

2025 SEC Enforcement Results – Takeaways for Fund Managers

The Capital Commitment on May 19, 2026

On April 7, 2026, the SEC's Division of Enforcement announced its [Enforcement Results for Fiscal Year 2025](#), several months later than usual. Overall enforcement numbers declined again, as expected, but FY 2025 was an unusual transition year. Significant filing activity occurred before the change in administration, and the new Commission used the release to criticize volume-driven enforcement and reset the program around fraud, investor harm, market integrity, and individual accountability.

For private fund managers, [the results reflect a change in emphasis, not a retreat from enforcement](#). The current Commission appears less likely to pursue sweep-style initiatives or novel theories, but traditional investment adviser issues remain in focus, including conflicts, disclosures, valuation, fees and expenses, custody, marketing and misuse of investor assets.

Key Takeaways

- **Enforcement activity declined materially:** 456 total actions and 303 standalone actions in FY 2025, down from [583 total actions and 431 standalone actions in FY 2024](#).
- **The case totals are harder to compare than usual.** The SEC reported 200 total actions and 118 standalone actions in the first three months of its FY 2025, plus more than 40 additional actions from January 1 through January 17, 2025. As a result, roughly 240 actions—more than half of the full-year total—were filed before the inauguration.
- **Monetary relief also requires adjustment.** The SEC reported \$17.9 billion in headline monetary relief, but after excluding the Stanford (uncollectable) judgment and amounts deemed satisfied by parallel proceedings, the FY 2025 figure was approximately \$2.7 billion (\$1.4 billion in disgorgement and prejudgment interest and \$1.3 billion in penalties). Normalizing FY 2024 to exclude a \$4.5 billion uncollectable judgment against a bankrupt crypto issuer, adjusted monetary relief declined from \$4.9 billion in FY 2023 to \$3.6 billion in FY 2024 and \$2.7 billion in FY 2025—approximately 25% year over year.

- **The off-channel communications sweeps have concluded.** Since FY 2022, the prior Commission brought 95 actions and imposed \$2.3 billion in penalties in those cases. The FY 2025 off-channel penalties totaled \$71 million, all imposed before the change in administration, and there have been no off-channel actions since.
- **Investment adviser and investment company cases remained significant,** representing 22% of FY 2025 actions, roughly in line with 18% in FY 2023 and 23% in FY 2024.
- **Whistleblower activity increased sharply.** The SEC received a record 53,753 tips, complaints and referrals in FY 2025, compared with approximately 24,000 in FY 2024 and approximately 18,000 in FY 2023.
- **The SEC also closed 1,095 investigations** without filing charges and dismissed approximately 20 pending litigation matters authorized by the prior administration, consistent with the current Commission's stated move away from volume-driven enforcement.

Comparison to Recent Years

The following chart compares the FY 2025 results against the figures [we highlighted in 2023](#) and [2024](#).

Metric	FY 2023	FY 2024	FY 2025
Total enforcement actions	784	583	456
Standalone actions	501	431	303
Monetary relief	\$4.9B	\$8.1B headline; ~\$3.6B adjusted	\$17.9B headline; ~\$2.7B adjusted
IA/IC actions	18%	23%	22%
Whistleblower tips received	18,000	24,000	53,753
Whistleblower awards	~\$600M	\$255M	~\$60M

Key Takeaways for Private Fund Managers

1. Overall enforcement activity declined again, but FY 2025 is not a clean comparison.

The SEC reported 456 total enforcement actions in FY 2025, including 303 standalone actions and 69 follow-on administrative proceedings. That was down from FY 2024, when the Commission reported 583 total actions, including 431 standalone actions and 93 follow-on administrative proceedings, and from FY 2023, when it reported 784 total actions, including 501 standalone actions and 162 follow-on proceedings.

The comparison is complicated by the change in administration. The SEC reported 200 total enforcement actions in Q1 FY 2025, including 118 standalone actions, and more than 40 additional actions from January 1 through January 17, 2025. That means roughly 240 total actions—more than 50% of the full-year total—were filed before the inauguration. Over the final three quarters of FY 2025, the SEC averaged about 85 total actions per quarter, compared to 200 in Q1.

2. The headline monetary-relief figure requires context.

The SEC reported \$17.9 billion in total monetary relief for FY 2025, consisting of \$10.8 billion in disgorgement and prejudgment interest and \$7.2 billion in civil penalties. That headline total exceeds the \$8.1 billion reported in FY 2024 and the \$4.9 billion reported in FY 2023, but it is not the best measure of current enforcement activity.

After excluding the Stanford (uncollectable) judgment and amounts deemed satisfied by parallel proceedings, the SEC reported approximately \$1.4 billion in disgorgement and prejudgment interest and \$1.3 billion in penalties. On that adjusted basis, and after similarly normalizing FY 2024 to exclude a \$4.5 billion uncollectable judgment, monetary relief declined from \$4.9 billion in FY 2023 to \$3.6 billion in FY 2024 and \$2.7 billion in FY 2025—declining approximately 25% year over year.

3. The off-channel communications initiative has ended (for now).

Since FY 2022, the prior Commission brought 95 off-channel communications actions and imposed \$2.3 billion in penalties. The FY 2025 release criticized that approach, noting that the cases identified no direct investor harm, produced “no investor benefit or protection,” and reflected what the current Commission views as a misallocation of enforcement resources. The only FY 2025 off-channel penalties totaled \$71 million, all before January 20, 2025. No off-channel actions have been brought since. For private fund managers, that appears to close one of the more resource-intensive enforcement initiatives of recent years.

4. Individual accountability remains central to the program.

Approximately two-thirds of standalone actions filed in FY 2025 involved charges against individuals, and nearly nine out of ten standalone actions filed under Acting Chairman Uyeda and Chairman Atkins involved individual charges. The Commission also obtained orders barring 119 individuals from serving as officers or directors of public companies.

For fund managers, scrutiny may extend beyond the management entity to senior executives, investment personnel, and others involved in valuations, disclosures, conflicts, fee and expense practices, and investor communications.

5. Investment Adviser issues remain a significant part of the docket.

Investment adviser and investment company cases represented 22% of SEC actions in FY 2025, roughly in line with 18% in FY 2023 and 23% in FY 2024. Although overall enforcement activity declined, adviser cases continued to account for a meaningful share of the docket.

For asset managers, that is the more important point. The FY 2025 results do not suggest that the SEC has moved away from adviser enforcement. They suggest a narrower focus on traditional adviser issues: conflicts, disclosures, fiduciary-duty breaches and demonstrated investor harm.

6. Whistleblower activity continued to increase.

The SEC reported a record 53,753 tips, complaints and referrals in FY 2025, more than double the 24,000 tips it received in FY 2024 and roughly triple the 18,000 tips it received in FY 2023. That volume gives the SEC a large pipeline of potential leads, and potential monetary awards continue to incentivize reporting suspected wrongdoing.

Whistleblower awards moved in the opposite direction, declining from approximately \$600 million in FY 2023 and \$255 million in FY 2024 to approximately \$60 million in FY 2025. Recent public reports indicate the SEC may be less willing to grant large awards to certain whistleblowers.

Looking Ahead

For private fund managers, FY 2025 was a smaller and more selective enforcement year, not a low-risk environment. The SEC has moved away from certain volume-driven initiatives and novel theories, but it continues to emphasize fraud, investor harm, market integrity, fiduciary breaches and individual accountability.

That may reduce the likelihood of sweep-style cases. But core adviser issues—conflicts, disclosures, valuation, fees and expenses, custody, marketing and misuse of investor assets—remain within the traditional enforcement program. Some asset managers are using this period to review past practices and remediate issues while the SEC may be less likely to second-guess a reasonable remediation plan.

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