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FinReg Monthly Update

Regulatory & Compliance on **September 2026**

Welcome to the FinReg Monthly Update, a regular bulletin highlighting the latest developments in UK, EU and US financial services regulation.

Key Developments in September 2026:

United Kingdom

General Financial Services – Cross Sector

25 September – FCA Handbook: The FCA has published Handbook Notice 144, which sets out changes to the FCA Handbook made by the FCA board on 30 July 2026, 11 September 2026 and 24 September 2026.

18 September – Financial Inclusion Strategy: The House of Commons Treasury Committee has published a report setting out the findings from its inquiry into HM Treasury's financial inclusion strategy.

16 September – Financial Services and Markets Bill: The Financial Services and Markets Bill 2026-27 has completed its third reading in the House of Lords and its first reading in the House of Commons.

4 September – FCA Quarterly Consultation: The FCA has published its 53rd quarterly consultation paper (CP26/32).

Banking / Payments / Consumer Credit

17 September – Vulnerable Customers: The FCA has published its findings from a review of payments firms' approaches to supporting consumers in vulnerable circumstances.

FinTech / Digital Assets

30 September – Crypto Prudential Guidance: The FCA has published non-Handbook guidance on COREPRU 7 and on CRYPTOPRU 7 relating to the overall risk assessment requirements under the new prudential framework for regulated cryptoasset firms.

16 September – Crypto Perimeter Guidance: The FCA has published a policy statement on cryptoasset perimeter guidance.

15 September – Crypto Regulations: The Financial Services and Markets Act 2000 (Cryptoassets) (Miscellaneous Amendments) Regulations 2026 have been laid before Parliament.

14 September – UK Tokenisation: The FCA and the BoE have published a feedback statement on supporting the safe adoption of tokenisation in UK wholesale financial markets. The FCA has also published a call for input on the opportunities and risks for UK wholesale markets relating to tokenised gold.

Insurance

21 September – Pure Protection Market: The FCA published its final report in the market study into the distribution of pure protection products to retail customers.

Securities / Capital Markets

30 September – Primary Market Bulletin: The FCA has published Primary Market Bulletin 66.

Sustainable Finance / ESG

30 September – Sustainability Disclosures: The FCA has published a policy statement on the final rules aligning in-scope listed issuers' sustainability disclosures with UK Sustainability Reporting Standards, alongside the UK Listing Rules (Sustainability Reporting Standards Disclosure) Instrument 2026, which gives effect to the rules.

European Union

General Financial Services – Cross Sector

30 September – EBA Work Programme: The European Banking Authority (**EBA**) has published its work programme for 2027.

28 September – ESMA Work Programme: ESMA has published its annual work programme for 2027.

Asset Management / Wealth Management

24 September – Private Credit Review: The EBA has published a letter and accompanying call for technical advice from the European Commission, requesting technical advice from the EBA, EIOPA and ESMA on a targeted assessment of private credit activities and exposures of EU banks and non-bank financial intermediaries.

21 September – MAR: The European Commission has published for consultation a draft Delegated Regulation amending the regulatory technical standards (**RTS**) in Delegated Regulation (EU) 2016/1052 as regards the conditions applicable to buy-back programmes and stabilisation measures under the Market Abuse Regulation (596/2014) (**MAR**).

Banking

25 September – CRD IV Prudential Requirements: The EBA has published a consultation paper on draft revised implementing technical standards on the joint decision process for institution-specific prudential requirements under Article 113 of the CRD IV Directive (2013/36/EU).

17 September – Third-Country Branches: The European Commission has adopted a Commission Delegated Regulation supplementing the CRD IV Directive with regard to RTS specifying the booking arrangements that third-country branches are to apply for the purposes of Article 48h of that Directive.

14 September – EU Banking Competitiveness: The European Parliament's Committee on Economic and Monetary Affairs (**ECON**) has published a draft report on the competitiveness of the banking sector in the EU.

FinTech / Digital Assets

30 September – ESMA MiCA Review: ESMA has published its response to the European Commission's consultation on its review of the Regulation on markets in cryptoassets which was published in May 2026.

Sustainable Finance / ESG

22 September – Taxonomy Disclosures: The EU Platform on Sustainable Finance has published a brief on ESMA's consultative work relating to Delegated Regulation (EU) 2021/2178 (Disclosures Delegated Act) and Article 8 of Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation).

16 September – SFDR 2.0: The European Parliament's Economic and Monetary Affairs Committee (ECON) has published the text of the report it has adopted on the legislative proposal for a Regulation amending Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR) and Regulation (EU) 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs Regulation), and repealing Commission Delegated Regulation (EU) 2022/1288 (SFDR RTS) (SFDR 2.0). Please refer to our dedicated article on this topic here.

1 September – ESG Rating Providers: Commission Delegated Regulation (EU) 2026/1119 setting out regulatory technical standards (RTS) specifying the information to include in applications for authorisation or recognition as an ESG rating provider, supplementing the ESG Ratings Regulation ((EU) 2024/3005), has been published in the Official Journal of the European Union.

Insurance

14 September – Reporting under Solvency II: Commission Implementing Regulation (EU) 2026/2041, which lays down technical information for calculating technical provisions and basic own funds for reporting with reference dates from 30 June 2026 until 29 September 2026 under the Solvency II Directive (2009/138/EC), has been published in the Official Journal of the European Union.

1 September – Insurance Guarantee Schemes: EIOPA has published its technical advice to the European Commission on minimum common standards for insurance guarantee schemes (IGSs) in the EU.

United States

30 September – SEC "Retailization" Proposals: The Securities and Exchange Commission (**SEC**) announced a package of proposals intended to expand retail access to private markets. The package includes potential new pathways to accredited investor status through a FINRA-developed exam and additional professional credentials. In addition, the rules surrounding payment of performance-based compensation would be eased and the framework for interval funds would be modernized.

28 September – SEC Staff Statement on Private Assets: SEC staff issued a statement on private asset valuation under ASC 820, emphasizing timely information, market participant assumptions and tailored private credit disclosures. The statement also addresses the optional NAV practical expedient, which acknowledged that properly applying the expedient may produce a value different from a market transaction price but reminded management to assess eligibility using reasonably available information, including relevant secondary-market data.

21 September – SEC Grants Exemptive Relief to ARK Venture Fund for Exchange-Traded and Tokenized Share Classes: The SEC issued an exemptive order permitting an interval fund to offer multiple share classes, including an exchange-traded share class and a tokenized class that may trade on alternative trading systems or other quotation mediums. The order is notable in the context of the SEC's broader focus on expanding retail investor access to private markets, including its September 30 "retailization" releases.

18 September – SEC Enforcement Director Discusses "Return to Basics" Enforcement Approach: SEC Division of Enforcement Director David Woodcock described the Division's continued "return to basics," emphasizing cases involving fraud, insider trading, accounting and disclosure fraud, and misconduct by investment advisers, including conflicts and misrepresentations. Woodcock also described a review of the Division's investigative docket that resulted in the closure of matters that no longer aligned with the Commission's enforcement priorities and emphasized the Division's focus on moving investigations more efficiently. Among other things, he cautioned that the Division expects prompt and complete compliance with subpoenas and may bring subpoena enforcement actions sooner when parties fail to comply.

18 September – SEC Settles Advisers Act Charges Based on Fund Investment Recommendation: The SEC settled charges against a North Carolina-based registered investment adviser and its principal for breaching their fiduciary duties under Section 206(2) of the Advisers Act in connection with a 2021 transaction recommended to the boards of several registered funds. According to the SEC, the adviser and principal failed to conduct adequate diligence and disregarded significant red flags before recommending the transaction, which ultimately resulted in a loss of approximately $300 million for the funds. The matter is notable because the SEC's order did not allege an undisclosed conflict or intentional deception,but instead applies the Advisers Act's antifraud framework to the merits of an investment recommendation and the process underlying it. Without admitting or denying the findings, the adviser and principal agreed to cease-and-desist orders and censures, and the principal agreed to pay a $250,000 civil penalty.

18 September – Amendments to Rule 17a-7 Submitted to OIRA: Proposed amendments to Rule 17a-7 under the Investment Company Act were submitted to the Office of Information and Regulatory Affairs ("*OIRA*") for review. Rule 17a-7 provides an exemption permitting certain purchase and sale transactions between affiliated registered investment companies and other affiliated accounts, subject to specified conditions. After OIRA completes its review, it is expected that the SEC will release the proposal publicly.

17 September – SEC Grants "Innovation Exemption" for Trading of Tokenized NMS Stock: The SEC issued an order granting two five-year, conditional exemptions to facilitate trading in tokenized NMS stocks. The relief exempts qualifying Tokenized Securities Venues ("*TSVs*") from the definition of "exchange" and certain liquidity providers from the definition of "dealer," permitting trading through permissioned automated market maker liquidity pools. The relief is subject to conditions including that holders receive economic and governance rights equivalent to those of the underlying stock; smart contracts be public and auditable and deployed on a public, permissionless ledger; trading halt when the underlying stock is halted; issuers receive 30 days' notice before a third party's tokenized version of their stock is listed and have written objections honored; and trading be limited to 75 symbols and subject to volume caps. The exemptions took effect immediately and expire on September 17, 2031.

17 September – SEC Holds Roundtable on Preparations for 24-Hour Trading: The SEC held a public roundtable to discuss preparations for expanding 24-hour trading in the U.S. equity markets. The discussion focused on market and broker-dealer readiness, overnight surveillance, clearance and settlement, operational resiliency, investor protection and expected liquidity conditions as markets move toward near-continuous trading. The roundtable also considered potential challenges and next steps associated with expanded overnight trading.

16 September – SEC Proposes Rescission of Shareholder Proposal Rule and Modernization of Proxy Solicitation Process: The SEC proposed rescinding Exchange Act Rule 14a-8, which governs the inclusion of shareholder proposals in company proxy materials, and leaving determinations regarding shareholder proposals to state law and company governing documents. The SEC also proposed amendments to Rule 14a-4(c) that would expand the circumstances in which companies may exercise discretionary voting authority with respect to proposals not included in their proxy materials. In a separate proposal, the SEC proposed modernizing the proxy solicitation process by, among other things, eliminating certain annual report delivery and exempt solicitation notice requirements and shortening the minimum broker search period from 20 business days to five business days.

15 September – SEC Approves New FINRA Rule 3290 Governing Outside Activities: The SEC approved new FINRA Rule 3290, which will replace FINRA Rules 3270 and 3280 and narrow the scope of reportable outside activities by focusing the rule on "investment-related" activities. Under the new rule, registered persons engaging in investment advisory activities with an unaffiliated registered investment adviser will be required to provide prior written notice to their member firm, and the firm must assess the activity, but will no longer be required to supervise the activity or maintain related records. FINRA has not yet announced an effective date.

14 September – SEC Division of Examinations Issues Risk Alert on Annual Compliance Reviews: The SEC's Division of Examinations published a Risk Alert addressing advisers' obligation to review their compliance policies and procedures at least annually to assess their adequacy and the effectiveness of their implementation. The Risk Alert highlights areas advisers may wish to consider as part of their annual reviews and encourages advisers to evaluate their existing practices, policies and procedures and make appropriate enhancements to their annual review processes.

4 September – SEC Seeks to Enforce Subpoena Against Institutional Shareholder Services: The SEC filed an action in the U.S. District Court for the Eastern District of Pennsylvania seeking to compel Institutional Shareholder Services, Inc. ("*ISS*"), an SEC-registered investment adviser, to comply with an administrative subpoena issued in July 2026. The subpoena was issued after SEC examination requests for records of every vote ISS recommended for its clients over a period of four years, which ISS claimed it could not produce without unreasonable expense. A court action to enforce a subpoena in connection with an examination request is very unusual, and the request for four years of data is far outside what is typically requested during an SEC examination. The SEC's examination began roughly three months after President Trump ordered the SEC, FTC and Department of Labor to protect investors from proxy advisers that "advance and prioritize radical politically motivated agendas." The order specifically directed the SEC to use its Division of Examinations to examine whether advising on DEI or ESG factors is inconsistent with an adviser's fiduciary duties and to "enforce the Federal securities laws' anti-fraud provisions" if they identify misstatements or omissions in proxy advisors' recommendations. The SEC stated that its investigation remains ongoing and that it has not concluded that ISS or any other person violated the federal securities laws.

3 September – SEC Proposes Rescission of Investment Adviser Pay-to-Play Rule: The SEC proposed rescinding Advisers Act Rule 206(4)-5, which generally prohibits an investment adviser from receiving compensation for providing advisory services to a government entity (including via a pooled investment vehicle) for two years after certain political contributions are made to covered officials or candidates. The proposal would also eliminate the related recordkeeping requirements under the Advisers Act. Other Advisers Act requirements, including antifraud, fiduciary duty, compliance and code of ethics obligations, would continue to prohibit pay-to-play conduct.

2 September – New Jersey Seeks Supreme Court Review of Sports Event Contracts Decision: New Jersey petitioned the U.S. Supreme Court for review of the Third Circuit's April 2026 decision holding that Kalshi was likely to succeed on its claim that the Commodity Exchange Act preempts application of New Jersey's gaming laws to sports-related event contracts offered on a CFTC-regulated designated contract market. The petition followed the Ninth Circuit's August 28 decision in *KalshiEX, LLC v. Assad*, which reached the opposite conclusion, holding that sports event contracts are likely not "swaps" under the Commodity Exchange Act and therefore are not insulated from state gaming laws by the CFTC's exclusive jurisdiction. The Ninth Circuit also concluded that CFTC Rule 40.11 currently prohibits gaming-related event contracts and remanded for further consideration of election contracts. As discussed in our client alert, the resulting circuit split may increase the likelihood of Supreme Court review, although the interlocutory posture of the cases means review is not assured.

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