SEC Sets 2027 Exam Priorities with Focus on Conflicts, Complex Products, and Technology - Sidley Austin

On October 23, 2026, the U.S. Securities and Exchange Commission (SEC) Division of Examinations (EXAMS) published its annual examination priorities (2027 Priorities)1 , outlining areas of perceived risk and topics on which EXAMS will focus in the new fiscal year.

Substantively, many core themes from last year's priorities carry over. The 2027 Priorities again underscore the importance of registrants' standards of care, information security, and operational resiliency as well as the risks presented by alternative and complex products and investment strategies. The 2027 Priorities also (i) reflect an increased focus on artificial intelligence (AI), which the report refers to as "super intelligence" or SI and (ii) introduce certain new areas of focus, such as advisers' reliance on proxy advisory firms and compliance with new rules or amendments to existing rules. This Sidley Update summarizes the examination focus areas across investment advisers, investment companies, broker-dealers, and other market participants, and it notes where the 2027 Priorities depart from the prior year's.2

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Supervision

A new standalone section states that EXAMS will evaluate (i) whether broker-dealers, funding portals, **municipal advisers**, and security-based swap dealers maintain supervisory systems and controls reasonably designed to achieve compliance, including for new business lines and products, and (ii) whether qualified individuals hold supervisory authority.

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