



**U.S. Securities and
Exchange Commission**

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PRESS RELEASE

SEC Announces Enforcement Results for Fiscal Year 2025

Resets the measure of enforcement effectiveness to investor protection and Congressional intent

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Washington D.C., April 7, 2026 — The Securities and Exchange Commission today announced enforcement results for the fiscal year that ended on September 30, 2025.

Central to an effective enforcement program is determining which cases to bring and responsibly stewarding Commission resources. Regrettably, such resources have been misapplied in prior years to pursue media headlines and run up numbers, and in turn, led to misguided expectations on what constitutes effective enforcement.

Fiscal Year 2025 Results & Supporting Context

During fiscal year 2025, the Commission filed 456 enforcement actions, including 303 standalone actions and 69 “follow-on” administrative proceedings seeking to bar or suspend individuals from certain functions in the securities markets based on criminal convictions, civil injunctions, or other orders, and obtaining orders for monetary relief totaling \$17.9 billion. These enforcement actions addressing a broad range of misconduct demonstrate the Commission’s prioritization of cases that directly harm investors and the integrity of the U.S. securities markets, including offering frauds, market manipulation, insider trading, issuer disclosure violations, and breaches of fiduciary duty by investment advisers.

The results do not include the 1,095 matters in which potentially violative conduct was investigated and which were closed, the several matters where market participants remediated their practices, or cases that were otherwise not pursued.

FY 2025 was a unique period of transition for the enforcement division never experienced before in modern SEC history. It was characterized by an unprecedented rush to bring a significant number of cases in advance of the presidential inauguration^[1] and the aggressive pursuit of novel legal theories under the prior Commission.

This period brought about the current Commission's resolution of prior cases that were not sufficiently grounded in the federal securities laws. The current Commission deliberately refocused the enforcement program on matters of fraud — cases that inherently require more time and resources to develop and bring, often requiring up to two or more years to manifest results.

Since fiscal year 2022, the prior Commission brought 95 actions and \$2.3 billion in penalties against firms for book-and-record violations, specifically failing to maintain and preserve off-channel communications. Together with seven crypto firm registration-related and six 'definition of a dealer' cases, these cases identified no direct investor harm from those violations, produced no investor benefit or protection, and demonstrate what the current Commission views as a misinterpretation of the federal securities laws, a misallocation of Commission resources, and a bias for volume of cases brought versus matters of investor protection. This year's enforcement results clarify the flaws of these actions and their respective penalties and re-establish the definition and measure of enforcement effectiveness, grounded in Congress's original intent and focused on bringing actions that actually prevent investor harm instead of headlines and inflated numbers.

Going forward, enforcement priorities and results will be linked to the Commission's and the Division's core mandate, and will thus contemplate the following elements to fulfill its mission: Standing up to fraud in its many forms and those market participants engaged in such misconduct; addressing the fraudulent and manipulative conduct of the parties in question through appropriate remediation; and repaying investors' losses when harmed.

"Over the past year, the Commission has put a stop to regulation by enforcement and recentered its enforcement program on the Commission's core mission by prioritizing cases that provide meaningful investor protection and strengthen market integrity," said SEC Chairman Paul S. Atkins. "We have redirected resources toward the types of misconduct that inflict the greatest harm — particularly fraud, market manipulation, and abuses of trust — and away from approaches that prioritized volume and record-setting penalties over true investor protection. A key part of this course correction is a renewed emphasis on holding individual wrongdoers accountable, which promotes stronger deterrence and better safeguards investors. I am proud of the staff's work in advancing

an enforcement program grounded in sound judgment, clear legal authority, and the real-world needs of the investing public.”

“I fully support the move away from using enforcement as a tool for policymaking, and the return to the Commission’s historical norms,” said SEC Commissioner Mark T. Uyeda. “We will remain focused on coherent and transparent policymaking, as well as meaningful engagement with market participants to promote compliance, and wield the authority of enforcement in a more appropriate manner, guided by investor protection above all.”

Supporting Detail

In connection with its fiscal year 2025 enforcement actions, the Commission obtained orders for monetary relief totaling \$17.9 billion, of which was \$10.8 billion in disgorgement of ill-gotten gains and prejudgment interest and \$7.2 billion in civil penalties. And some of the actions in which the Commission obtained orders for monetary relief included disgorgement amounts that the Commission deemed satisfied, in whole or in part, by a court order in a separate non-SEC action (e.g., a restitution or forfeiture order in a parallel criminal proceeding). After excluding these “deemed satisfied” amounts, which historically had not been broken out or excluded in annual Commission statistics, and the judgments against Robert Allen Stanford (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26255>) and other defendants in the Commission’s long-running litigation concerning their \$8 billion Ponzi scheme, the monetary relief obtained in fiscal year 2025 totaled \$1.4 billion in disgorgement and prejudgment interest and \$1.3 billion in civil penalties.

In fiscal year 2025, some market participants self-reported violations, co-operated meaningfully[3] with the Division’s investigations, and/or remediated[4] securities law violations. As a result, the Division recommended, and the Commission approved, resolutions imposing reduced civil penalties[5] or declined to recommend an enforcement action against a party. During fiscal year 2025, the Commission returned approximately \$262 million to harmed investors and awarded approximately \$60 million to 48 individual whistleblowers (<https://www.sec.gov/files/fy25-annual-whistleblower-report.pdf>). In addition, the SEC received a record 53,753 tips, complaints, and referrals in fiscal year 2025, nearly 19 percent more than in the prior fiscal year.

Protecting Retail Investors

The fiscal year 2025 enforcement results demonstrate the Commission’s focus on protecting the interests of retail investors, who may be particularly vulnerable to securities fraud, while prioritizing identifying and remedying fraudulent conduct. The Division devoted significant resources to this critical area in fiscal year 2025 and

brought actions to address conduct involving fraudsters who targeted veterans (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26375>), seniors (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26312>), and members of a religious community (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26391>).

The Division filed several noteworthy actions, including:

- Paramount Management Group, LLC, Prestige Investment Group, LLC, and their founder, Daryl F. Heller, (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26387>) in connection with a Ponzi scheme that allegedly defrauded approximately 2,700 investors, many of whom were retail investors, and resulted in \$400 million in investor losses;
- First Liberty Building & Loan, LLC and its owner, Edwin Brant Frost IV, (<https://www.sec.gov/newsroom/press-releases/2025-98-sec-charges-georgia-based-first-liberty-building-loan-its-owner-operating-140-million-ponzi-scheme>) in connection with an alleged Ponzi scheme that defrauded approximately 300 investors of more than \$140 million;
- Nightingale Properties, LLC and its founder Elchonon “Elie” Schwartz (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26254>) in connection with allegedly raising \$60 million from approximately 700 retail investors through false representations and misappropriating more than \$52 million in investor funds;
- Massachusetts-based biopharmaceutical company Allarity Therapeutics, Inc. (<https://www.sec.gov/enforcement-litigation/administrative-proceedings/33-11367-s>) for disclosure failures that concealed from the investing public a harsh critique levied by the FDA regarding the company’s flagship cancer drug candidate; and
- Vanguard Advisers, Inc. (<https://www.sec.gov/enforcement-litigation/administrative-proceedings/ia-6912-s>), a registered investment adviser, for failing to adequately disclose conflicts of interest when recommending to prospective and existing clients that they enroll in a fee-based advisory service that provided ongoing portfolio management of their accounts.

Holding Individual Wrongdoers Accountable

In fiscal year 2025, the Commission prioritized charging individuals for violating federal securities laws (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26394>) and will continue to do so. Of the standalone actions filed during this past fiscal year, approximately two-thirds involved charges against one or more individual bad actors (a 27 percent year-over-year increase), and nearly nine out of every 10 standalone actions filed under Acting Chairman Uyeda and Chairman Atkins involved individual charges (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26256>). The Commission also

obtained orders barring 119 individuals from serving as officers and directors of public companies.

Holding individual wrongdoers accountable (<https://www.sec.gov/newsroom/press-releases/2025-59>), benefits the investing public by seeking to provide specific and general deterrence (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26352>), and, particularly where injunctive and other non-monetary remedies are imposed (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26328>), protecting markets (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26378>) and investors (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26413>), from future misconduct (<https://www.sec.gov/newsroom/press-releases/2025-39>), by those same bad actors.

Combatting Securities Fraud Wherever it Occurs

The Commission continued to pursue enforcement actions involving potential market manipulation (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26410>), such as account takeover and “pump-and-dump” or “ramp-and-dump” schemes involving foreign-based companies and gatekeepers. In September 2025, the Commission formed the Cross-Border Task Force (<https://www.sec.gov/newsroom/press-releases/2025-113-sec-announces-formation-cross-border-task-force-combat-fraud>) to help address the serious threat that fraudsters located abroad pose to U.S. investors and markets, and several enforcement actions from fiscal year 2025 demonstrate the Commission’s commitment to pursuing transnational fraud (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26268>) that harms American investors.

Safeguarding Markets from Abusive Trading

Central to the Commission’s enforcement efforts are detecting and deterring market abuses, including insider trading, market manipulation, and myriad other practices that interfere with fair, orderly, and efficient markets.

In fiscal year 2025, the Commission brought a number of actions covering a wide range of abusive trading practices, including against a California resident (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26371>), for allegedly conducting a manipulative trading scheme known as “spoofing” through which he obtained approximately \$234,000 in ill-gotten gains.

The Commission also filed insider trading charges against, among others:

- a former Vice President of Drug Safety and Pharmacovigilance at a biopharmaceutical company (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26262>);

- a former investor relations executive and two others (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26376>); and
- a former Head of Equity Trading at an investment firm (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26388>).

Deploying Resources Judiciously as to Emerging Technologies

In fiscal year 2025, the Commission made a necessary course correction in its approach to enforcing the federal securities laws in the context of crypto assets.^[6] The Division remains committed to detecting, deterring, and bringing actions against those seeking to take advantage of investors by misusing new technologies. In February 2025, the Commission announced the launch of the Cyber and Emerging Technologies Unit (<https://www.sec.gov/newsroom/press-releases/2025-42>) to complement the work of the Crypto Task Force (<https://www.sec.gov/newsroom/press-releases/2025-30>) and to protect investors by combatting misconduct as it relates to securities transactions involving blockchain technology, AI, account takeovers, cybersecurity, and other areas.

During fiscal year 2025, the Division charged:

- New York City-based Unicoin, Inc. (<https://www.sec.gov/newsroom/press-releases/2025-75>) and four of its current or former top executives for alleged false and misleading statements in an offering of certificates that purportedly conveyed rights to receive crypto assets called Unicoi tokens and in an offering of Unicoi, Inc.'s common stock;
- PGI Global founder Ramil Palafox (<https://www.sec.gov/newsroom/press-releases/2025-69>) for allegedly orchestrating a \$198 million crypto asset and foreign exchange fraud scheme that involved the offer and sale of "membership" packages, which he claimed guaranteed investors high returns from supposed crypto asset and foreign exchange trading, and for misappropriating more than \$57 million; and
- The founder and former CEO of artificial intelligence company Nate, Inc. (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26282>) with fraudulently soliciting investments and raising more than \$42 million through the sale of company stock by allegedly making false and misleading statements about the company's use of artificial intelligence.

Litigation Highlights

The Division prevailed in several cases at trial and on summary judgment in fiscal year 2025, including:

Trial Victories

- *SEC v. Gallagher (S.D.N.Y.)* (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-25248>) – In 2021, the Commission charged defendant Steven M. Gallagher with allegedly committing securities fraud through a scheme to manipulate stocks using Twitter. In September 2025, after a nine-day trial, the jury found Gallagher liable for securities fraud and manipulative trading (<https://www.sec.gov/newsroom/speeches-statements/statement-jurys-verdict-trial-steven-m-gallagher>). As demonstrated at trial, between December 2019 and October 2021, Gallagher used his Twitter account to encourage his numerous followers, including many retail investors, to buy stocks in which Gallagher had already amassed holdings. Gallagher then sold those stocks while he continued to recommend others buy them, never disclosing that he was selling the stocks. Gallagher repeated this pattern with more than 30 microcap stocks, making illicit trading profits in excess of \$2.6 million. For two of these stocks, Gallagher was also found to have engaged in manipulative trading by “marking the close” – a strategy involving placing end-of-day orders to buy stock at above-market prices to artificially increase the stock’s price.
- *SEC v. Minuskin, et al. (S.D. Cal.)* (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-25359>) – In 2022, the Commission charged defendant Thomas F. Casey and other co-defendants for their alleged roles in a fraudulent securities offering that targeted retirees’ retirement accounts. In June 2025, after a five-day trial and less than two hours of deliberation, the jury found Casey liable (<https://www.sec.gov/newsroom/speeches-statements/statement-jurys-verdict-trial-thomas-f-casey>) for inducing more than 200 people to invest in excess of \$10 million into Golden Genesis, a venture to supposedly create blood banks for selling human plasma from young donors for anti-aging treatments, based on false claims including that the investments would generate guaranteed high returns and be secured by the company’s assets. As demonstrated at trial, the funds were not secured, and Casey used investor funds to compensate himself and to prop up the scheme by paying back other investors, causing approximately \$8 million in losses to the victims.
- *SEC v. Cutter Financial Group, et al. (D. Mass.)* (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-25669>) – In 2023, the Commission charged Massachusetts-based investment adviser Jeffrey Cutter and his advisory firm, Cutter Financial Group, LLC, for allegedly recommending that their advisory clients invest in insurance products that paid a substantial up-front commission without adequately disclosing the defendants’ financial incentive to sell the products. In April 2025, after a seven-day trial, the jury found Cutter and his firm liable (<https://www.sec.gov/newsroom/speeches-statements/waldon-statement-042425>) for violating Section 206(2) of the Investment Advisers Act of 1940. The jury found for the defendants on claims the Commission alleged under Sections 206(1) and (4) of the Act.

Summary Judgment Victories

- *SEC v. Brown, et al. (N.D. Tex.)* (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26031>). – In 2024, the Commission charged defendants Matthew Brown and his company for allegedly engaging in a fraudulent scheme to submit and publicly tout a bogus offer to invest \$200 million in Virgin Orbit Holdings, Inc., which was on the verge of bankruptcy. Among other things, to convince Virgin Orbit that the offer was legitimate, the Commission’s complaint alleged that Brown sent Virgin Orbit a fabricated screenshot of his company’s bank account purporting to show a balance of more than \$182 million, when the bank account had less than \$1. In August 2025, the court granted the Commission’s motion for summary judgment and found that Brown and his company violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.
- *SEC v. Melton, et al. (M.D.N.C.)* (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-25740>). – In 2023, the Commission charged recidivist Marshall Melton and a business he controlled with allegedly conducting an offering fraud that largely targeted older investors. In April 2025, the court *granted the Commission’s motion for summary judgment* (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26292>) and found that Melton and his business violated the antifraud provisions of the federal securities laws by raising funds purportedly for a real estate development project without disclosing to investors that he actually was using the funds for personal and unrelated expenses. The court also found that the defendants had an affirmative duty to disclose Melton’s securities disciplinary history.

[1] Press Release (<https://www.sec.gov/newsroom/press-releases/2025-26>), *SEC Announces Record Enforcement Actions Brought in First Quarter of Fiscal Year 2025* (Jan. 17, 2025): (“the most actions filed in their respective periods since at least 2000.”)

[2] E.g., In the Matter of MUFG Securities EMEA plc, Exch. Act Release No. 103646, Admin. Proceeding File No. 3-22504 (Aug. 6, 2025). (<https://www.sec.gov/files/litigation/admin/2025/34-103646.pdf>) (Aug. 6, 2025)

[3] E.g., In the Matter of Sourcerock Group, LLC, Exch. Act Release No. 103629, Admin. Proceeding File No. 3-22502 (Aug. 4, 2025). (<https://www.sec.gov/files/litigation/admin/2025/34-103629.pdf>) (Aug. 4, 2025)

[4] E.g., In the Matter of Empower Advisory Group, LLC and Empower Financial Services, Inc., Exch. Act Release No. 103809, Admin. Proceeding File No. 3-22517 (Aug. 29, 2025). (<https://www.sec.gov/files/litigation/admin/2025/34-103809.pdf>) (Aug. 29, 2025)

[5] E.g., Press Release (<https://www.sec.gov/newsroom/press-releases/2024-185>), SEC Charges Three Broker-Dealers with Filing Deficient Suspicious Activity Reports (Nov. 22, 2024).

[6] Beginning in February 2025, the Commission dismissed seven enforcement actions brought by the prior Commission involving crypto assets: SEC v. Coinbase, Inc., et al. (<https://www.sec.gov/newsroom/press-releases/2025-47>) (Feb. 27, 2025); SEC v. v. Cumberland DRW LLC (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26276>) (Mar. 27, 2025); SEC v. Consensys Software Inc. (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26277>) (Mar. 27, 2025); SEC v. Payward, Inc., et al. (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26278>) (Mar. 27, 2025); SEC v. Dragonchain, Inc. (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26299>) (Apr. 30, 2025); SEC v. Balina (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26302>) (May 2, 2025); and SEC v. Binance Holdings Limited, et al. (<https://www.sec.gov/enforcement-litigation/litigation-releases/lr-26316>) (May 29, 2025).

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RESOURCES

- **Addendum - FY25 Enforcement Statistics**