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AS OF FEBRUARY 1, 2026

Rulemaking Update

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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 Revised Effective/Compliance Dates: Jan 1, 2028 (original compliance date was Jan 1, 2026)	On December 31, 20205, FinCEN issued a final rule delaying the rule’s effective date until January 1, 2028. FinCEN also confirmed that, as previously announced, it is continuing to review he 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: Aug. 2, 2024 Compliance Dates: Dec. 3, 2025 for larger entities, June 3, 2026 for smaller entities	
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, 2026	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.

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)	
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). On July 21, 2025, FinCEN announced it intends to work with the SEC to revisit this proposal
Crypto Assets	The Division 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.	TBD	One of the rulemaking priorities listed on the Spring 2025 Regulatory Flexibility Agenda published September 5, 2025
Updating the Exempt Offering Pathways	The Division 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.	TBD	One of the rulemaking priorities listed on the Spring 2025 Regulatory Flexibility Agenda published September 5, 2025
Updates to "Small Entity" Definitions for Purposes of the Regulatory Flexibility Act	Proposed rule, if adopted, would amend the Investment Company Act and Advisers 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. The proposal would also make corresponding amendments to Form ADV.	Proposed: January 7, 2026 Comments Due: March 13, 2026	One of the rulemaking priorities listed on the Spring 2025 Regulatory Flexibility Agenda published September 5, 2025
Amendments to the Custody Rules	The Division 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	One of the rulemaking priorities listed on the Spring 2025 Regulatory Flexibility Agenda published September 5, 2025
Definition of Dealer	The Division is considering recommending that the Commission propose amendments regarding the scope of, and exceptions from, the term "dealer."	TBD	One of the rulemaking priorities listed on the Spring 2025 Regulatory Flexibility Agenda published September 5, 2025

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 Flexibility Agenda lists a new rulemaking priority related to this issue.
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: Stayed indefinitely (had originally been May 28, 2024)	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. Subsequently, on July 23, 2025, in response to a court order, the SEC informed the Eighth Circuit that the SEC did not intend to review or reconsider the rules at that time and asked the Eighth Circuit to lift the stay (previously ordered by the Fifth Circuit) and issue a ruling. The SEC said if the Eighth Circuit were to uphold the rules, the SEC might engage in further action with respect to the rules, which might include replacing, rescinding or modifying them, but the ruling would inform the scope and need for action. On September 12, 2025, the Eighth Circuit stated it would wait to rule on challenges to the Climate rules until the SEC reconsiders the rules through rulemaking or renews its defense.

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 (" <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> ").
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 Rule 206(4)-2 under the Advisers Act and made related recordkeeping and reporting changes to address how investment advisers safeguard client assets.

International Reach



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