

FinReg Monthly Update

June 2026

Welcome to Proskauer's FinReg Monthly Update, a regular bulletin highlighting the latest developments in UK, EU and U.S. financial services regulation.

Key developments in June 2026:

United Kingdom.....	2
General Financial Services – Cross Sector	2
Asset Management / Wealth Management	2
Banking / Payments / Consumer Credit	2
Insurance	2
Cryptoassets	2
Securities / Capital Markets	3
Financial Crime / Enforcement / Sanctions	3
European Union.....	3
Asset Management / Wealth Management	3
Banking / Payments / Consumer Credit	3
Cryptoassets	4
Securities / Capital Markets	4
Sustainable Finance / ESG.....	4
Financial Crime / Enforcement / Sanctions	4
United States.....	4
General Financial Services – Cross Sector	4
Asset Management / Wealth Management	5
Securities / Capital Markets	5
Financial Crime / Enforcement / Sanctions	5

United Kingdom

General Financial Services – Cross Sector

29 June – Consumer Duty: The FCA has [published](#) a consultation paper (CP26/23) on changes to the scope and proportionality of the consumer duty.

26 June – FCA: The FCA has [published](#) Handbook Notice 142, setting out changes to the FCA Handbook made by the FCA board on 25 June 2026.

15 June – FCA: The FCA has [published](#) a consultation paper (CP26/19) on updates to its Decision Procedure and Penalties Manual.

9 June – AI: Rachel Reeves, Chancellor of the Exchequer, has [delivered](#) a speech on AI and innovation at the AI Adoption Summit.

5 June – FCA: The FCA has [published](#) its 52nd quarterly consultation paper (CP26/17).

Asset Management / Wealth Management

19 June – Private Markets: The Bank of England has [launched](#) the scenario phase of its second system-wide exploratory scenario exercise, focused on the private markets ecosystem.

8 June – Pensions / Investment Advice: The Financial Ombudsman Service has [published](#) its response to the FCA consultation paper (CP26/10) on simplifying the rules on providing pensions and investment advice to consumers.

8 June – MMFs: The FCA has [published](#) a statement on reforms to the UK Money Market Fund Regulation.

Banking / Payments / Consumer Credit

25 June – Payments: The Retail Payments Infrastructure Board has [published](#) a consultation paper on the high-level design of the future UK retail payments infrastructure.

24 June – Motor Finance: The FCA has [confirmed](#) that it is temporarily relaxing certain obligations for firms under the motor finance compensation scheme while legal challenges are ongoing.

19 June – PRA: The PRA has [published](#) a consultation paper (CP9/26) on proposed adjustments to the Basel 3.1 internal model approach for market risk.

11 June – Motor Finance: The FCA has [published](#) further information for firms on the motor finance compensation scheme.

9 June – Motor Finance: The House of Commons Treasury Committee has [published](#) the FCA's response to its request for information relating to the FCA's work on the motor finance compensation scheme.

Insurance

29 June – Insurance: The FCA has [published](#) a consultation paper (CP26/22) on additional proposals to simplify its rules for insurance firms.

Cryptoassets

30 June – Cryptoassets: The FCA has [published](#) a policy statement (PS26/13) on the application of the FCA Handbook for regulated cryptoasset activities.

30 June – Cryptoassets: The FCA has [confirmed](#) final rules relating to the cryptoassets regime and is consulting on non-Handbook guidance relating to prudential requirements for cryptoasset firms.

30 June – Cryptoassets: The FCA has [published](#) a policy statement (PS26/11) on its final rules and guidance for firms conducting certain new regulated cryptoasset activities.

30 June – Cryptoassets: The FCA has [published](#) a policy statement (PS26/12) on its prudential framework for regulated cryptoasset firms.

30 June – Cryptoassets: The FCA has [published](#) a policy statement (PS26/9) on the regimes for cryptoasset admissions and disclosures, and market abuse.

30 June – Stablecoins: The FCA has [published](#) a policy statement (PS26/10) on rules and guidance for UK authorised stablecoin issuers covering issuance, backing assets, redemption, cryptoasset safeguarding and disclosures.

30 June – Stablecoins: The Bank of England and FCA have [published](#) a joint approach document on regulating systemic stablecoin issuers.

22 June – Stablecoins: The Bank of England has [published](#) a policy statement on regulating sterling-denominated systemic stablecoins.

3 June – Stablecoins: The House of Lords Financial Services Regulation Committee has [published](#) a report on the growth and proposed regulation of stablecoins in the UK.

3 June – Cryptoassets / AML: The FCA has [published](#) responses to firms' questions on the interaction between the MLRs 2017 and the new cryptoassets regulatory framework.

Securities / Capital Markets

29 June – SFTR: The International Capital Market Association (ICMA) has [updated](#) its guide to reporting repo transactions under the EU and UK versions of the Securities Financing Transactions Regulation.

26 June – UKLR: The FCA has [published](#) a consultation paper (CP26/21) seeking views on proposed changes to the UK Listing Rules for closed-ended investment funds.

Financial Crime / Enforcement / Sanctions

24 June – Sanctions: The UK Office of Financial Sanctions Implementation (OFSI) and the US Office of Foreign Assets Control have jointly [published](#) a comparative overview of the US and UK economic sanctions regimes.

23 June – Financial Crime: The FCA has [published](#) the findings from a multi-firm review of financial crime systems and controls in the insurance sector.

11 June – Enforcement: The House of Lords Financial Services Regulation Committee has [published](#) a letter from the FCA on lessons learned from its consultation on publicising enforcement investigations.

8 June – Sanctions: The FCA has [published](#) a Memorandum of Understanding OFSI.

1 June – AML: The Joint Money Laundering Steering Group has [published](#), for consultation, proposed revisions to Part I of its AML and CTF guidance for the financial services sector.

European Union

Asset Management / Wealth Management

16 June – Asset Management: ESMA has [published](#) a speech by Verena Ross, ESMA Chair, on priorities for European asset management.

Banking / Payments / Consumer Credit

29 June – EBA Supervision: The European Banking Authority (EBA) has [published](#) its 2025 report on supervisory convergence.

26 June – ECB Supervision: The European Central Bank (ECB) has [announced](#) a comprehensive review of its banking supervision publications.

26 June – CRD IV: The EBA has [published](#) its final report on revised guidelines on the supervisory review and evaluation process, and supervisory stress testing under the CRD IV Directive.

22 June – Pillar 3: The EBA has [published](#) its final report setting out final draft implementing technical standards amending Pillar 3 disclosure requirements on ESG risks, equity exposures and shadow banking exposures.

12 June – Stress Testing: The EBA has [published](#) for consultation its draft methodology and templates for the 2027 EU-wide stress test.

Cryptoassets

29 June – MiCA: The European Commission has [extended](#) the deadline for responding to its consultations on its review of the Regulation on markets in cryptoassets ((EU) 2023/1114) (MiCA).

26 June – MiCA: The EBA has [published](#) a consultation paper on a methodology for setting fines under MiCA.

24 June – MiCA: ESMA has [published](#) a statement clarifying expectations for unauthorised cryptoasset service providers to wind down activities after the MiCA transitional period.

Securities / Capital Markets

29 June – SFTR: ICMA has [updated](#) its guide to reporting repo transactions under the EU and UK versions of the Securities Financing Transactions Regulation (SFTR).

12 June – MISP: The European Parliament's Economic and Monetary Affairs Committee has [published](#) draft reports on the European Commission's market integration and supervision package proposals.

2 June – MiFID: Commission Delegated Directive (EU) 2026/374 amending the MiFID II Delegated Directive relating to research provisions has been [published](#) in the Official Journal of the European Union.

Sustainable Finance / ESG

26 June – SFDR: The Council of the EU has [published](#) the text reflecting its negotiating position on the proposed Regulation amending SFDR and the PRIIPs Regulation.

15 June – CSDDD: The European Commission has [launched](#) a consultation on developing guidelines to support implementation of the Corporate Sustainability Due Diligence Directive ((EU) 2024/1760) (CSDDD).

1 June – ESG: The EU Platform on Sustainable Finance has [published](#) a response to the European Commission consultation on revised Environmental and Climate Delegated Acts under the Taxonomy Regulation.

Financial Crime / Enforcement / Sanctions

30 June – AMLA: The EU Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA) has [published](#) an advisory note on money laundering and terrorism financing risks after the end of the MiCA transitional period for cryptoasset service providers.

4 June – AMLA: AMLA has [published](#) a consultation paper on draft guidelines on ongoing monitoring of business relationships under Article 26(5) of the AML Regulation ((EU) 2024/1624).

United States

General Financial Services – Cross Sector

2 June – SEC Publishes Draft Strategic Plan for 2026–2030: The SEC released its [Draft Strategic Plan](#) outlining the agency's priorities for the coming years. The Draft Strategic Plan focuses on the SEC's core mission of protecting investors, maintaining fair, orderly and efficient markets, and facilitating capital formation. Among other priorities, the plan emphasizes modernizing and simplifying disclosure requirements, expanding access to private markets, supporting capital formation, establishing a clear regulatory framework for digital assets and distributed ledger technologies, increasing engagement with market participants, and refocusing enforcement efforts on violations of the law. The plan also highlights

technology modernization initiatives, including enhancements to EDGAR and the responsible use of artificial intelligence and blockchain technologies.

Asset Management / Wealth Management

11 June – U.S. Supreme Court Limits Private Enforcement Under the 1940 Act: The U.S. Supreme Court issued its decision in [FS Credit Opportunities Corp. v. Saba Capital Master Fund, Ltd.](#), holding in a 6–3 opinion that Section 47(b) of the Investment Company Act of 1940 does not create an implied private right of action for parties seeking rescission of contracts that allegedly violate the statute. The case arose from challenges brought by an investor pursuing an activist strategy against certain closed-end funds that had adopted control-share provisions limiting the voting rights of large shareholders. The Court concluded that Section 47(b) is a remedial provision directed to courts and does not independently authorize private lawsuits. The decision is expected to limit the ability of investors and other parties to challenge fund governance measures through rescission claims under Section 47(b), while leaving unresolved the underlying question of whether the challenged control-share provisions are consistent with the statute.

9 June – SEC Division of Examinations Highlights Deficiencies Relating to Economic Conflicts of Interest: The SEC's Division of Examinations issued a [risk alert](#) summarizing examination findings concerning registered investment advisers' management of economic conflicts of interest, including inadequate disclosure of compensation-related conflicts and fee billing practices, as well as compliance programs that failed to adequately address conflict-related risks. The risk alert emphasizes that advisers must provide full and fair disclosure of all material conflicts, including financial incentives that may influence an adviser's recommendations or advice. It also signals continued examination focus on economic conflicts, fees and expenses, and the effectiveness of advisers' compliance controls in these areas.

Securities / Capital Markets

26 June – CFTC and SEC Issue Joint Request for Comment on Portfolio Margining: The CFTC and SEC issued a [joint request for public comment](#) on potential approaches to further harmonize regulatory frameworks applicable to portfolio margining across securities, security-based swaps, futures, swaps and related positions. The request seeks input on whether greater coordination or alignment in portfolio margining requirements could improve risk management efficiency, reduce market fragmentation and enhance customer protections. Comments are due by August 31, 2026.

18 June – SEC and CFTC Issue Joint Request for Comment on Derivatives Product Definitions: The CFTC and the SEC issued a [joint request for public comment](#) on potential opportunities to update, clarify and harmonize certain derivatives product definitions and interpretive issues. The request seeks input on, among other topics, definitions relating to swaps and security-based swaps, the treatment of mixed swaps and novel or emerging products, jurisdictional and interpretive questions, and potential areas for alternative compliance. Comments are due by August 24, 2026.

12 June – CFTC Proposes New Framework for Event Contracts: The CFTC issued a [notice of proposed rulemaking](#) seeking comment on a new framework through which the CFTC will implement its so-called "Special Rule" to prohibit an event contract from being listed or cleared if it involves certain enumerated categories and is contrary to the public interest. The proposal lays out factors relevant to the CFTC's analysis of whether contracts involving unlawful activity, terrorism, assassination, war, gaming and similar activities are appropriate for listing or are contrary to the public interest. It also makes certain other improvements including clarifying the definition of "event contract" and outlining the review process.

Financial Crime / Enforcement / Sanctions

5 June – SEC Charges Investment Adviser for Supervisory and Compliance Failures Relating to Trade Allocation Practices: The SEC announced a [settled enforcement action](#) and \$100 million civil penalty against an adviser it alleged failed to take reasonable steps to detect and prevent improper trade allocation practices by its former co-chief investment officer. According to the SEC, the adviser failed to implement and enforce policies and procedures designed to ensure that investment opportunities were allocated fairly and equitably among client accounts and failed reasonably to supervise the individual involved.

4 June – Supreme Court Clarifies Standard for SEC Disgorgement: The U.S. Supreme Court issued a unanimous decision in [Sripetch v. SEC](#), holding that the SEC is not required to prove that investors suffered pecuniary loss in order to obtain disgorgement. The decision resolves a circuit split and rejects the Second Circuit's approach in [SEC v. Govil](#), which had required proof of investor financial harm before disgorgement could be awarded. The Court explained that disgorgement is an equitable remedy intended to deprive wrongdoers of unjust gains rather than compensate investors for losses. The ruling is expected to strengthen the SEC's ability to seek disgorgement in enforcement actions involving disclosure, registration and other compliance-related violations where investor losses may be difficult to quantify.

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The FinReg Monthly Update, a regular bulletin highlighting the latest developments in UK, EU and U.S. financial services regulation. If you have any questions regarding the matters discussed in this newsletter, please contact any of the lawyers listed below:

John Verwey

Partner

+44.20.7280.2033

jverwey@proskauer.com

Andrew Wingfield

Partner

+44.20.7280.2021

awingfield@proskauer.com

Richard Bull

Partner

+44.20.7280.2060

rbull@proskauer.com

Oliver R. Howley

Partner

+44.20.7280.2127

ohowley@proskauer.com

Anna Maleva-Otto

Partner

+44.20.7280.2082

amaleva-otto@proskauer.com

Mary Wilks

Partner

+44.20.7280.2180

mwilks@proskauer.com

Jonathon Egerton-Peters

Partner

+44.20.7280.2216

jegerton-peters@proskauer.com

Nathan Schuur

Partner

+1.202.416.5825

nschuur@proskauer.com

Robert Sutton

Partner

+1.212.969.3480

rsutton@proskauer.com

Edward Lister

Special Regulatory Counsel

+44.20.7280.2106

elister@proskauer.com

Rachel Lowe

Special Regulatory Counsel

+44.20.7280.2144

rlowe@proskauer.com

Sasha Burger

Associate

+1.212.969.3506

sburger@proskauer.com

Adam Frost

Associate

+44.20.7280.2228

afrost@proskauer.com

Sulaiman Malik

Associate

+44.20.7280.2081

smalik@proskauer.com

Michael Singh

Associate

+44.20.7280.2269

msingh@proskauer.com

Caroline Spillane

Associate

+1.212.969.3971

cspillane@proskauer.com

Tazia Statucki

Associate

+1.202.416.5843

tstatucki@proskauer.com

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