U.S. Securities and Exchange Commission
Office of the Investor Advocate

FISCAL YEAR 2026

Report on Objectives

ABOUT THIS REPORT AND DISCLAIMER

Section 4(g)(6) of the Securities Exchange Act of 1934 (Exchange Act), 15 U.S.C. § 78d(g)(6), requires the Investor Advocate to file two reports per year with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.[1] The two reports are the mid-year Report on Objectives covering the forthcoming fiscal year (FY) and the end-of-year Report on Activities covering the preceding fiscal year.

A Report on Objectives is due no later than June 30 of each year, and its purpose is to set forth the objectives of the Investor Advocate for the following fiscal year.[2] A Report on Activities is due no later than December 31 of each year.[3] The Report on Activities describes the activities of the Investor Advocate during the immediately preceding fiscal year.

Disclaimer: Pursuant to Exchange Act section 4(g)(6)(B)(iii), 15 U.S.C. § 78d(g)(6)(B)(iii), this Report on Objectives is provided directly to Congress without any prior review or comment from the Commission, any Commissioner, any other officer or employee of the Commission outside of the Office of the Investor Advocate (OIAD), or the Office of Management and Budget. This Report on Objectives expresses solely the views of the Investor Advocate. It does not necessarily reflect the views of the Commission, the Commissioners, or staff of the Commission, and the Commission disclaims responsibility for this Report on Objectives and all analyses, findings, and conclusions contained herein.

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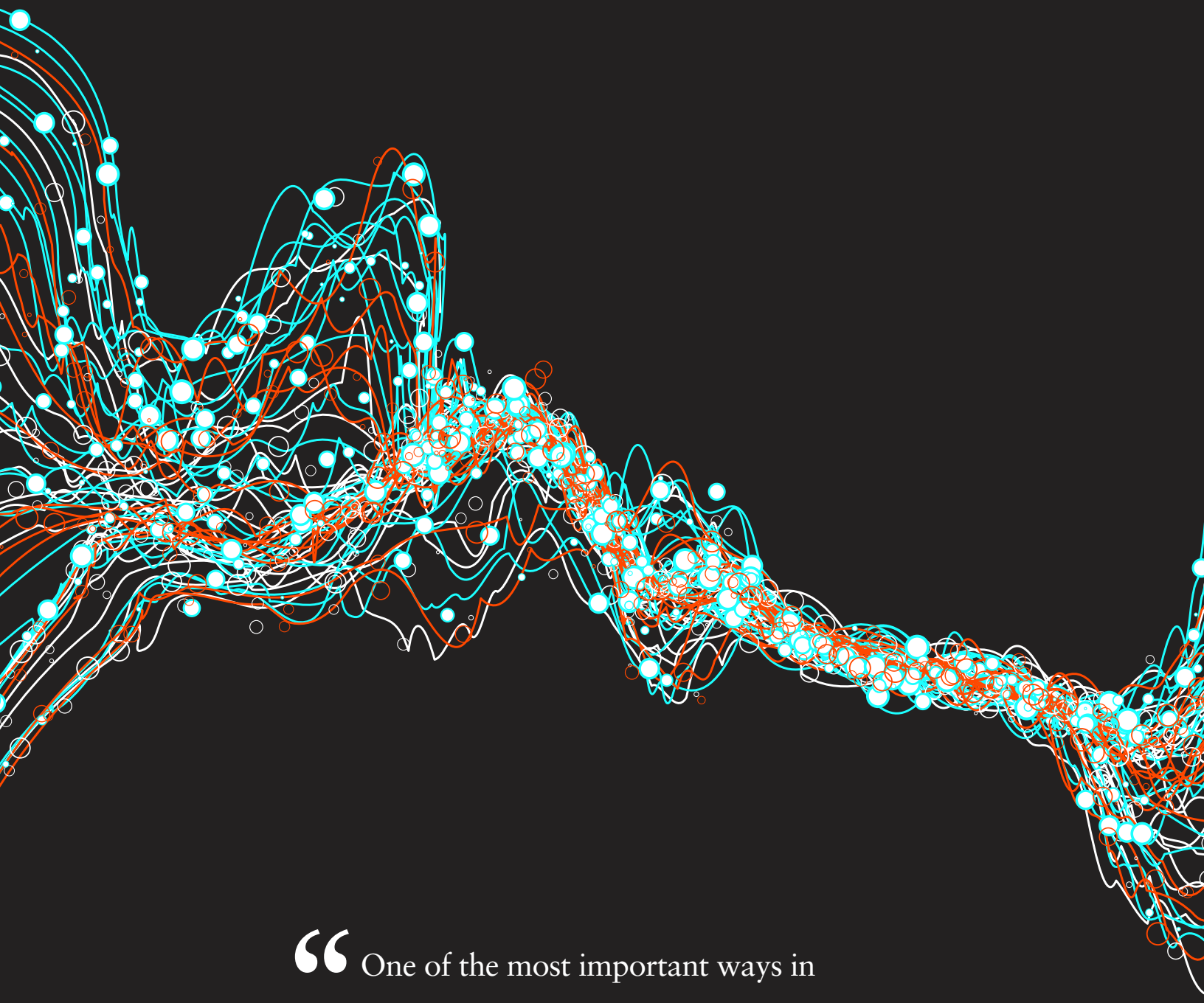


“One of the most important ways in which we fulfill our mission is through our investor research and testing program.”

MESSAGE FROM THE INVESTOR ADVOCATE

THE OFFICE OF THE INVESTOR ADVOCATE exists to serve the investing public. It is statutorily directed to perform specific enumerated functions, which, if distilled into the most essential components, could be summarized as identifying, analyzing, and responding to the concerns of investors. The Office of the Investor Advocate (OIAD) satisfies these requirements, for example, when we serve as a liaison between the Commission and a retail investor who may have a problem with the Commission, when we meet with investors to listen to their concerns regarding policies they believe may impede their investing interests, or when we analyze the impact of new policy proposals on the opportunities that could become available to investors.

One of the most important ways in which we fulfill our mission is through our investor research and testing program. Our rigorous research augments other efforts the office conducts to identify and analyze investor experiences and behavior when considering an investment. Through this research, we are able to provide decision makers in the U.S. Securities and Exchange Commission (SEC) and Congress with timely insights regarding investor preferences, capabilities, and trends that can inform policymaking. As detailed in our Fiscal Year (FY) 2023 Report on Activities, OIAD has the capacity to complete complex research projects that include investor testing and market data analysis. Our research on registered index-linked annuities, which was initiated and published in fiscal year 2023 at the direction of Congress, was heavily cited by the Commission in a proposed rulemaking. In addition, our FY 2024 Report on Activities announced the launch of the Thoughtful Households Relating InVesting Experiences (THRIVE) Panel. THRIVE is a longitudinal, quarterly, and representative survey of retail investors that provides important information about current investors. We are especially enthusiastic to provide the public and policymakers with prompt, actionable data about how retail investors are choosing to navigate recent periods of market volatility. Through research initiatives like THRIVE and our investor testing projects, OIAD stands ready to serve the agency with evidence-based data relevant to the emerging regulatory agenda.

Investment fraud continues to be a focus of OIAD. Sadly, as the Office of the Ombuds Report

summarizes below, devastating complaints of financial fraud, often initiated on social media, have not abated. As the scale of monetary losses and the impact on human lives continues to grow, we are encouraged that the collected efforts to address this investor tragedy are also expanding. We are encouraged by the new Chairman's remarks in recent Congressional testimony and during his swearing in ceremony in which he included among his priorities work to protect investors from fraud.

I am pleased to submit this Report on Objectives for Fiscal Year 2026 on behalf of OIAD, and I welcome any questions from Members of Congress.

Respectfully Submitted,

CRISTINA BEGOÑA MARTIN FIRVIDA
Investor Advocate

OBJECTIVES OF THE INVESTOR ADVOCATE

ASSISTING RETAIL INVESTORS

The Investor Advocate is statutorily responsible for assisting retail investors in resolving significant problems that investors may have with the Commission or with self-regulatory organizations (SROs).[4]

To accomplish this objective, and pursuant to Exchange Act section 4(g)(8), the Investor Advocate has appointed an Ombuds to act as the primary liaison between the Commission and retail investors in resolving problems that retail investors may have with the Commission or with SROs.[5] The Ombuds' Report is included within this Report on Objectives.[6]

IDENTIFYING AREAS IN WHICH INVESTORS WOULD BENEFIT FROM REGULATORY CHANGES

The Investor Advocate is statutorily responsible for identifying areas in which investors would benefit from changes in the regulations of the Commission or the rules of SROs.[7] This function is met through direct engagement with investors; investor research and testing; and legal research and analysis. In addition, the Investor Advocate also consults with the Chairman and Commissioners, as well as Commission staff, and solicits feedback from other stakeholders who may provide insights into potential changes to regulations of the Commission or the rules of SROs for the benefit of investors.

IDENTIFYING PROBLEMS WITH FINANCIAL SERVICE PROVIDERS AND INVESTMENT PRODUCTS

The Investor Advocate is statutorily responsible for identifying problems that investors have with financial service providers and investment products.[8] This function is met through direct engagement with investors; investor research and testing; and legal research and analysis. In addition, the Investor Advocate monitors investor inquiries and complaints, SEC and SRO staff reports, enforcement actions, and other data to determine which financial service providers and investment products may be problematic. The Investor Advocate identifies these problems in the Report on Activities filed every December.

ANALYZING THE POTENTIAL IMPACT ON INVESTORS OF PROPOSED RULES AND REGULATIONS

The Investor Advocate is statutorily responsible for analyzing the potential impact on investors of proposed regulations of the Commission and proposed rules of SROs on an ongoing basis.[9] In FY 2026, OIAD will review significant rulemakings of the Commission and SROs and will communicate with investors and their representatives to determine the potential impact of proposed rules. The Investor Advocate may also direct OIAD's Office of Investor Research (OIR) to analyze the potential impact of proposed

regulations using investor testing, a role assigned to the Investor Advocate by the Commission under the authority provided by section 19(e) of the Exchange Act.

PROPOSING APPROPRIATE CHANGES TO THE COMMISSION AND TO CONGRESS

The Investor Advocate may propose to the Commission changes in the regulations or orders of the Commission and to Congress any legislative, administrative, or personnel changes that may be appropriate to mitigate problems identified and to promote the interests of investors.[10] As we study the issues in our *SEC Policies and SRO Filings*, as set forth below, we may recommend to the Commission and/or to Congress changes that will promote the interests of investors.

SUPPORTING THE INVESTOR ADVISORY COMMITTEE

Exchange Act section 39 establishes the Investor Advisory Committee (IAC).[11] The purpose of the Committee is to advise and consult with the Commission on regulatory priorities, issues impacting investors, initiatives to protect investors, and related matters. The Investor Advocate is a statutory member of the IAC,[12] and the office will continue to provide staff and operational support to the IAC during FY 2026, as we have been doing so since 2014.

FISCAL YEAR 2026 OBJECTIVES

SEC POLICIES AND SRO FILINGS

As described in the previous section, the objectives of the Investor Advocate are specifically prescribed by statute. Among the activities that the Investor Advocate and the staff of OIAD undertake to satisfy those objectives, we evaluate Commission rulemakings and SRO filings. We communicate regularly with investors and their representatives and seek their feedback on investor-focused concerns with proposed and existing policies and filings. We also research and test investor behavior and trends in relation to proposed and existing policies.

In accordance with the statutory functions set forth in Exchange Act section 4(g)(4), and after consultation with critical stakeholders, both inside and outside the Commission, the Investor Advocate will focus on the following policy objectives during FY 2026:

- Enhancing the Accessibility of Disclosures for Investors
- Disclosure and Investor Testing
- China-Based Variable Interest Entities
- Private Market Investments in Retirement Accounts
- Evaluating the Potential Impact of SRO Rule Proposals on Investors
- Crypto Task Force Requests for Information

Enhancing the Accessibility of Disclosures for Investors

Many commentators have noted the increasing length and complexity of the disclosures being provided under the Commission's rules and have raised concerns as to whether material information is communicated to investors under these rules in the most effective manner.[13] During the upcoming fiscal year, the Investor Advocate will continue to advocate for ways to enhance the accessibility to retail investors of disclosures by public companies, investment companies, and other regulated entities. Among other things, the Investor Advocate will explore different approaches to making required disclosures more user-friendly and comprehensible to investors, particularly retail investors, while also considering the extent to which this may add to the costs and burdens on issuers and other providers of disclosure. For example, investors may benefit from highlighting or simplifying certain information, streamlining disclosure requirements, and/or reducing or eliminating repetitive disclosures. A central aspect of this effort will be ongoing engagements by the Investor Advocate with retail investors and other relevant parties to develop a more thorough understanding of how investors use this information and to solicit a range of views on how to improve the effectiveness of the current disclosure system.

Disclosure and Investor Testing

The Investor Advocate will also continue to encourage investor research and testing on existing and proposed disclosures to retail investors. Such

testing can help ensure that investors not only understand the information presented to them but also help ensure that firms are not required to provide costly disclosures (or implement costly disclosure changes) without a corresponding, quantifiable benefit to investors. Additionally, investor research and testing data can help ensure that mandated disclosures present the appropriate mix of material information to investors at an optimal point in the decision-making process. The Commission's Division of Investment Management, in particular, has worked closely with the Investor Advocate to utilize investor research and testing data in some of their policy deliberations.

China-based Variable Interest Entities

Over the years, the variable interest entity (VIE) structure has been utilized in a variety of business contexts, including as a means of facilitating foreign investment in various countries with regulatory restrictions. During FY 2026, the Investor Advocate will focus on the heightened risks to investors posed by certain VIEs, particularly U.S.-listed companies based in the People's Republic of China (PRC or China) that utilize the VIE structure.

A number of operating companies in the PRC that are subject to foreign ownership restrictions imposed by the PRC government have used the VIE structure as a workaround to raise capital from U.S. investors through separate U.S.-listed companies that have entered into contracts that provide economic rights, *but not equity ownership*, in these operating companies. The emergence and proliferation of these U.S.-listed companies implicate a range of investor protection issues, including concerns over the reliability of their financial reporting, the quality of their disclosures, the enforceability of their contractual arrangements, limitations on shareholder rights, and the extent of intervention or control by the PRC government over the Chinese operating companies. In light of the increasing exposure of U.S. investors to China-based VIEs through these U.S.-listed companies, the Investor Advocate will explore and study the investor protection issues surrounding VIEs during the upcoming fiscal year. In doing so, the Investor Advocate will endeavor to elevate concerns regarding China-based VIEs to the attention of the Commission and relevant SEC staff.

Private Market Investments in Retirement Accounts

As part of an ongoing focus on the growth and evolution of the private markets, the Investor Advocate will explore some of the issues surrounding the inclusion of alternative investments, such as private equity and private credit, in retirement savings plans and their implications for retail investors. For instance, if more plan sponsors offer plan participants exposure to private market investments through target date funds or managed accounts under defined contribution plans, there may be risks, as well as benefits, for retirement savers that include alternative investments as a component of their retirement accounts. In our prior reports, we have noted that the private markets have become an important avenue for investors seeking greater access to investment opportunities and an expanded menu of investment products for portfolio diversification. At the same time, we have also expressed concerns about the heightened risks of investing in the private markets, such as reduced, incomplete, or unreliable disclosure, limited liquidity, and greater risk of fraud and/or investment loss. The Investor Advocate will consider, among other things, the interplay between the investor protection issues in this area and the often-complex issues that arise under the Employee Retirement Income Security Act of 1974, such as fiduciary duties, when defined contribution plans offer these investment products.

Evaluating the Potential Impact of SRO Rule Proposals on Investors

As noted above, the Investor Advocate evaluates the potential impact on investors of proposed rules of SROs. Self-regulation of market intermediaries is a core element of the securities law framework concerning national exchanges, broker-dealers, and clearing agencies. These SROs are primarily responsible for establishing the standards under which their members conduct business and for monitoring that conduct; and can do so in ways that are innovative and fast moving. Due to potential conflicts of interest in their business models, however, SEC oversight of the SROs is an important component—both to instill public confidence in the securities industry and to ultimately protect investors. As required by the statutory mandate, in FY 2026, the Investor Advocate will continue to communicate with investors and their representatives to determine the potential impact of proposed rules of SROs on investors and consider areas in which investors could benefit from changes in the proposals.

Crypto Task Force Requests for Information

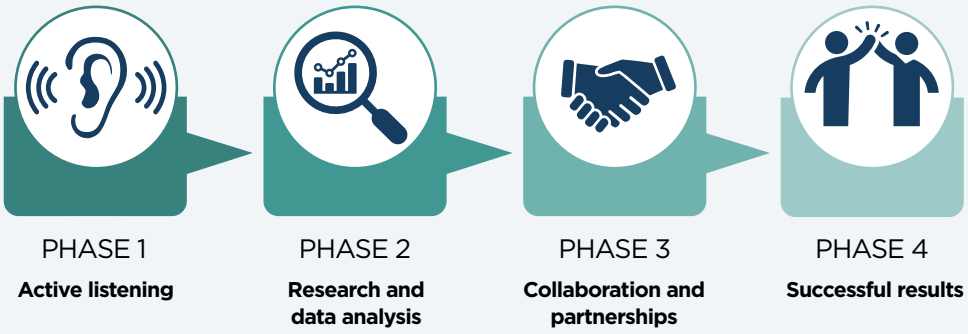
On January 21, 2025, then Acting Chairman Mark Uyeda announced the formation of a Crypto Task Force (CTF) led by Commissioner Hester Peirce.[14] The CTF is soliciting public comment with the issuance of two requests for information.[15] The feedback sought by the requests for information ranges from crypto-lending and staking to custody solutions to the threshold issue of whether a particular crypto asset is a security.[16] We encourage investors to take the opportunity to respond to these requests for information by providing their feedback on crypto assets to the CTF. We look forward to considering the insights that investors have shared with the CTF and the initiatives that the CTF will undertake based on the feedback it receives from its requests for information.

INVESTOR ENGAGEMENT

OIAD is statutorily mandated to identify problems that investors may have, analyze the potential impacts on investors of rules or regulations, and make proposals to the Commission to promote the interests of investors.[17] The office performs engagement functions directly with the American public, obtaining input from investors required to fulfill the directives in section 4(g)(4) (B)-(D) of the Exchange Act, 15 U.S.C. 78d(g).

One of the primary ways in which OIAD collects this information and sustains a focus on investors is through ongoing investor engagement activities.[18] This includes investor-focused meetings, events, and activities that are designed

FIGURE 1. **Phases of Investor Engagement**



primarily to engage directly with investors and receive feedback about policy questions, investing challenges, regulatory policy and rulemaking, investment products and services, investor issues, and/or potential misconduct.

The office actively seeks input from a broad range and variety of investors—including individual retail investors, smaller and regional investor groups, non-profits, researchers, public and private pension funds, and other small and large money managers—as well as regulatory and law enforcement counterparts.

Retail investors, and their unique perspectives, are particularly important to the work of OIAD. We place special emphasis on individuals and groups whose views and needs may be less frequently heard, including those who do not routinely travel to Washington, DC, to lobby government leaders, or who do not regularly submit comment letters to the Commission. The office also solicits and encourages input from stakeholders with a range of epistemological perspectives and values.

The goals for our investor engagement are twofold:

- Understand investor experiences and perspectives regarding products, practices, regulations, rulemakings, and the markets, and communicate them in a decision-useful context for Commission leaders and staff; and
- Advocate for investors' interests in the regulatory and rulemaking environments in a manner consistent with the office's statutory mission.

In the coming fiscal year, we plan to sustain the number of virtual events, which allows the Commission to hear from more investors, more often, and will enhance the geographic area of those we are able to reach. While in-person events offer unique opportunities to build connections with investors, we feel the benefits outweigh the downside when conducting virtual events. Our intention is to expand the opportunities for investors to share their perspectives while also engaging in good stewardship of the taxpayer resources with which we are entrusted to produce meaningful results aligned with our statutory directives.

Interagency Securities Council

The Interagency Securities Council (ISC)[19] is a joint task force that includes federal, state, and local regulatory and law enforcement professionals who meet quarterly to discuss the latest in scams, trends, frauds, and mitigation strategies, and provides briefings on emerging and complex topics.

The ISC's objective is to strengthen the cohesion between federal, state, and local agencies, enhance opportunities to collaborate on cases to protect investors, provide insight and guidance across the ecosystem for investigators who may not frequently operate in the securities space, and creates a forum for unified efforts in combatting financial fraud. Chaired by the director of the Division of Enforcement, the OIAD Investor Engagement Manager envisioned, developed, and leads the SEC's efforts on the ISC.

The ISC is limited to law enforcement and regulatory agencies and includes over 2,000 representatives from more than 250 departments and agencies,[20] including federal financial and law enforcement agencies, state offices of attorneys general and state police, state securities regulators, and local police departments and sheriff's offices. Members participate in discussions with experts on emerging threats, hear from investigators conducting and supervising investigations, and explore case study examples of agencies employing innovative approaches to combat financial fraud. The ISC also serves as an opportunity to connect and share information

with the larger law enforcement community that less frequently deals with securities law violations, such as police/sheriff departments and tribal and military community law enforcement. The ISC does not make policy recommendations.

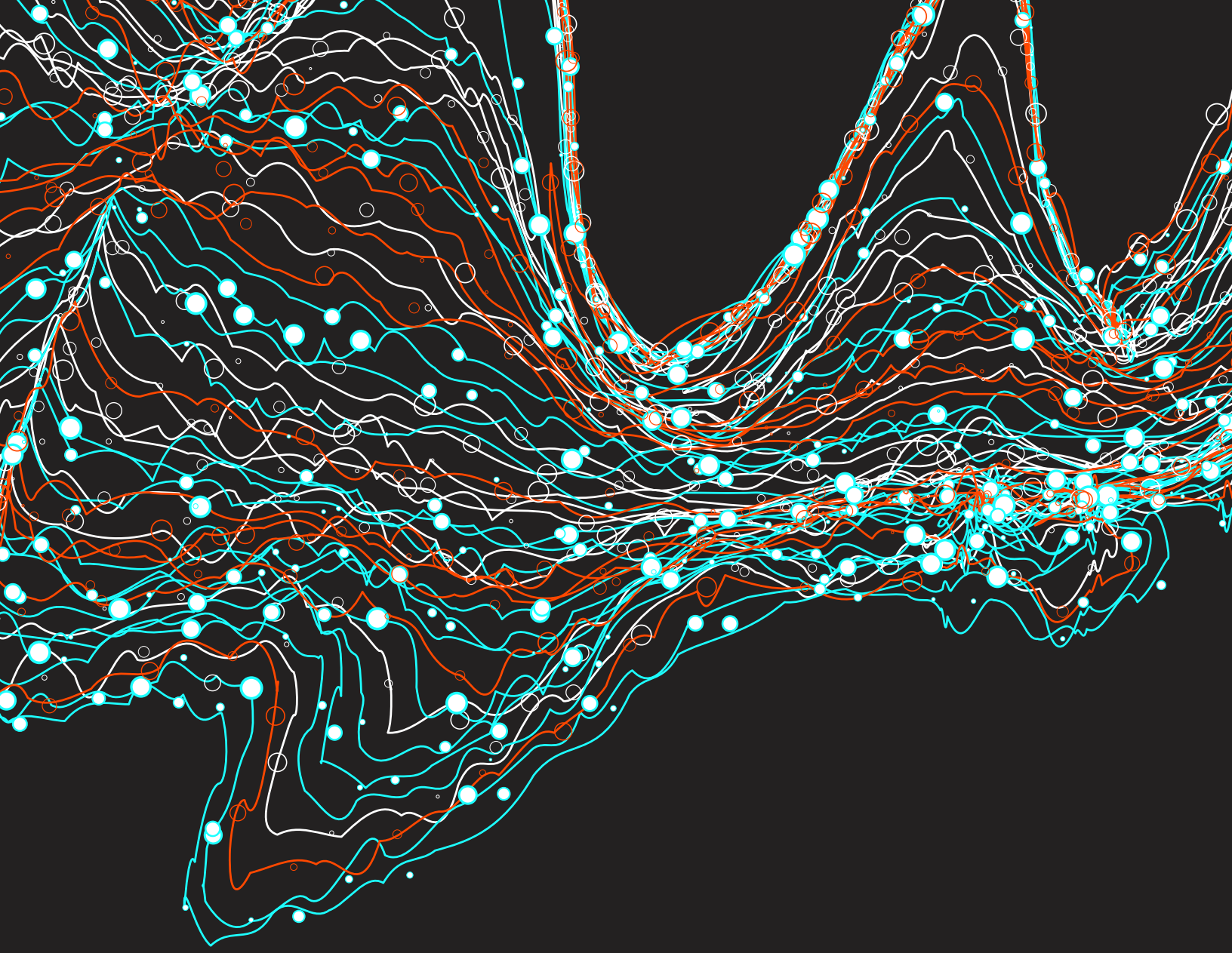
In FY 2026, the ISC plans to continue to support the needs of regulators and law enforcement, enhancing the SEC's enforcement capabilities, and leveraging resources to support the investigation and prosecution of financial fraud across the government. Additionally, the ISC will continue to coordinate with the intelligence and homeland security communities to protect Americans from financial fraud originating overseas from transnational organized crime and foreign state actors.

INVESTOR RESEARCH

The Exchange Act directs the Investor Advocate to, among other things, identify potential changes to Commission regulations and SRO rules that would benefit investors, and problems with financial service providers and investment products. Pursuant to section 4(g)(3) of the Exchange Act, the Investor Advocate created OIR to accomplish these goals.

OIR is a multidisciplinary group of scientists that use investor testing, surveys, qualitative interviews, and statistical modeling to study investment behavior and provide the Commission and the public with insight into how investors and other stakeholders interact with the investment marketplace. OIR provides research support to Commission offices and divisions seeking objective information about investors and responds to Congressional mandates for investor testing.[21] OIR utilizes section 19(e) and (f) of the Securities Act of 1933 to conduct investor testing programs that the Commission determines to be in the public interest or that would protect investors. OIAD summarizes OIR's activities annually pursuant to section 4(g)(6) of the Exchange Act in its Report on Activities for the fiscal year.[22]

OIR directs and maintains a nationally representative survey panel of U.S. retail investors known as THRIVE. THRIVE consists of quarterly longitudinal surveys (inviting the same people over time) and custom testing projects that are the agency's primary research tool for understanding retail investors. Longitudinal surveys are a cost-effective and efficient method for evaluating key investor developments and identifying emerging investor issues. THRIVE surveys can reveal changes in individual behavior over time, information that is critical to understanding investor activity and promoting policy efficacy. THRIVE provides infrastructure that allows OIAD to quickly respond to policymakers' needs by reducing the cost and time required to collect data to inform the Commission and Congress. In the upcoming fiscal year, OIR intends to continue to manage THRIVE, and to publish research on investor preferences around electronic disclosures. In addition to the publication of THRIVE data, OIR's research has been published in journals including the *Journal of Economic Behavior & Organization* and the *Financial Services Review* and has been cited by rulemaking divisions in their work.



“As the SEC and other federal agencies work toward the goals of the new Administration, our dedication to protecting American retail investors remains unwavering.”

MESSAGE FROM THE OMBUDS

IN JANUARY OF THIS YEAR, I was honored to accept a temporary appointment to the position of Acting Ombuds. In this role, my primary objective is to continue enhancing the services offered to investors, building upon the efforts of my predecessor, Stacy Puente. As the SEC and other federal agencies work toward the goals of the new Administration, our dedication to protecting American retail investors remains unwavering.

Each day, the attorneys in the Office of the Ombuds have the privilege of addressing the concerns of America's investors. We are here to address concerns related to SEC and SRO actions, regulations, and policies, but our work often goes beyond the abstract. The issues that reach the Office of the Ombuds are frequently deeply personal, involving the loss of life savings due to fraud or the impact on a financial professional's career following an SEC enforcement action. Although we may not always be able to fully resolve the issues brought to our office due to constraints on disclosing nonpublic information or providing legal opinions, our respect and appreciation for the individuals who take the time to speak with us cannot be overstated. These conversations form the foundation of our recommendations to the Investor Advocate, which are then shared with the Commission. They also enable us to identify, address, and resolve problems within the SEC and its SROs.

Reflecting on the work of the Office of the Ombuds during the Reporting Period, it is evident that the American public continues to have faith in the potential of our capital markets to enhance our lives and secure our futures. Each dollar invested symbolizes the American Dream of a brighter tomorrow for ourselves and our loved ones. Regardless of market fluctuations, investors rely on and expect the SEC to safeguard the markets and their investments.

However, it is also apparent that bad actors are increasingly exploiting the complexity of our markets to deceive and manipulate nonprofessional investors. A particularly concerning trend in the complaints reported to the Office of the Ombuds involves cases where investors made decisions based on public information that had been intentionally

misrepresented by these bad actors. In addressing these complaints, the Office of the Ombuds has prioritized educating investors on how to access and comprehend the essential information needed for informed investment decisions. We have also collaborated closely with colleagues across the SEC to elevate reports of potential fraud or misconduct, exchange questions, and oversee efforts to improve the presentation and delivery of information.

In conclusion, I am pleased to observe that the American Dream remains vibrant. However, as this report highlights, too many Americans have been ensnared in the nightmare of fraud.

I look forward to continuing to serve the retail investing public in this role, and I express my gratitude to my colleagues across the SEC for their openness and enthusiasm in addressing matters brought to their attention by the Office of the Ombuds. Above all, I extend my heartfelt thanks to the staff of the Office of the Ombuds, the Investor Advocate, and the rest of my colleagues in the Office of the Investor Advocate for their steadfast dedication to our nation's investors.

Respectfully Submitted,

Lisa A. Skrzycki

LISA A. SKRZYCKI
Acting Ombuds

WHO WE ARE

The Exchange Act requires the Investor Advocate to appoint an Ombudsman (Ombuds)[23] to act as a liaison for retail investors to relay their concerns and questions about the Commission and the SROs the Commission oversees.[24] The staff of the Office of the Ombuds consists of an experienced team of lawyers, each with differing subject matter expertise, all dedicated to providing personalized, tailored assistance to the retail investors that contact the Ombuds for help. Through direct engagement with investors, relevant parties within the Commission, and external stakeholders committed to investor protection issues, the Office of the Ombuds fulfills its statutory duty to help retail investors resolve issues relating to the Commission or SROs.

Among other statutory duties, the Ombuds must submit biannual reports to Congress describing the work of the Office of the Ombuds and its effectiveness in assisting retail investors.[25] This Ombuds' Report provides a look back on the Ombuds' activities for the six-month period of October 1, 2024, through March 31, 2025 (Reporting Period), and discusses the Ombuds' objectives and outlook for FY 2026.

WHAT WE DO

As noted above, the Ombuds is required by statute to:

- act as a liaison between the Commission and any retail investor in resolving problems that retail investors may have with the Commission or with self-regulatory organizations;
- review and make recommendations regarding policies and procedures that encourage investors to present questions to the Investor Advocate regarding compliance with the securities laws; and
- establish safeguards to maintain the confidentiality of communications between retail investors and the Ombuds.[26]

HOW WE HELP

Our overarching responsibility is to assist retail investors by resolving concerns, questions, and complaints about the SEC and the SROs subject to SEC oversight. We accomplish this in several ways—most commonly by conducting research, providing information, making referrals, and collaborating with other divisions, offices, and SROs about complaints that impact investor interests. We submit credible allegations of securities violations to the Division of Examinations and the Division of Enforcement for potential examination or investigation, sometimes thwarting fraud before it occurs. We study and report on issues of widespread impact to retail investors. Last, we inform the Investor Advocate and other interested parties within the Commission about trending investor protection concerns and areas of potential reform.

Figure 2 illustrates the process by which we receive and assist investors with their requests.

HOW TO CONTACT US

Our primary means of communication with the public is through the Ombudsman Matter Management System (OMMS), an online portal for receiving, responding to, and managing data submitted to the Ombuds. The public can also contact us by email, telephone, and regular mail.

FIGURE 2. **Ombuds Process: Review, Research, Resolve**

Review

The Ombuds team reviews all incoming investor correspondence to determine if and how we may assist.

Research

The Ombuds team identifies the nature of the issue, conducts tailored research, and engages with appropriate personnel within the Commission or SROs to gather relevant information.

Resolve

The Ombuds team works to resolve investor questions and complaints by providing investors with requested information and access to additional resources, by escalating certain matters through appropriate channels, when necessary, and by monitoring outcomes.

INVESTOR VOICES, BY THE NUMBERS

The Office of the Ombuds maintains records in OMMS of all submissions and responses handled by our staff. Matters are assigned a label or "Primary Issue Category," reflecting the nature of the issues raised in the submission. The 12 Primary Issue Categories can be defined as follows:

1. **Allegations of Securities Law Violations:** Investor alleges that an individual, firm, or entity has violated or is violating the U.S. securities laws.
2. **Atypical Matters:** Matters of undetermined or harassing nature.
3. **FINRA Complaints/Questions/Procedures:** Questions or complaints relating to the Financial Industry Regulatory Authority, Inc. (FINRA), a FINRA employee, or about FINRA rules, policies, or procedures.
4. **Inquiries about Corporate Disclosure/ Registration:** Questions about SEC filings and other matters relating to corporate disclosure.

5. **Investment Products—Questions/Complaints:** Questions or complaints about a specific type of investment product.

6. **Investor Account Matters:** Questions or complaints relating to a retail investor's personal investments or finances.

7. **Non-SEC/Other Matters:** Questions or complaints about issues that do not fall within the SEC's jurisdiction.

8. **Other SEC Questions/Complaints:** Questions or complaints about the SEC, including its policies, procedures, rules, and employees.

9. **Other SRO Complaints/Questions/Procedures:** Questions or complaints relating to the policies, procedures, or rules of an SRO other than FINRA.

10. **Potential Organized Campaign:** Submission appears to be part of a coordinated effort by multiple individuals to contact the Office of the Ombuds about the same issue.

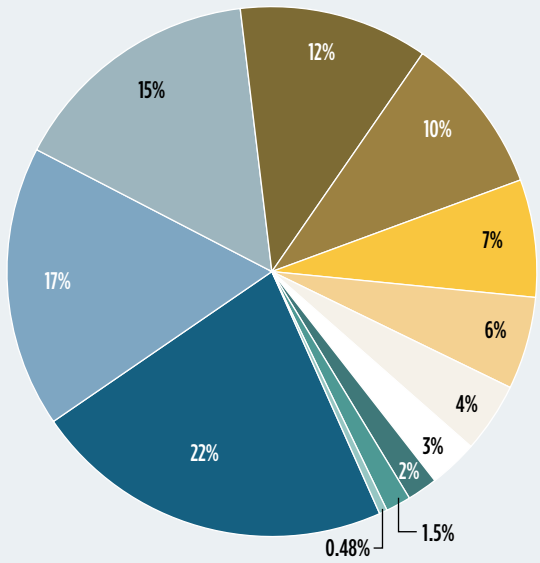
11. **SEC Investigations/Litigation/Enforcement Actions:** Questions or complaints about SEC investigations, litigation, or other related issues, such as distributions.

12. **SEC/Other Impersonators:** Complaints about SEC or SRO impersonators, and complaints involving fraudulent use of the SEC or SRO seal.

In tracking investor submissions by volume and by Primary Issue Category, OMMS may serve as an early warning system, identifying existing or potential concerns for retail investors.

During the Reporting Period (October 1, 2024 – March 31, 2025), the Office of the Ombuds received and processed 1,240 matters submitted by U.S. and foreign investors, market participants, and other interested members of the public. These numbers reflect a slight decrease in the number of novel submissions received in the first half of

FIGURE 3. **Matters by Primary Issue Category, October 1, 2024 – March 31, 2025**



- Allegations of Securities Law Violations (213)
- Atypical Matters (121)
- Inquiries about Corporate Disclosure/ Registration (19)
- FINRA Complaints/Questions/Procedures (37)
- Investor Account Matters (274)
- Investment Products—Questions/Complaints (70)
- Non-SEC/Other Matters (143)
- SEC Investigations/Litigation/Enforcement Actions (89)
- SEC/Other Impersonators (53)
- Other SEC Questions/Complaints (192)
- Other SRO Complaints/Questions/Procedures (23)
- Potential Organized Campaign (6)

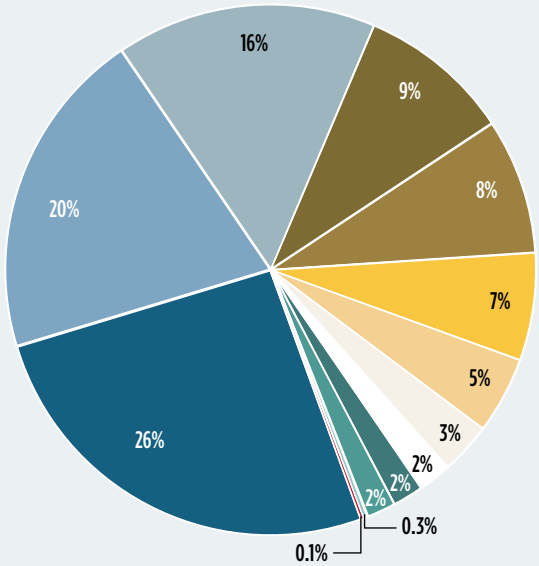
Total 1,240

FY 2025 as compared to the figures reported in FY 2024. Matters counted in prior reports and reopened during the Reporting Period are not reflected in these figures. Figure 3 illustrates the number of matters divided into 12 Primary Issue Categories, which are used to classify the nature of the submission.

While the number of novel submissions decreased in this Reporting Period, the Office of the Ombuds made approximately 1,920 follow-up emails, phone calls, and other forms of correspondence to resolve the 1,240 matters received during the Reporting Period and reopened matters identified in prior reports. This results in a combined total of 3,160 contacts with or on behalf of submitters from October 1, 2024, to March 31, 2025.

Figure 4 details the number of follow-up contacts with the public, separated by Primary Issue Category. The data shows the reported number of fraud schemes involving securities and digital assets continues to increase, continuing a trend identified in prior reports. Strikingly, our data shows a 142 percent increase in reports primarily involving allegations of securities fraud violations, which may be a result of increased public awareness of the Office of the Ombuds. The increase in fraud generally comports with recent data released by the U.S. Federal Trade Commission, which found that consumers reported losing more than $5.7 billion in investment scams in 2024—reflecting a 24 percent increase over the collective amount lost to investment scams in 2023.[27] The data also shows a 51 percent increase in the number of matters primarily reporting SEC and other impersonators targeting investors. The Office of the Ombuds found these submitters were generally targeted in connection with previous investment scams; accordingly, this figure likely underreports the prevalence of impersonators where securities fraud is the primary complaint.

FIGURE 4. **Contacts by Primary Issue Category, October 1, 2024 – March 31, 2024**



- Allegations of Securities Law Violations (387)
- Atypical Matters (39)
- Inquiries about Corporate Disclosure/ Registration (36)
- FINRA Complaints/Questions/Procedures (60)
- Investor Account Matters (497)
- Investment Products—Questions/Complaints (90)
- Non-SEC/Other Matters (179)
- SEC Investigations/Litigation/Enforcement Actions (159)
- SEC/Other Impersonators (126)
- Other SEC Questions/Complaints (305)
- Other SRO Complaints/Questions/Procedures (34)
- Potential Organized Campaign (6)
- SEC Questions/Complaints (2)

Total 1,920

Endnotes

1 Exchange Act § 4(g)(6), 15 U.S.C. § 78d(g)(6).
2 Exchange Act § 4(g)(6)(A)(i), 15 U.S.C. § 78d(g)(6)(A)(i).
3 Exchange Act § 4(g)(6)(B)(i), 15 U.S.C. § 78d(g)(6)(B)(i).
4 Exchange Act § 4(g)(4)(A), 15 U.S.C. § 78d(g)(4)(A).
5 Exchange Act § 4(g)(8)(A), 15 U.S.C. § 78d(g)(8)(A).
6 Exchange Act § 4(g)(8)(D), 15 U.S.C. § 78d(g)(8)(D).
7 Exchange Act § 4(g)(4)(B), 15 U.S.C. § 78d(g)(4)(B).
8 Exchange Act § 4(g)(4)(C), 15 U.S.C. § 78d(g)(4)(C).
9 Exchange Act § 4(g)(4)(D), 15 U.S.C. § 78d(g)(4)(D).
10 Exchange Act § 4(g)(4)(E), 15 U.S.C. § 78d(g)(4)(E).
11 Exchange Act § 39, 15 U.S.C. § 78pp.
12 Exchange Act § 39(b)(1)(A), 15 U.S.C. § 78pp(b)(1)(A).
13 *See*, *e.g.*, SEC, *Report on Review of Disclosure Requirements in Regulation S-K* (Dec. 20, 2013), https://www.sec.gov/news/studies/2013/reg-sk-disclosure-requirements-review.pdf (discussion of public commenters' views); SEC, Concept Release on Business and Financial Disclosure Required by Regulation S-K, Release No. 33-10064 (Apr. 13, 2016), 81 Fed. Reg. 23915 (Apr. 22, 2016), https://www.sec.gov/files/rules/concept/2016/33-10064.pdf; SEC, *Report on Modernization and Simplification of Regulation S-K* (Nov. 23, 2016), https://www.sec.gov/reportspubs/sec-fast-act-report-2016.pdf.
14 Press Release, SEC, SEC Crypto 2.0: Acting Chairman Uyeda Announces Formation of New Crypto Task Force (Jan. 21, 2025), https://www.sec.gov/newsroom/press-releases/2025-30.
15 Hester Peirce, Commissioner, SEC, Statement, The Journey Begins (Feb. 4, 2025), https://www.sec.gov/newsroom/speeches-statements/peirce-journey-begins-020425; Hester Peirce, Commissioner, SEC, Statement, There Must Be Some Way Out of Here (Feb. 21, 2025), https://www.sec.gov/newsroom/speeches-statements/peirce-statement-rfi-022125.
16 *Id*.
17 Exchange Act § 4(g)(4), 15 U.S.C. § 78d(g)(4).
18 Securities and Exchange Commission's Fiscal Year 2024 Congressional Budget Justification, https://www.sec.gov/files/fy-2024-congressional-budget-justification_final-3-10.pdf#page=117 (last visited May 1, 2025).
19 *See* Press Release, SEC, SEC Launches Interagency Securities Council to Coordinate Enforcement Efforts Across Federal, State, and Local Agencies (July 19, 2024), https://www.sec.gov/newsroom/press-releases/2024-86.
20 As of May 31, 2025.
21 *See*, *e.g.*, U.S. House of Representatives, Consolidated Appropriations Act, H.R. 2617, Pub. L. No. 117-328, 136 Stat. 5529 (2022), https://www.congress.gov/bill/117th-congress/house-bill/2617 (Sec. 101(b)(2)(B) directing the Commission to conduct investor testing on registered index linked annuities).
22 *See*, *e.g.*, SEC Office of the Investor Advocate, Report on Activities, Fiscal Year 2024 (Dec. 12, 2024), https://www.sec.gov/files/fy24-oiad-sar-activities-report.pdf.
23 Exchange Act Section 4(g)(8)(A), 15 U.S.C. § 78d(g)(8)(A)
24 Exchange Act Section 4(g)(8)(B)(i), 15 U.S.C. § 78d(g)(8)(B)(i).
25 Exchange Act Section 4(g)(8)(D), 15 U.S.C. § 78d(g)(8)(D).
26 Exchange Act Section 4(g)(8)(B), 15 U.S.C. § 78d(g)(8)(B).
27 Federal Trade Commission, *New FTC Data Show a Big Jump in Reported Losses to Fraud to $12.5 Billion in 2024* (Mar. 10, 2025), https://www.ftc.gov/news-events/news/press-releases/2025/03/new-ftc-data-show-big-jump-reported-losses-fraud-125-billion-2024.

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