

SEC Private Fund Advisers Rule Overview

At-A-Glance Overview for LPs



Rule	Element	Final vs. Proposed Rule	Applies To	Compliance Date	Applies To Existing Contractual Agreements?
Quarterly Statements	Fee and Expense Disclosure	Minor Changes	Registered Private Fund Advisers	18-months	Yes
Quarterly Statements	Performance Disclosure	Minor Changes	Registered Private Fund Advisers	18-months	Yes
Private Fund Adviser Audits		No Real Changes	Registered Private Fund Advisers	18-months	Yes
Adviser Led Secondaries		Minor Changes	Registered Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	Yes
Restricted Activities (Disclosure-Based)	Regulatory, Compliance, and Examination Expenses	New	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	Yes
Restricted Activities (Disclosure-Based)	Reducing Adviser Clawbacks for Taxes	Significant Changes	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	Yes
Restricted Activities (Disclosure-Based)	Certain Non-Pro Rata Fee and Expense Allocations	Significant Changes	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	Yes
Restricted Activities (Consent)	Investigation Expenses	New	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	No
Restricted Activities (Consent)	Borrowing	Significant Changes	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	No
Certain Adviser Misconduct	Fees for Unperformed Services	Removed and Reaffirmed	All Private Fund Advisers	Existing	Yes (SEC views this as already prohibited)
Certain Adviser Misconduct	Limiting or Eliminating Liability	Removed and Reaffirmed	All Private Fund Advisers	Existing	Yes (SEC views this as already prohibited)
Preferential Treatment	Prohibited Preferential Redemptions	Significant Changes	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	No
Preferential Treatment	Prohibited Preferential Transparency	Significant Changes	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	No
Preferential Treatment	Other Preferential Treatment and Disclosure of Preferential Treatment	Significant Changes	All Private Fund Advisers	>\$1.5b AUM - 12-months <\$1.5b AUM - 18-months	Yes
Compliance Rule Amendments		New	All Registered Advisers	60-days	Yes

Materials Developed in Partnership with K&L Gates