



KIRKLAND & ELLIS

AS OF JULY 8, 2025

Rulemaking Update

This publication is distributed with the understanding that the author, publisher and distributor of this publication and/or any linked publication are not rendering legal, accounting, or other professional advice or opinions on specific facts or matters and, accordingly, assume no liability whatsoever in connection with its use. Pursuant to applicable rules of professional conduct, portions of this publication may constitute Attorney Advertising. © 2025 Kirkland & Ellis LLP. All rights reserved.

Adopted and Still Active

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Division of Enforcement Authority	The SEC revoked the authority of the Director of the Division of Enforcement to issue formal orders of investigation, a power the Director had since 2009. The SEC will revert to its historical practice of having the Commission approve new investigations and issuances of subpoenas.	Adopted: March 11, 2025	
Dollar Threshold to Qualify as a VC Fund	Amendment to section 3(c)(1) of the Investment Company Act. Increases dollar threshold for a fund to qualify as a “qualifying venture capital fund” from \$10 million to \$12 million aggregate capital contributions and uncalled committed capital. The rule also allows the SEC to adjust for inflation every five years.	Proposed: Feb 14, 2024 Adopted: Aug 21, 2024 Effective/Compliance Date: Sept. 30, 2024	
AML Policies and Procedures	Final Rule adopted by FinCEN. The rule, among other things, (1) adds certain Registered Investment Advisers (“RIA”) and Exempt Reporting Advisers (“ERA”) 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 standard for Anti Money Laundering / Countering the Financing of Terrorism programs by such RIAs and ERAs, and (3) requires such RIA and ERAs to report suspicious activities to FinCEN.	Proposed: Feb 13, 2024 Adopted: Aug 28, 2024 Effective/Compliance Dates: Jan 1, 2026	Industry groups have been pushing for guidance and an extension of compliance dates.
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: Aug. 2, 2024 Compliance Dates: Dec. 3, 2025 for larger entities, June 3, 2026 for smaller entities	Industry groups have been pushing for guidance and an extension of compliance dates.
Form PF (Round 2)	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 by Form PF’s sections. These amendments are in addition to the amendments to Form PF that the SEC adopted on May 3, 2023, listed below.	Proposed: August 10, 2022 Adopted: Feb. 8, 2024 Effective Date: March 12, 2025 Revised Compliance Date: October 1, 2025	On June 11, 2025, the SEC and CFTC further extended the compliance deadline to October 1, 2025. Chair Atkins has also directed the staff to review the substance of Form PF.

Adopted and Still Active (cont.)

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
SPACs	Rule changes impose specialized disclosure requirements with respect to IPOs by SPACs and in subsequent business combinations between SPACs and private operating companies, and generally deem any business combination transaction involving a reporting shell company, including a SPAC, to involve a sale of securities. The rule also establishes a safe harbor under the Investment Company Act for SPACs that satisfy certain conditions.	Proposed: March 30, 2022 Adopted: January 24, 2024 Effective Date: July 1, 2024 Compliance Dates: July 1, 2024, except for 17 CFR 229.1610 (inline XBRL tagging requirement), which is June 30, 2025	
Beneficial Ownership Reporting	Rule changes modernize beneficial ownership reporting by accelerating current deadlines for Schedule 13D and Schedule 13G filings. Instead of rule text changes, the adopting release provided guidance on cash-settled derivatives and 13D groups.	Proposed: Feb. 10, 2022 Adopted: Oct. 10, 2023 Effective/Compliance Dates: Feb. 5, 2024 (Sep. 30, 2024 for new Schedule 13G filing deadlines)	On February 11, 2025, the SEC issued one new and one updated FAQ regarding eligibility for Schedule 13G reporting.
Form PF	Amendments to Form PF impose new quarterly current event reporting, add new categories of information to be collected, and expand information reporting for certain existing categories. Upon the occurrence of a triggering event, advisers would file a current event report within 60 days of the applicable fiscal quarter end.	Proposed: Jan. 26, 2022 Adopted: May 3, 2023 Effective/Compliance Dates: Dec. 11, 2023 for current event reporting; June 11, 2024 for all other amendments	
Reporting of Certain Proxy Votes	Rule and Form amendments require 13(f) filers to report on Form N-PX how they voted proxies related to executive compensation matters (<i>i.e.</i> , “say-on-pay” votes). Managers required to file their first reports by Aug. 31, 2024, covering the period of July 1, 2023, to June 30, 2024.	Proposed: Sep. 29, 2021 Adopted: Nov. 2, 2022 Effective/Compliance Date: July 1, 2024	

Proposed but Not Adopted

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Customer Identification	Proposed rule, if adopted, 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	Companion rule to AML Policies and Procedures Rule (see above), which has a compliance date of Jan. 1, 2026.

Subject to Court Order

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.
Public Company Climate-Related Disclosures (a.k.a. ESG for Public Companies)	Final rules require U.S. public companies, including BDCs 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.	Proposed: March 21, 2022 Adopted: March 6, 2024 Effective Date: TBD (had originally been May 28, 2024 but was stayed and now the SEC has dropped its defense of the rule)	Litigation seeking to overturn the Climate rules was filed in several Courts of Appeals and subsequently consolidated into the Eighth Circuit. On March 27, 2025, the SEC stated that it would no longer defend the rules. On April 24, 2025, following a request by several states, the Eighth Circuit issued an order giving the SEC 90 days to indicate whether it will review or reconsider the rules. The Fifth Circuit had previously stayed the rules’ effective date so they had never come into effect.

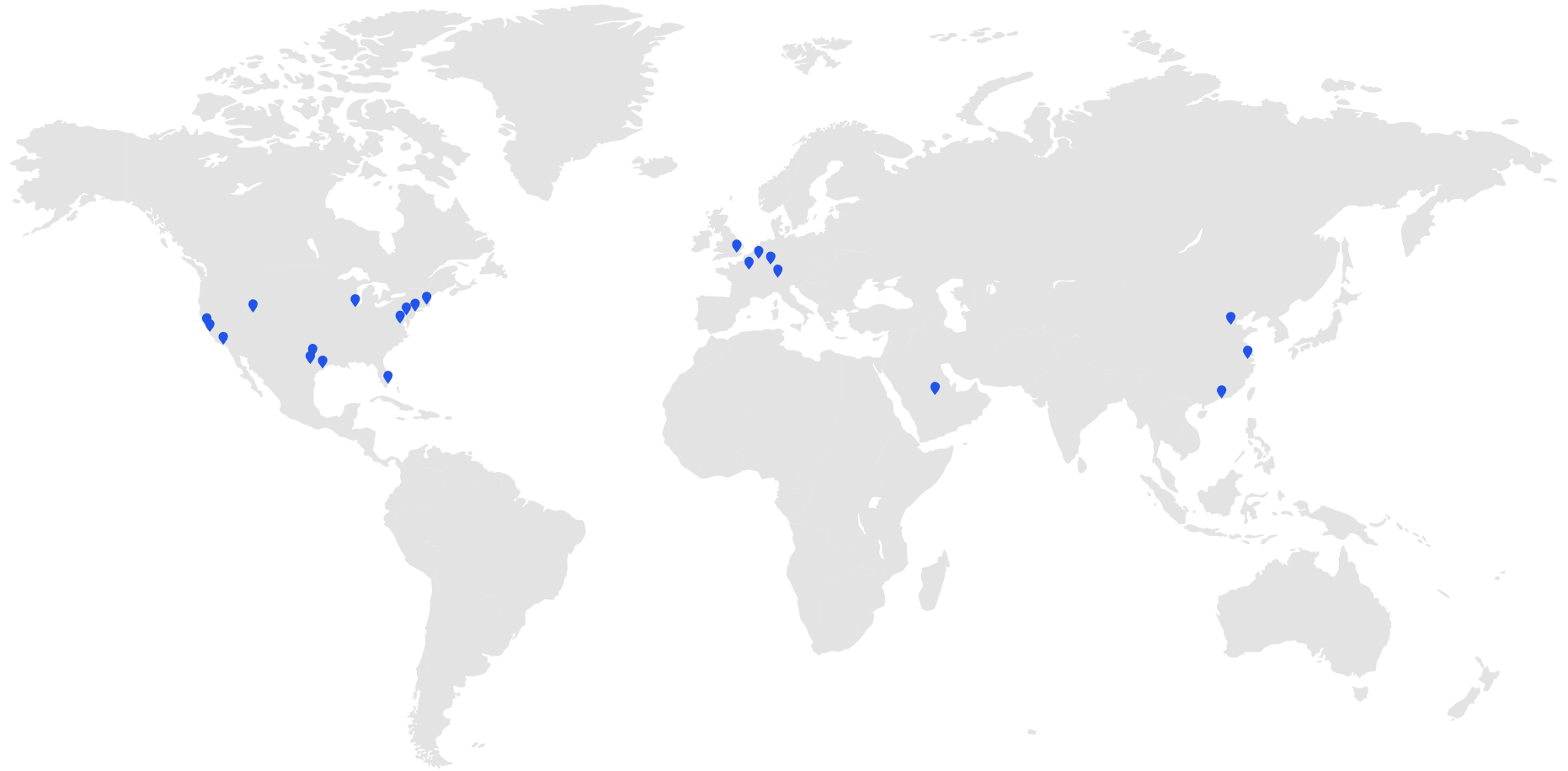
Withdrawn

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Adviser Outsourcing	SEC RIAs would be 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.	Proposed: Oct. 26, 2022 Comments Due: Dec. 27, 2022 Proposed Transition Period: 10 months	On June 12, 2025, the SEC withdrew this proposed rule, noting it does not intend to issue a final rule with respect to this proposal.
ESG Investment Practices	SEC RIAs and ERAs would be required to include new narrative disclosures in brochures and census-like information in Part 1A of Form ADV regarding Environmental, Social or Governance (" <u>ESG</u> ") 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 (" <u>BDCs</u> ").	Proposed: May 25, 2022 Comments Due: Aug. 16, 2022 Comment Period Re-Opened: Oct. 7, 2022 Comments Due: Nov. 1, 2022 Proposed Transition Period: One Year	On June 12, 2025, the SEC withdrew this proposed rule, noting it does not intend to issue a final rule with respect to this proposal.
Cybersecurity	More detailed and prescriptive than the existing SEC cybersecurity guidance and rules, the proposed rules would (1) impose new reporting and disclosure obligations on SEC RIAs relating to cybersecurity incidents and risks and (2) potentially require them to enhance their cybersecurity policies and procedures.	Proposed: Feb. 9, 2022 Comments: Due April 11, 2022 Comment Period Re-Opened: Mar. 15, 2023 Comments Due: May 22, 2023	On June 12, 2025, the SEC withdrew this proposed rule, noting it does not intend to issue a final rule with respect to this proposal.

Withdrawn

TOPIC	DESCRIPTION	RELEVANT DATES	COMMENTS
Predictive Data Analytics	Proposed rule changes would address certain conflicts of interest associated with investment advisers' or broker-dealers' use of predictive data analytics in investor interactions.	Proposed: July 26, 2023 Comments Due: Oct. 10, 2023	On June 12, 2025, the SEC withdrew this proposed rule, noting it does not intend to issue a final rule with respect to this proposal.
Custody (a.k.a. Safeguarding Rule)	Proposed rule changes would significantly amend and redesignate Rule 206(4)-2 under the Advisers Act and make related recordkeeping and reporting changes to address how investment advisers safeguard client assets.	Proposed: Feb. 15, 2023 Comments Due: May 8, 2023 Comment Period Re-Opened: Aug. 23, 2023 Comments Due: Oct. 30, 2023 Proposed Transition Period: One Year; for advisers with AUM \$1 bn or less, 18 Months	On June 12, 2025, the SEC withdrew this proposed rule, noting it does not intend to issue a final rule with respect to this proposal.

International Reach



Austin	Boston	Dallas	Houston	Miami	Paris	Salt Lake City
Bay Area	Brussels	Frankfurt	London	Munich	Philadelphia	Shanghai
Beijing	Chicago	Hong Kong	Los Angeles	New York	Riyadh	Washington, D.C.