

# New SEC Enforcement Director David Woodcock Outlines Enforcement Priorities, Including Focus on Financial Reporting and Private Funds

May 14, 2026

In his first public remarks, delivered just days into his tenure, SEC Enforcement Division Director David Woodcock announced that he will “provide hands-on leadership” to make sure SEC Enforcement investigators “focus on the fundamentals,” which he defined as “protecting investors and safeguarding markets from real harm.”<sup>1</sup> In announcing his “back-to-basics” approach, Woodcock gave top billing not just to traditional scams, but also to cases involving financial reporting and private funds and investment advisers. Woodcock’s remarks and his prior tenure at the SEC—and our own work on recent and ongoing SEC investigations and resolutions—indicate that the agency will continue to pursue these often complex cases even when they do not find or charge fraud, perhaps to the surprise of commentators who prematurely announced the demise of SEC Enforcement.

If you have any questions concerning this memorandum, please reach out to your regular firm contact or the following authors

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<sup>1</sup> See David Woodcock, Director Division of Enforcement, *Remarks at the MFA Legal & Compliance 2026 Conference*, SEC (May 13, 2026), [https://www.sec.gov/newsroom/speeches-statements/woodcock-remarks-mfa-legal-compliance-2026-conference-051326?utm\\_medium=email&utm\\_source=govdelivery](https://www.sec.gov/newsroom/speeches-statements/woodcock-remarks-mfa-legal-compliance-2026-conference-051326?utm_medium=email&utm_source=govdelivery).



## Background

Woodcock's appointment follows the abrupt resignation of his predecessor, Judge Margaret Ryan.<sup>2</sup> Unlike Judge Ryan, Woodcock is a veteran of the securities bar, having spent years as a securities and corporate governance attorney in-house and in private practice, in addition to a five-year stint as Director of the SEC's Fort Worth Regional Office.<sup>3</sup> His depth of experience and relationships throughout the securities bar meant that his selection as Enforcement Director was heralded by SEC staff and the defense bar alike. His speech to a conference of legal and compliance professionals laid down several markers for how he plans to run the Enforcement Division. First, and unsurprisingly, Woodcock made clear that his "back-to-basics" goals "are aligned to those of Chairman Atkins," but he also plans "hands-on leadership" of an Enforcement Division that is "empowered, supported, and equipped to execute the Commission's mission," a signal that the Enforcement Division will maintain some degree of independence and be active within its areas of focus. Second, Woodcock made no apologies for the drop-off in enforcement cases in the year before his arrival and gave no indication that cases filed would be an important metric to him. He noted instead that he would focus the Enforcement Division's efforts on "quality over quantity." He then outlined key areas in which he expects to bring those cases.

## Enforcement Priorities

Woodcock's streamlined set of enforcement priorities included traditional scams, like Ponzi schemes and other offering frauds, as well as market manipulation and insider trading. But Woodcock also gave equal billing to cases that affect market integrity—those involving financial reporting and private funds and investment advisers.

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<sup>2</sup> See Chris Prentice & Marisa Taylor, *US SEC's ex-enforcement chief clashed with bosses over Trump case before leaving, sources say*, Reuters (Mar. 23, 2026), <https://www.reuters.com/business/finance/us-secs-ex-enforcement-chief-clashed-with-bosses-before-leaving-sources-say-2026-03-23/>.

## Financial Reporting

Woodcock worked as a Big Four auditor before becoming a lawyer, and his prior enforcement experience includes creating and chairing the SEC's Financial Reporting and Audit Task Force in the mid-2010s, which focused on complex financial reporting investigations. With that background, it was no surprise that he emphasized the importance of "good corporate accounting and disclosures" and then highlighted three recent enforcement actions involving public company accounting and disclosure, all of which resulted in charges against individual executives and their companies. But not all of those cases resulted in fraud charges—he touted as a success an internal controls settlement which resulted in no allegations of fraud, no corporate penalty, and modest penalties for the named individuals. All three cases involved lengthy forensic investigations of highly technical accounting issues, and the range of different outcomes supported Woodcock's assertions that "[t]he Commission recognizes the difference between error and fraud, and our remedies will be calibrated accordingly" when defense counsel can demonstrate their position "with evidence and facts."

## Private Funds and Investment Advisers

Woodcock spent a considerable part of his speech talking about private funds and investment advisers, which he maintained will be "subject to close attention" as more retail investors gain access to the private markets. He flagged risks related to liquidity, fees, valuations, and conflicts of interest among funds and investment advisers and "throughout the distribution chain," citing the need for representatives to understand the products they sell. He put the spotlight on a recent enforcement action involving private fund valuation,<sup>4</sup> as well as a set of cases involving a private fund manager who allegedly

<sup>3</sup> See David Woodcock, *Director, Division of Enforcement, SEC*, (May 8, 2026), <https://www.sec.gov/about/divisions-offices/division-enforcement/david-woodcock>.

<sup>4</sup> See *Enforcers Target Fund Valuation Practices*, Cleary Gottlieb (Mar. 16 2026), <https://www.clearygottlieb.com/news-and-insights/publication-listing/enforcers-target-fund-valuation-practices>.

invested his client in a Ponzi-like scheme despite alleged red flags and conflicts of interest. He also called out private credit, noting that the Enforcement Division is “monitoring the situation,” echoing recent remarks by Chair Atkins, who said the agency is investigating allegations of fraud and monitoring as the sector grapples with redemption requests and other factors.<sup>5</sup>

## Retail Fraud and Other Initiatives

Woodcock announced he will reinstate the Retail Fraud Working Group, formed in the first Trump Administration to focus on cases involving systemic harm to retail investors, such as microcap pump-and-dump schemes and the sale of unsuitable structured products.<sup>6</sup> The group likely will pursue the same kind of cases, and may also tackle retail-facing private fund offerings. Woodcock also affirmed his commitment to the SEC’s Cross-Border Task Force, established in September 2025, which he said is investigating fraud such as market-manipulation schemes involving foreign companies and potential violations by underwriters, auditors, and other gatekeepers who facilitate a foreign company’s access to U.S. markets for fraudulent purposes.

## Guidance for Engaging with the SEC

Woodcock gave no indication that he would attempt to quantify cooperation “credit” as the DOJ and CFTC have done,<sup>7</sup> but said that firms bear the onus to engage with the SEC early, seriously, and candidly—and that such efforts will be rewarded. He also stressed the need for evidence-based advocacy, respectful interactions with Enforcement staff, and “respect [for] the Division chain of command,” perhaps a signal that defense counsel should not attempt to go over the

heads of his staff—or his own—during enforcement investigations.

## Takeaways

Woodcock’s appointment ends a year of leadership turmoil in the Enforcement Division when the direction of travel at times seemed unclear. We believe Woodcock’s arrival has already begun to reinvigorate staff, some of whom have faced sharp critiques in relation to the prior SEC’s enforcement priorities and all of whom have endured rapidly shifting priorities, multiple reorganizations, and significant scrutiny by DOGE and others, culminating in a substantial reduction in headcount and resources. The Enforcement Division’s focus on traditional investigations where there is a risk of harm to retail investors—which means not just scammers but also matters of market integrity like financial reporting and private fund advisers—stands in contrast to the tenure of Chair Gary Gensler, where the agency was criticized for sweep-style investigations that involved no apparent risk of harm, aggressive enforcement tactics, and novel legal theories that struck some as regulation by enforcement. But the fact that the Enforcement Division will be more focused should not be taken as a sign that it will be less vigorous in these core areas. As Woodcock said, “[t]hese are the types of cases contemplated when the Division was created, and these are the cases the Division intends to pursue aggressively during my tenure.”

*This article was prepared with contributions from Cleary associate Bronwyn Crow.*

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<sup>5</sup> See Bloomberg News, *SEC Investigating Alleged Fraud in Private Credit, Atkins Says*, Advisor Hub (Mar. 4. 2026), <https://www.advisorhub.com/sec-investigating-alleged-fraud-in-private-credit-atkins-says/>.

<sup>6</sup> See *SEC Announces Enforcement Initiatives to Combat Cyber-Based Threats and Protect Retail Investors*, SEC (Sept. 25, 2017), <https://www.sec.gov/newsroom/press-releases/2017-176>.

<sup>7</sup> See *Statement of Commissioner Christy Goldsmith Romero: A Commissioner’s Evaluation of Cases &*

*Cooperation Credit*, CFTC (May 21, 2025), <https://www.cftc.gov/PressRoom/SpeechesTestimony/romero-statement052125>; Assistant Attorney General Kenneth A. Polite, Jr. *Delivers Remarks on Revisions to the Criminal Division’s Corporate Enforcement Policy*, Justice.gov (Jan. 17, 2023), <https://www.justice.gov/archives/opa/speech/assistant-attorney-general-kenneth-polite-jr-delivers-remarks-georgetown-university-law>.