

Regulators Hit Reverse: SEC and CFTC Move to Scale Back Form PF

April 30, 2026

On April 20, the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC, and together with the SEC, the “Agencies”) proposed a comprehensive overhaul of Form PF. Form PF is the confidential reporting form through which covered private fund advisers report portfolio exposures and risk information to the SEC and, if also registered as commodity pool operators or commodity trading advisers, to the CFTC (the [“Proposed Form PF Changes”](#)).

The changes would significantly increase the asset thresholds that trigger filing obligations, strip out or simplify dozens of reporting questions, and eliminate entire categories of event-driven disclosure. The timing of any final rule remains uncertain. The Proposed Form PF Changes suggest a minimum 12-month transition period from the date of publication of a final rule. The Proposed Form PF Changes make clear that the Agencies seek to ease compliance burdens for private fund advisers while preserving the robust risk and exposure data needed by the Agencies, Financial Stability Oversight Council, and other federal financial regulators to monitor for systemic risk and other policy initiatives across a substantial portion of the private fund industry.

Amendments to General Instructions and Section 1 - Impact on All Filers

Significantly Increase Filing Thresholds

The most significant proposed change is an increase in the asset threshold for filing Form PF from \$150 million to \$1 billion. The Agencies project that approximately half of current filers would no longer file Form PF under the new regime. At the same time, roughly 94% of aggregate private fund gross asset value would remain covered.

The proposal would also raise the “large hedge fund adviser” threshold (which triggers quarterly filing) from \$1.5 billion in hedge fund assets under management to \$10 billion. The Agencies anticipate this change would reduce the number of large hedge fund adviser filers by approximately 65%, while still capturing roughly 81% of hedge fund gross asset value.

Elimination of “Look Through” Requirements

The proposal would eliminate the prescriptive “look through” requirements in General Instructions 7 and 8, which require advisers to trace indirect exposures and have drawn sustained industry criticism as impractical to implement. Instead, the proposal would permit advisers to rely on reasonable estimates derived from their own internal methodologies and the conventions of service providers. Although these instructions apply to all filers, the conforming amendments target Questions 32, 33, 35, 36 and 47 — all in Section 2 — so the potential burden reduction largely benefits large hedge fund advisers.

Disregarded Feeder Funds

The Proposed Form PF Changes would expand the “disregarded feeder fund” category established by the 2024 Form PF amendments. The 2024 amendments generally require separate reporting for each component fund of master-feeder arrangements and parallel fund structures, but permit advisers to aggregate feeder funds that invest all of their assets in a single master fund, US Treasury bills, and/or cash and cash equivalents. In response to industry concerns about the burdens of disaggregated reporting, the Proposed Form PF Amendments would also allow advisers to treat as disregarded any feeder fund that invests not more than 5% of its gross asset value in investments outside a single master fund, US Treasury bills, and/or cash and cash equivalents. Such feeder funds would be aggregated in the adviser's reporting about master-feeder arrangements rather than reported separately.

Trading Vehicles

The Proposed Form PF Changes would significantly narrow the scope of trading vehicles that advisers must identify. Under the 2024 amendments, advisers must report legal entities that are wholly or partially owned by private funds that hold assets, incur leverage, or conduct trading or other activities as part of the private fund's investment activities, but do not operate a business (Trading Vehicle). This broad definition captures passive entities commonly used by private funds (e.g., tax blockers, aggregator vehicles, holding companies) that do not present counterparty or systemic risk. The Proposed Form PF Changes would limit reporting requirements to Trading Vehicles that are either (i) listed on Form ADV as a private fund; or (ii) included in counterparty exposure responses (Questions 27, 28, 42, 43, or 44), essentially focusing on vehicles that actively face counterparties and creditors rather than passive structuring entities.

Amendments to Section 2 - Large Hedge Fund Advisers

Streamlined Reporting

For advisers that still meet the large hedge fund adviser definition, the Proposed Form PF Changes would substantially reduce reporting granularity by deleting or streamlining question sets covering

performance volatility, asset turnover, reference asset exposure, rehypothecation and counterparty exposure. The counterparty exposure framework would be restructured to focus on the five most significant counterparties.

Simplified Industry Concentration Reporting (NAICS Codes)

Large hedge fund advisers would also benefit from relaxed reporting requirements on industry concentration. The 2024 amendments require advisers to report qualifying hedge funds' industry exposures using six-digit NAICS codes — the most granular level, with over a thousand options. The Proposed Form PF Changes would give advisers flexibility to report at any level of the NAICS hierarchy, from two-digit sector codes to six-digit national industry codes. This change addresses industry concerns that NAICS codes are not commonly used internally and that assigning six-digit codes to instruments (particularly foreign instruments without readily available codes) is burdensome and prone to inconsistency across filers.

Simplified Counterparty Exposure Reporting

The Proposed Form PF Changes would eliminate one of the most operationally burdensome requirements from the 2024 amendments: the consolidated counterparty exposure table in Question 41. That table requires qualifying hedge funds to report borrowing, collateral received, lending and posted collateral by type, with detailed breakdowns of collateral categories (such as distinguishing government securities from other securities) that prime brokers typically do not provide in unbundled form. Under the Proposed Form PF Changes, advisers would instead complete the simpler counterparty exposure table in Question 26, which uses less granular categories. Questions 42 and 43 would also be modified to focus on the five most significant counterparties, meaningfully reducing individual counterparty calculations.

Elimination of Reference Asset Exposure Reporting (Questions 39 and 40)

The Proposed Form PF Changes would eliminate Questions 39 and 40, which require large hedge fund advisers to report detailed monthly data on the netted and gross exposures of qualifying hedge funds to reference assets. These questions are particularly burdensome because they demand multi-step analyses across potentially thousands of positions, using methodologies and calculation thresholds that advisers do not maintain in the ordinary course of their business. Question 40, for example, requires advisers to test each reference asset in the portfolio against three separate thresholds, each involving multiple data inputs such as total issuance size and average daily trading volume. To preserve some visibility into concentrated positions, the Proposed Form PF Changes offer a targeted substitute: if a large hedge fund adviser files a current report for an extraordinary investment loss, it would describe the largest exposure contributing to that loss.

Other Amendments - Dialing Back Event-Driven Reporting

Changes to Section 5 Current Reports (Large Hedge Fund Advisers)

For large hedge fund advisers, the Proposed Form PF Changes would simplify Section 5 filing triggers in four ways. First, it would replace the “as soon as practicable” standard with a clear 72-hour deadline to file a current report following a triggering event (or when the adviser reasonably believes the event occurred). Second, it would remove Item D, eliminating the current reporting obligation for a private fund's margin default or inability to meet a call for margin, collateral, or equivalents. Third, it would narrow what constitutes an “operations event” that triggers current reporting. Fourth, it would remove the requirement to file a current report if a qualifying hedge fund is unable to pay a redemption request under Item I, unless a fund has suspended redemptions for more than five consecutive business days.

Elimination of Section 6 Quarterly Event Reporting (Private Equity Fund Advisers)

For private equity funds, the Proposed Form PF Changes would eliminate Section 6 entirely, removing quarterly event reporting for adviser-led secondary transactions, General Partner removals, investment period terminations and fund terminations. In the proposing release, the SEC noted that these filings have reflected idiosyncratic, firm-specific circumstances rather than indicators of broader systemic concern (for which Form PF is designed).

Periodic Review of Filing and Reporting Thresholds

Notably, the Proposed Form PF Changes require SEC Staff to review (and report on) all filing and reporting thresholds approximately five years after the compliance date and every five years thereafter. These periodic reviews would be used to periodically reevaluate whether any thresholds should be adjusted as the private fund industry grows and changes — building recalibration into the form's architecture and helping ensure that Form PF continues to impose minimal filing burdens on smaller advisers while maintaining data coverage on a significant percentage of private fund assets.

No Proposed Changes to the Reporting Thresholds for Large Liquidity Fund or Large Private Equity Fund Advisers

Although the Proposed Form PF Changes would raise the general filing threshold (from \$150 million to \$1 billion) and the large hedge fund adviser threshold (from \$1.5 billion to \$10 billion), the Agencies did not propose to change the thresholds for large liquidity fund advisers (\$1 billion in combined money market and liquidity fund assets) or large private equity fund advisers (\$2 billion in private equity fund assets). Nor did the Agencies propose substantive revisions to Section 3 (large liquidity fund advisers) or Section 4 (large private equity fund advisers), though both sections would receive technical corrections. The Proposed Form PF Changes do, however, request comment on whether those thresholds should also be adjusted, suggesting potential thresholds of \$2–5 billion for large liquidity fund advisers and \$3–5 billion for large private equity fund advisers. Such advisers should

monitor the comment process closely, as any final rule could incorporate threshold changes if supported by the comment record (which, at times, may even include a lack of comments received where the SEC publishes specific requests for comment on alternative approaches it is considering (e.g., see Private Credit discussion below)).

Private Credit: An Area Ripe for Increased Reporting?

The Proposed Release includes extensive requests for comment on whether Form PF should be expanded to capture information specific to private credit strategies, noting that the private credit industry has grown significantly since Form PF was adopted in 2011. The requests for comment address whether to define “private credit” as a distinct term, whether to create a standalone reporting section and what data categories should be collected. With private credit assets projected to reach \$3.5 trillion by 2028, the Agencies view this as a sector where significant informational gaps may persist. The breadth of these requests signals that the Agencies may incorporate private credit reporting requirements into the final rule based on commenter feedback — even though no specific rule text was proposed. Managers with private credit strategies should carefully evaluate these requests for comment and consider engaging with the Agencies through the comment process.

Timing, Transition and What Comes Next

The public comment window runs for 60 days following publication in the Federal Register. If adopted, filers would have at least 12 months to comply. The Agencies have indicated they will consider how any final rule intersects with the 2024 amendments' October 1, 2026, compliance date, a critical open question for advisers building their compliance plans.

The Proposed Form PF Changes represent one of the most adviser-friendly regulatory developments in the private fund space in recent years, potentially exempting almost half of current filers from Form PF and eliminating significant reporting burdens for those who remain. We will continue to track Proposed Form PF Changes as they progress.

CONTACTS

For more information about the Proposed Form PF Changes and how these developments may affect your reporting and compliance obligations, please contact your Katten attorney or any of the following [Financial Markets and Funds](#) and [Financial Markets Litigation and Enforcement](#) attorneys.



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