

**Notable Developments:**

- **SEC and CFTC Voted to Further Extend Form PF Amendment Compliance Date**
- **SEC Issues Concept Release on Foreign Private Issuer Eligibility**
- **SEC Chairman Testifies Before Senate appropriations Subcommittee on Financial Services and General Government**
- **Jamie Selway Named Director of the SEC's Division of Trading and Markets**
- **Brian Daly Named Director of the SEC's Division of Investment Management**
- **Kurt Hohl Named SEC's Chief Accountant**

**In Case You Missed It:**

- **Supreme Court Declines to Hear Challenge to FINRA Powers**
- **House Introduces Bill to Reform Financial Stability Oversight Council**

**Notable Developments:**

**SEC and CFTC Voted to Further Extend Form PF Amendment Compliance Date**

On June 11, 2025, the SEC and CFTC [voted](#) to further [extend](#) the compliance date of the amendments to Form PF (which were adopted on Feb. 8, 2024) to Oct. 1, 2025. The compliance date for these amendments was originally March 12, 2025, but was previously extended to June 12, 2025.

**SEC Issues Concept Release on Foreign Private Issuer Eligibility**

On June 4, 2025, the SEC [announced](#) publication of a [concept release](#) to solicit comments on the definition of a foreign private issuer ("FPI"). The SEC reviews the number of FPIs and their characteristics and questions whether the current FPI definition is appropriately tailored. In particular, the increasing percentage of 20-F FPIs' equity securities trade almost entirely in U.S. capital markets, rather than foreign markets. The current regulatory accommodations for FPIs were based, in part, on the expectation that most FPIs would be subject to meaningful disclosure and other regulatory requirements in their home country jurisdictions, when in fact, a significant percentage of FPIs are not regulated in foreign markets. The concept release states that, "[i]f an FPI is not subject to meaningful requirements in its home country jurisdiction that elicit disclosure in a timely manner, or if

there are other limitations to foreign regulatory oversight of the FPI, the FPI definition may need to be revised. In particular, the FPI definition may need to be adjusted to ensure that (1) U.S. investors receive appropriate disclosure and remain adequately protected when investing in FPIs' securities and (2) that the discrepancy in regulatory requirements does not have unintended competitive implications.” The SEC solicits public comments on whether the accommodations afforded to FPIs today should continue or if the FPI definition should be amended, and the possible approaches to amending the FPI definition.

The comment period will close in 90 days following publication of the concept release in the Federal Register.

### **SEC Chairman Testifies Before Senate appropriations Subcommittee on Financial Services and General Government**

On June 3, 2025, the SEC Chairman Paul Atkins [testified](#) before the Senate Appropriations Subcommittee on the SEC's budget and operations. Chairman Atkins opened his testimony by vowing to return to the SEC's core mission and return rulemaking to regular order – including providing ample time for public comment and considering regulatory burdens imposed on the market. In addition to concurring on Commissioner Uyeda's stance on certain policy issues and the establishment of the Crypto Task Force led by Commissioner Hester Pierce, Chairman Atkins stated that the SEC will also focus on providing meaningful pathways for entrepreneurs to raise capital in both the private and public markets and effective enforcement against fraudulent activities.

With respect to funding, staffing and SEC's operations, Chairman Atkins explained that the \$2.149 billion budget request for the FY 2026 contemplates approximately 4,100 full-time equivalents, which actually is approximately \$100 million more than the amount that would be required to maintain the SEC's current state of operations. Chairman Atkins alluded that, if Congress approves the FY 2026 budget, this funding could support the transfer of the PCAOB functions into the SEC in FY 2026. Because the SEC is required to set the fee rate to a level that generates fees equal to the SEC's appropriated amount, the SEC would not collect fees for FY 2025. The SEC announced on April 8, 2025 that, starting May 14, 2025, the fee rates applicable to most covered sales of securities would be set at \$0. The SEC's staff numbers have decreased by 15% since the beginning of FY 2025. Chairman Atkins stated that the departures leave vacancies that in many cases need to be filled. Today, the SEC has approximately 4,200 employees and 1,700 contractors.

With respect to crypto, Chairman Atkins stated that crypto policymaking will be done through notice and comment rulemaking, not through regulation-by-enforcement. The SEC's enforcement will return to policing violations of established obligations, particularly

as they relate to fraud and manipulation. To facilitate coordination across multiple offices and divisions within the SEC, the Crypto Task Force will bring policy divisions together to provide clarity and certainty to the public.

Each SEC Commissioner will take on the leadership role for certain tasks. In addition to Commissioner Peirce's leadership of the Crypto Task Force, Commissioner Uyeda will be the SEC's ambassador to the IOSCO and Commissioner Crenshaw will take on the SEC's administrative law proceedings framework and the procedures in adjudications in light of Supreme Court rulings.

Chairman Atkins also announced that there would be targeted, "common-sense" reorganizations to come at the SEC. To begin with, Chairman Atkins will disband the agency's Strategic Hub for Innovation and Financial Technology (FinHub). Chairman Atkins also directed a review of the SEC's technology infrastructure, including the EDGAR system, to ensure data integrity and optimize efficiency.

Regarding the SEC regional offices, Chairman Atkins stated that he firmly believed in the SEC's regional office concept. Although GSA informed the SEC in February that it would terminate leases of the SEC's Los Angeles and Philadelphia offices, the leases are not terminated. The SEC is in ongoing discussions with the GSA and the landlords.

### **Jamie Selway Named Director of the SEC's Division of Trading and Markets**

On June 13, 2025, the SEC [announced](#) the appointment of Jamie Selway as Director of the Division of Trading and Markets, effective June 17, 2025. Mr. Selway was a partner at Sophron Advisors and was also a board member at Protego Holdings, board chair at AllofUs Financial and Skew, and served as an advisor to multiple financial technology companies. He previously was the head of electronic brokerage at Investment Technology Group and co-founded institutional brokerage White Cap Trading, where he was a managing director and chairman. Earlier in his career, he was chief economist at Archipelago, worked in Equity Derivatives Research at Goldman Sachs, and was associate director of research at the NASD, which became FINRA.

### **Brian Daly Named Director of the SEC's Division of Investment Management**

On June 13, 2025, the SEC [announced](#) the appointment of Brian Daly as Director of the Division of Investment Management. Mr. Daly was a partner of the law firm Akin Gump Strauss Hauer & Feld LLP in New York. Prior to that, He was a partner in the investment management group of Schulte Roth & Zabel LLP. He was also a founding equity partner of Kepos Capital, a quantitative investment management company, while he served as chief legal and compliance officer. Among other prior positions, Mr. Daly served in general counsel

and chief compliance officer positions at Millennium Partners, a Carlyle Group liquid markets fund manager, and Raptor Capital Management.

### **Kurt Hohl Named SEC's Chief Accountant**

On June 13, 2025, the SEC [announced](#) the appointment of Kurt Hohl as Chief Accountant, effective July 7, 2025. Acting Chief Accountant Ryan Wolfe will return to his role as Chief Accountant in the Division of Enforcement. Mr. Hohl founded Corallium Advisors. Before that, he spent 26 years as a partner at Ernst & Young (EY) in a variety of roles, including global deputy vice-chair of EY's Global Assurance Professional Practice, overseeing the technical, regulatory, risk, and quality oversight functions of EY's global professional practice organization -- a team of more than 1,400 professionals. He previously served at the SEC from 1989 to 1997, rising to Associate Chief Accountant in the Division of Corporation Finance. There he authored what became the Financial Reporting Manual, a primary guide for the SEC accounting staff and practitioners in the application of the federal securities laws.

### **In Case You Missed It:**

#### **Supreme Court Declines to Hear Challenge to FINRA Enforcement Powers**

On June 2, 2025, the U.S. Supreme Court [declined](#) to hear a constitutional challenge to FINRA's disciplinary process. The decision leaves in place a DC Circuit ruling that bars FINRA from enforcing expulsions without prior SEC review.

The case arose when Alpine Securities Corp. ("Alpine"), a registered broker-dealer and FINRA member, challenged FINRA's disciplinary authority after FINRA sought immediate expulsion for Alpine's violation of a pre-existing cease-and-desist order concerning excessive fees in 2023. Alpine sought preliminary injunction in federal district court to block FINRA's expulsion, claiming that FINRA's enforcement power is unconstitutional because: (1) FINRA is a private entity with too much authority delegated by the federal government in violation of the private nondelegation doctrine, which requires the government to supervise a private entity to which it delegates a regulatory role; and (2) if FINRA is viewed as a governmental entity, its expedited proceedings violate the Appointments Clause of the Constitution, which requires the government officers to be placed into office via specific means to ensure that those who exercise significant executive power remain sufficiently accountable to the President. The district court denied the injunction and the firm appealed to the DC Circuit.

The DC Circuit reversed the district court's decision in part and remanded the case to the district court to enter a limited injunction that would prevent FINRA from giving effect to any expulsion order until after the SEC's review. The court found that Alpine had established a

likelihood of success on the merits of its argument that FINRA's ability to enter immediate expulsion without the SEC's review violates the private nondelegation doctrine; however, the court rejected Alpine's request for a broader injunction against FINRA's expedited hearing in its entirety and also rejected Alpine's Appointments Clause argument on the ground that Alpine did not meet the standard to obtain a preliminary injunction because it would not suffer irreparable harms if FINRA's hearing officers are not appointed in a manner consistent with the Appointments Clause.

Alpine appealed the DC Circuit's ruling to the Supreme Court, which declined to review. Opposing Supreme Court review, the DOJ and FINRA each filed a brief to urge the Court to deny certiorari. Following the Supreme Court's decision, FINRA posted on its website a [proposed rule change](#) for immediate effectiveness upon filing that would delay the effectiveness of severe sanctions (i.e., expulsions, cancellations of membership and denials of continued membership) until SEC review is completed or waived. The proposed rule change has not been published by the SEC. Under the proposed rule change, FINRA will: (1) seek prompt SEC resolution when an expulsion or membership denial is appealed (2) impose interim measures to protect customers during appeals, including conditions or restrictions under Rule 9285 to prevent further misconduct; and (3) maintain these restrictions until all appeals, including to the SEC, are exhausted.

### **House Introduces Bill to Reform Financial Stability Oversight Council**

On June 3, 2025, the House Financial Services Committee [introduced](#) a bill, The Financial Stability Oversight Council Improvement Act of 2025, that would require the Financial Stability Oversight Council ("FSOC") to explore and rule out alternative regulatory approaches before designating nonbank financial institutions as systemically important and placing them under the Federal Reserve's supervision.

The bill states that the FSOC "may not vote on a proposed determination with respect to a U.S. nonbank financial company ... unless the Council first determines, in consultation with the company and the primary financial regulatory agency with respect to the company, that a different action by the Council or the agency (including the application of new or heightened standards and safeguards under ... ), or by the company under a written plan that is submitted promptly to the Council, is impracticable or insufficient to mitigate the threat that the company could pose to the financial stability of the United States."

