KIRKLAND & ELLIS

AS OF AUGUST 3, 2026

Rulemaking Update

Adopted and Still Active

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
AML Policies and Procedures	Final Rule adopted by FinCEN: (1) adds certain registered investment advisers ("RIAs") and exempt reporting advisers ("ERAs") to the definition of "financial institutions" under the Bank Secrecy Act (a necessary step for the SEC and FinCEN to proceed with a proposal to require certain advisers to implement customer identification programs); (2) establishes minimum standards for anti-money laundering / countering the financing of terrorism programs by such RIAs and ERAs; and (3) requires such RIAs and ERAs to report suspicious activities to FinCEN.	Proposed: February 13, 2024 Adopted: August 28, 2024 Revised Effective/Compliance Dates: January 1, 2028 (original compliance date was January 1, 2026)	On December 31, 2025, FinCEN delayed the rule's effective date until January 1, 2028. FinCEN also confirmed that, as previously announced, it is continuing to review the scope of the rule.
Regulation S-P	Enhancements to Regulation S-P require advisers to adopt incident response programs to address cyber breaches and broaden the scope of information covered under the safeguarding and disposal rules, among other changes.	Proposed: March 15, 2023 Adopted: May 16, 2024 Effective Date: August 2, 2024 Compliance Dates: December 3, 2025 for larger entities, June 3, 2026 for smaller entities	
Form PF (Round 2 – February 2024)	Amendments to Form PF (1) require separate reporting for each private fund in "master-feeder arrangements" or "parallel fund structures," and aggregated reporting for "parallel managed accounts" relating to each reporting fund, and (2) increase the scope and granularity of information required in various Form PF sections. These proposed amendments are in addition to those that the SEC adopted in May 2023.	Proposed: August 10, 2022 Adopted: February 8, 2024 Effective Date: March 12, 2025 Revised Compliance Date: October 1, 2026 (has been extended multiple times)	On September 17, 2025, the SEC and CFTC further extended the compliance deadline to October 1, 2026, and confirmed they continue to review the form's substance. In April 2026, they proposed additional Form PF amendments that, if adopted, would impact portions of these amendments (see Proposals Issued slide below).

Proposals Issued but Not Adopted

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Form PF – April 2026 Proposal	The SEC and CFTC proposed amendments to Form PF to reduce compliance burdens associated with the form, including: (i) raising the filing threshold for all filers from \$150 million to \$1 billion; (ii) increasing the threshold for being deemed a "large hedge fund adviser" from \$1.5 billion to \$10 million in hedge fund assets under management; and (iii) narrowing the scope of certain questions and eliminating others (e.g., eliminating quarterly event-based reporting for private equity fund advisers). See Kirkland AIM.	Proposed: April 20, 2026 Comments Due: June 23, 2026	It would impact both the current Form PF and the version implementing the February 2024 amendments, scheduled to come into effect October 1, 2026 (see above).
Electronic Delivery ("E-delivery") of Information Under the Federal Securities Laws	Under the proposal, a regulated entity that has made required disclosures could electronically deliver information required to be delivered under the federal securities laws and rules thereunder to a recipient that has provided an electronic address and not opted out of e-delivery. If the information includes personal financial information, the regulated entity would deliver a statement of availability to the recipient's electronic address and a link to where the information can be accessed in lieu of sending the information directly to the recipient's electronic address.	Proposed: July 16, 2026 Comments Due: September 21, 2026	
Enhancement of Emerging Growth Accommodations and Simplification of Filer Status for Reporting Companies and Registered Offering Reform	The SEC proposed two rules that would reduce the cost and complexity of conducting registered offerings for all public companies, including registered closed-end funds, business development companies ("BDCs"), and other private wealth products, such as REITs. Proposals include preempting state securities law registration and qualification requirements for all registered offerings, streamlining registration, offering and communication rules for a subset of registered closed-end funds and BDCs, and permitting broad-based advertising for certain insurance products. See wealth-focused and public company-focused Kirkland Alerts for more information.	Proposed: May 19, 2026 (both) Comments Due: July 20, 2026 (Emerging Growth proposal) and July 27, 2026 (Registered Offering Reform proposal)	

Proposals Issued but Not Adopted (cont.)

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Updates to Regulatory Flexibility Act "Small Entity" Definitions	The proposed rule would (i) amend Advisers Act and Investment Company Act rules defining “small business” and "small organization" for purposes of the Regulatory Flexibility Act to increase asset-based thresholds used therein and provide for periodic future inflation adjustments, and (ii) make corresponding amendments to Form ADV.	Proposed: January 7, 2026 Comments Due: March 13, 2026	
Amendments to Form N-PORT	The SEC proposed amendments to Form N-PORT, the form on which many registered investment companies report certain portfolio-related information, to address identified disclosure burdens.	Proposed: February 18, 2026 Comments Due: April 24, 2026	
Customer Identification Programs for RIAs and ERAs	The Department of the Treasury and the SEC jointly proposed rules that would require RIAs and ERAs to adopt written customer identification programs. The program must include procedures for (1) verifying the identity of each customer to the extent reasonable; and (2) maintaining records of the information used to verify a customer’s identity, including, name and address.	Proposed: May 13, 2024 Comments Due: July 22, 2024	The proposal, which is intended to be a companion rule to the delayed AML rule (see above), is being revisited and is not on the 2026 Regulatory Agenda.

Proposals Under Consideration

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Crypto Assets	The Division of Corporation Finance is considering recommending that the Commission propose rules relating to the offer and sale of crypto assets, potentially to include certain exemptions and safe harbors, to help clarify the regulatory framework for crypto assets and provide greater certainty to the market. This proposal is part of a broader set of crypto-related initiatives.	TBD	Continues to be a rulemaking priority as of July 2026 when the 2026 Regulatory Agenda was published; initially included on Spring 2025 Regulatory Agenda.
Updating the Exempt Offering Pathways	The Division of Corporation Finance is considering recommending that the Commission propose rule amendments to facilitate capital formation and simplify the pathways for raising capital for, and investor access to, private businesses, including potential amendments to the definition of accredited investor.	TBD	Continues to be a rulemaking priority as of July 2026 when the 2026 Regulatory Agenda was published; initially included on Spring 2025 Regulatory Agenda.
Amendments to the Custody Rules	The Division of Investment Management ("IM") is considering recommending that the Commission propose amendments to existing rules and/or propose new rules under the Advisers Act and the Investment Company Act to improve and modernize the regulations around the custody of advisory client and fund assets, including to address in each case crypto assets.	TBD	Continues to be a rulemaking priority as of July 2026 when the 2026 Regulatory Agenda was published; initially included on Spring 2025 Regulatory Agenda.
Amendments to Rule 17a-7 Under the Investment Company Act	IM is considering recommending that the Commission propose amendments to Investment Company Act Rule 17a-7 to modernize the conditions for and expand the availability of the exemption of certain purchase or sale transactions between an investment company and certain affiliated persons.	TBD	Continues to be a rulemaking priority as of July 2026 when the 2026 Regulatory Agenda was published; initially included on Spring 2025 Regulatory Agenda.
Definition of Dealer	The Division of Trading and Markets is considering recommending that the Commission propose amendments regarding the scope of, and exceptions from, the term "dealer."	TBD	Continues to be a rulemaking priority as of July 2026 when the 2026 Regulatory Agenda was published; initially included on Spring 2025 Regulatory Agenda.
Regulatory Status of Finders	The Division of Trading and Markets is considering recommending that the Commission propose rules concerning the regulatory status of "finders" for purposes of Section 15(a) of the Exchange Act.	TBD	Listed as a rulemaking priority on the 2026 Regulatory Agenda published in July 2026.

Proposals Under Consideration (cont.)

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Affiliated Securities Lending Agent Arrangements	IM is considering recommending that the Commission propose a new exemptive rule under the Investment Company Act to allow registered investment companies to lend securities using an affiliated lending agent that is compensated based on a share of the revenue derived by the securities lending transactions, subject to certain conditions.	TBD	Listed as a rulemaking priority on the 2026 Regulatory Agenda published in July 2026.
Enhancing Retail Exposure to Private Markets	IM is considering recommending that the Commission propose amendments to existing rules and/or propose new rules under the Advisers Act and the Investment Company Act to better facilitate retail investor exposure to private markets through registered investment companies and to allow investment advisers to charge performance fees to an expanded set of clients.	TBD	Listed as a rulemaking priority on the 2026 Regulatory Agenda published in July 2026.
Pay-to-Play Reform	IM is considering recommending that the Commission propose amendments to Advisers Act Rule 206(4)-5, which prohibits investment adviser pay-to-play practices, to address identified compliance burdens.	TBD	Listed as a rulemaking priority on the 2026 Regulatory Agenda published in July 2026.
Amendments to Investment Adviser Recordkeeping Rule	IM is considering recommending that the Commission propose amendments to Advisers Act Rule 204-2, which requires investment advisers to make and keep certain records, to address the appropriate scope of and identified compliance burdens related to electronic communications and to account for certain technological developments since the rule was adopted. The SEC is separately considering amendments to recordkeeping rules for broker-dealers.	TBD	Listed as a rulemaking priority on the 2026 Regulatory Agenda published in July 2026.

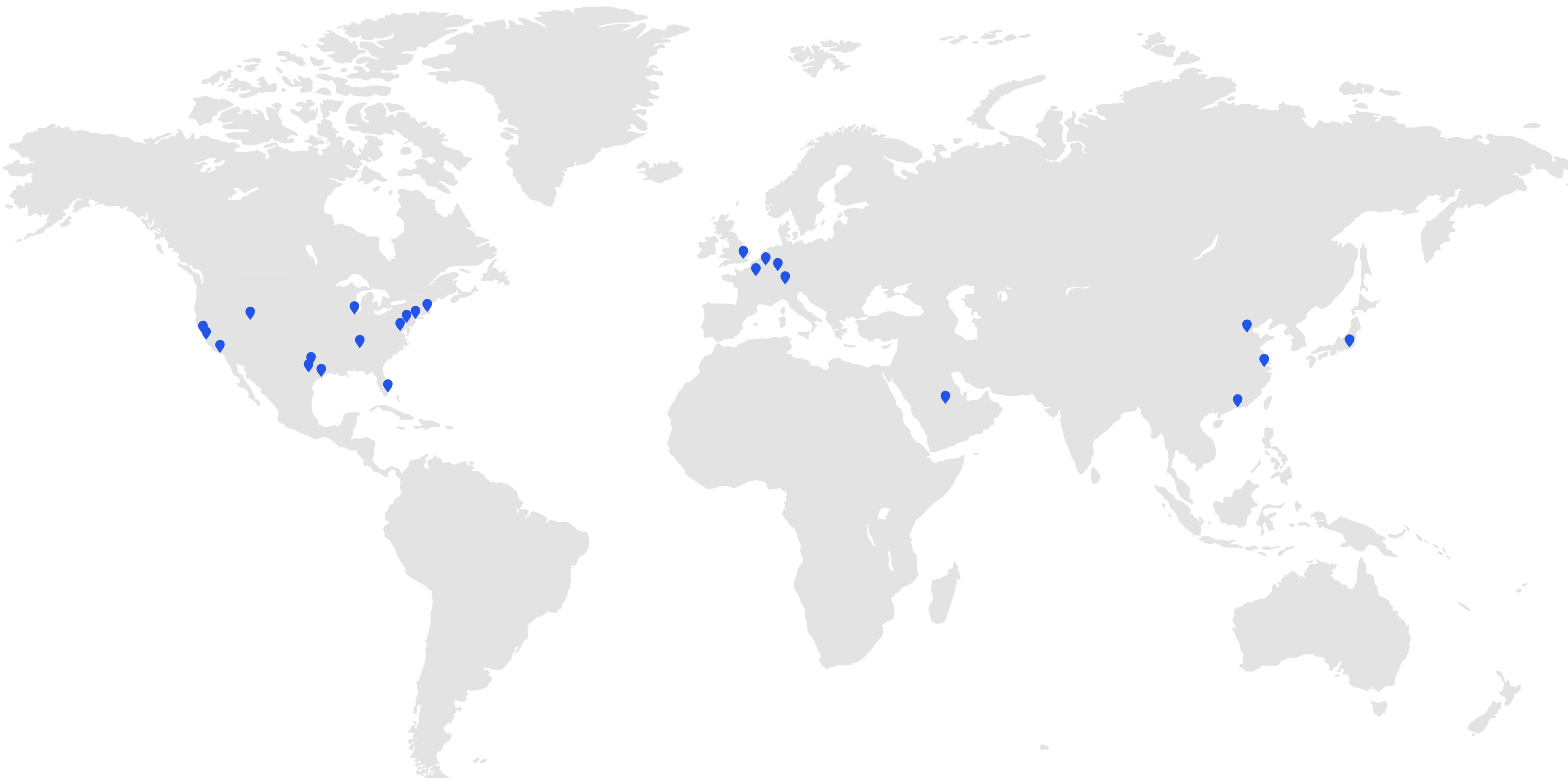
Certain SEC Rules Challenged in Court

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Dealer Registration	New rule further defined the phrase “as part of a regular business” in the statutory definition of “dealer” under the Exchange Act in ways that would cause certain market participants that assume “dealer-like” roles (e.g., by acting as liquidity providers in the markets) to have to register as a dealer or a government securities dealer. Certain RIAs and their private funds (mainly hedge funds) potentially within the rule’s scope.	Proposed: March 28, 2022 Adopted: Feb. 6, 2024 Effective Date: April 29, 2024 Compliance Date: None, SEC withdrew its appeal of Fifth Circuit vacatur	On February 19, 2025, the SEC withdrew its appeal to the Fifth Circuit of the N.D. Tex. order vacating the rule on November 21, 2024. The Spring 2025 Regulatory Agenda listed a new rulemaking priority related to this issue, and an additional rulemaking initiative related to finders was added when the 2026 Regulatory Agenda was announced in July 2026.
Public Company Climate-Related Disclosures (a.k.a. ESG for Public Companies)	Proposed rule would rescind rules adopted in 2024 requiring U.S. public companies, including business development companies and real estate investment trusts, to evaluate and adapt their disclosure controls and procedures, management processes, and governance structures around climate-related risks and provide extensive climate-related information in their registration statements and periodic reports (“2024 Climate Rules”).	Proposed: May 29, 2026, 2022; Comments due August 3, 2026	In May 2026, the SEC proposed a new rule that would rescind the 2024 Climate Rules. The comment period ends August 3, 2026. The 2024 Climate Rules, which have never come into effect due to a stay issued by the Fifth Circuit, have been the subject of ongoing litigation. Proceedings were consolidated in the Eighth Circuit and have continued despite the SEC announcing in March 2025 that it would no longer defend the rules. On September 12, 2025, the Eighth Circuit stated it would wait to rule on challenges to the 2024 Climate Rules until the SEC reconsiders the rules through rulemaking or renews its defense.

Prior Rulemakings Withdrawn on June 12, 2025

TOPIC	DESCRIPTION
Adviser Outsourcing	SEC RIAs would have been required to (1) undertake due diligence assessments before engaging service providers for certain core advisory-related services and functions and (2) periodically monitor the service providers' performance and reassess the appropriateness of the outsourcing arrangement. Related books and records requirements include a provision specifically addressing the retention of outsourced recordkeepers.
ESG Investment Practices	SEC RIAs and ERAs would have been required to include new narrative disclosures in brochures and census-like information in Part 1A of Form ADV regarding Environmental, Social or Governance ("ESG") factors the advisers consider implementing in their investment strategies, with separate ESG reporting for each private fund the advisers are required to identify in Part 1A. More extensive requirements would apply to the ESG investment practices of regulated investment companies and business development companies.
Cybersecurity	More detailed and prescriptive than the existing SEC cybersecurity guidance and rules, the proposed rules would have (1) imposed new reporting and disclosure obligations on SEC RIAs relating to cybersecurity incidents and risks and (2) potentially required them to enhance their cybersecurity policies and procedures.
Predictive Data Analytics	Proposed rule changes would have addressed certain conflicts of interest associated with investment advisers' or broker-dealers' use of predictive data analytics in investor interactions.
Custody (a.k.a. Safeguarding Rule)	Proposed rule changes would have significantly amended and redesignated Advisers Act Rule 206(4)-2 and made related recordkeeping and reporting changes to address how investment advisers safeguard client assets.

International Reach



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