportunities for earlier engagement with the staff on the merits, including:**
 - Issues under investigation
 - Factual record
 - Legal theories
 - Issues arising in examination
- **Selective opportunities for earlier escalation to more senior staff**
- **Utility of arguments grounded in priorities articulated by Chairman and Commissioners**
 - Absence of fraud
 - Investigation inconsistent with expressed priorities
 - Aged conduct
 - But . . . don't expect the staff to necessarily agree with you
- **In Wells process, reasonable to expect access to investigative record, and consistency in practice across staff and offices**
- **Parallel Criminal Investigations**

Some Parting Thoughts

What, Me Worry?



Questions?

Upcoming November Programs

2025/2026 White Collar Webcast Series

Date and Time	Program	Registration Link
<p>Thursday, November 13, 2025 9:00 AM – 10:30 AM PT 12:00 PM – 1:30 PM ET</p>	<p>FCA Enforcement Across Administration Priorities: New Frontiers and Interagency Collaboration</p> <p>Presenters: Stephanie Brooker, Winston Chan, Michael Dziuban, Amy Feagles, Jonathan Phillips, Jake Shields, James Zelenay</p>	<p>Event Details</p>
<p>Monday, November 17, 2025 9:00 AM – 10:00 AM PT 12:00 PM – 1:00 PM ET</p>	<p>Global Anti-Corruption New Laws and FCPA Developments</p> <p>Presenters: Michael Diamant, Katharina Humphrey, Patrick Stokes, Oliver Welch</p>	<p>Event Details</p>
<p>Tuesday, November 18, 2025 9:00 AM – 10:00 AM PT 12:00 PM – 1:00 PM ET</p>	<p>Financial Reporting Issues and Securities Enforcement</p> <p>Presenters: Osman Nawaz, Tina Samanta, Michael Scanlon, David Ware</p>	<p>Event Details</p>
<p>Wednesday, November 19, 2025 9:00 AM – 10:00 AM PT 12:00 PM – 1:00 PM ET</p>	<p>Board Oversight of Compliance, Major Investigations, and Interactions with Enforcers</p> <p>Presenters: Stephanie Brooker, Winston Chan, Nicola Hanna, Joseph Warin</p>	<p>Event Details</p>



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