

Rules	Key Provisions	Legacy Status	Larger Private Fund Advisers*	Smaller Private Fund Advisers
All Registered Investment Advisers (including advisers that do not advise private funds)				
Compliance rule	<ul style="list-style-type: none"> Annual compliance reviews for all advisers must be <i>written</i> 	No	60 days	60 days
All Private Fund Advisers (including exempt reporting advisers)				
Private fund adviser restricted activities	<ul style="list-style-type: none"> Cannot, without investor consent, charge the fund fees/expenses related to a regulatory investigation where no violation is found 	Yes	12 months ↓	18 months ↓
	<ul style="list-style-type: none"> Cannot, without written notice within 45 days of relevant quarter-end, charge the fund for regulatory or compliance expenses, where notice discloses relevant amounts 	No		
	<ul style="list-style-type: none"> Cannot reduce the amount of adviser carried interest clawback by actual, potential, or hypothetical taxes, unless written notice is distributed within 45 days of relevant fiscal quarter-end specifying aggregate dollar amounts of carried interest clawback before and after any reduction for actual, potential, or hypothetical taxes 	No		
	<ul style="list-style-type: none"> Cannot charge or allocate fees or expenses related to a portfolio investment (or potential portfolio investment) on a non-pro rata basis, unless (i) fair and equitable, and (ii) written notice of the non-pro rata charge or allocation and a description of how it is fair and equitable is distributed prior to such charge/allocation 	No		
	<ul style="list-style-type: none"> Cannot borrow money, securities, or other private fund assets, or receive a loan or an extension of credit, from a private fund client, unless adviser: (i) distributes a written description of the material terms of, and requests each investor to consent to, such borrowing, loan, or extension of credit; and (ii) obtains written consent from a majority in interest of investors 	Yes		
Preferential treatment	<ul style="list-style-type: none"> May not provide preferential redemption rights that adviser reasonably believes will have a material, negative impact on other investors, unless (i) required by law, or (ii) such rights have been and will be offered to all investors 	Yes	12 months ↓	18 months ↓
	<ul style="list-style-type: none"> May not provide preferential information rights that adviser reasonably believes will have a material, negative impact on other investors, unless relevant information is offered to all investors 	Yes		
	<ul style="list-style-type: none"> May not provide preferential rights with material economic terms, unless advanced written notice is provided to prospective investors and written notice is provided to current investors 	No		
	<ul style="list-style-type: none"> May not provide other preferential rights, unless all investors are provided written notice: <ul style="list-style-type: none"> For illiquid funds: written notice must be provided as soon as reasonably practicable following the end of the private fund's fundraising period For liquid funds: written notice must be provided as soon as reasonably practicable following the investor's investment in the private fund 	No		
	<ul style="list-style-type: none"> Must annually provide written notice specifying any preferential treatment provided by the adviser or its related persons to other investors in the private fund since the last written notice 	No		
All Registered Private Fund Advisers (but not exempt reporting advisers)				
Private fund quarterly statements	<ul style="list-style-type: none"> Quarterly statements distributed 45 days after first three fiscal quarter-ends, 90 days after fiscal year-end Tables showing compensation from private fund and portfolio investments to adviser (or its related persons) during reporting period, with separate line items for each category of compensation, including amounts of offsets or rebates carried forward Cross-references to organizational documents for each fund expense and calculation methodology <ul style="list-style-type: none"> Performance for liquid funds: annual net returns since inception or past 10 years (whichever is shorter), average annual net returns for three-, five-, and 10-year periods, and cumulative returns to date as of most recent quarter-end Performance for illiquid funds: total and realized/unrealized gross/net IRR and MOIC since inception to most recent quarter-end (with and without impact of subscription line) 	No	18 months ↓	18 months ↓
Private fund adviser audits	<ul style="list-style-type: none"> Audited financial statements distributed within 120 days of fiscal year-end (longer for certain funds-of-funds) and promptly upon liquidation for each private fund (including those private funds that currently rely on the surprise inspection requirement under the custody rule) 	No	18 months	18 months
Adviser-led secondaries	<ul style="list-style-type: none"> Must obtain and distribute to investors fairness opinion or valuation opinion from an independent opinion provider Must provide and distribute a written summary of material business relationships the adviser or its related persons has, or has had, with opinion provider within the two-year period immediately prior to issuance of fairness opinion or valuation opinion 	No	12 months ↓	18 months ↓

*Larger private fund advisers are those with \$1.5 billion or more in private fund AUM, as of most recent fiscal year-end.