SUPPORTING STATEMENT
For the Paperwork Reduction Act Information Collection Submission for
Form PF and Rule 204(b)-1

A. JUSTIFICATION

1. Necessity for the Information Collection

Form PF [17 CFR 279.9] and rule 204(b)-1 [17 CFR 275.204(b)-1] under the Investment Advisers Act of 1940 ("Advisers Act") (together, the "rules") require certain investment advisers registered with the Securities and Exchange Commission ("SEC") to report confidential information about the private funds they advise. The rules implement provisions of Title IV of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), which amended the Advisers Act to require the SEC to, among other things, establish reporting requirements for advisers to private funds.[1] The information collected on Form PF is designed to facilitate the Financial Stability Oversight Council's ("FSOC") monitoring of systemic risk in the private fund industry and assist FSOC in determining whether and how to deploy its regulatory tools with respect to nonbank financial companies.[2] The SEC and the Commodity Futures Trading Commission ("CFTC") also may use information collected on Form PF in their regulatory programs, including examinations, investigations, and investor protection efforts relating to private fund advisers.[3] Form PF is a joint form between the SEC and the CFTC with respect to sections 1 and 2; the SEC solely adopted the other sections of the form.[4]

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1 *See* 15 U.S.C. 80b-4(b) and 15 U.S.C. 80b-11(e).

2 *See* Form PF.

3 *Id*.

4 *See* 15 U.S.C. 80b-11(e).

The rules contain a "collection of information" within the meaning of the Paperwork Reduction Act of 1995 ("PRA").[5] The title for the collection of information is "Form PF and Rule 204(b)-1" (OMB Control Number 3235-0679), and includes both Form PF and rule 204(b)-1. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Compliance with the information collection is mandatory.

The respondents are investment advisers who are (1) registered or required to be registered under Advisers Act section 203, (2) advise one or more private funds, and (3) managed private fund assets of at least $150 million at the end of their most recently completed fiscal year (collectively, with their related persons).[6] Form PF divides respondents into groups based on their size and types of private funds they manage, requiring some groups to file more information more frequently than others. The types of respondents are (1) smaller private fund advisers, that report annually (i.e., private fund advisers that do not qualify as large private fund advisers), (2) large hedge fund advisers, that report more information quarterly (i.e., advisers with at least $1.5 billion in hedge fund assets under management), (3) large liquidity fund advisers, that report more information quarterly (i.e., advisers that manage liquidity funds and have at least $1 billion in combined money market and liquidity fund assets under management), and (4) large private equity fund advisers, that report more information annually (i.e., advisers with at least $2 billion in private equity fund assets under management).

In addition to periodic filings, advisers must file limited information on Form PF in five situations. First, a large hedge fund adviser must file a current report as soon as practicable

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5 44 U.S.C. 3501 through 3521.

6 *See* 17 CFR 275.204(b)-1.

upon, but no later than 72 hours after, the occurrence of certain reporting events. Second, a private equity fund adviser must file an event report on a quarterly basis upon the occurrence of certain reporting events. Third, any adviser that transitions from filing quarterly to annually because it has ceased to qualify as a large hedge fund adviser or large liquidity fund adviser, must file a Form PF indicating that it is no longer obligated to report on a quarterly basis. Fourth, any adviser that is no longer subject to Form PF's reporting requirements, must file a final report indicating this. Fifth, an adviser may request a temporary hardship exemption if it encounters unanticipated technical difficulties that prevent it from making a timely electronic filing. A temporary hardship exemption extends the deadline for an electronic filing for seven business days. To request a temporary hardship exemption, the adviser must file a request on Form PF.

On July 12, 2023, the SEC adopted amendments to section 3 of Form PF.[7] The amendments are designed to enhance the Commission's and FSOC's ability to assess the potential systemic risks presented by liquidity funds' activities and inform the Commission's investor protection efforts. As discussed more fully in the adopting release, the amendments to section 3 of Form PF include requirements for additional and more granular information regarding large liquidity fund operational information and assets, portfolio holdings, financing, and investor information as well as a new item concerning the disposition of portfolio securities.[8]

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7 *See* Money Market Fund Reforms; Form PF Reporting Requirements for Large Liquidity Fund Advisers; Technical Amendments to Form N-CSR and Form N-1A, Investment Company Act Release No. 34959 (Jul. 12, 2023) [88 FR 51404 (Aug. 3, 2023)] ("2023 MMF Reforms").

8 *Id*.

2. **Purpose of the Information Collection**

The rules implement provisions of Title IV of the Dodd-Frank Act, which amended the Advisers Act to require the SEC to, among other things, establish reporting requirements for advisers to private funds.[9] The information collected on Form PF is designed to facilitate FSOC's monitoring of systemic risk in the private fund industry and assist FSOC in determining whether and how to deploy its regulatory tools with respect to nonbank financial companies.[10] The SEC and the CFTC also may use information collected on Form PF in their regulatory programs, including examinations, investigations, and investor protection efforts relating to private fund advisers.[11] The amendments are designed to enhance FSOC's ability to monitor systemic risk as well as bolster the SEC's regulatory oversight of private fund advisers and investor protection efforts.[12]

3. **Consideration Given to Information Technology**

Advisers must file Form PF electronically with the Form PF filing system.[13] The Financial Industry Regulatory Authority ("FINRA") maintains the Form PF filing system through the Private Fund Reporting Depository ("PFRD"), a subsystem of the Investment Adviser Registration Depository ("IARD"), through which registered advisers are already separately obligated to file annual reports on Form ADV [17 CFR 279.1]. Form PF may be filed either through a fillable form on the PFRD website or through a batch filing process utilizing the eXtensible Markup Language ("XML") tagged data format. Certain advisers may prefer to

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9 *See* 15 U.S.C. 80b-4(b) and 15 U.S.C. 80b-11(e).

10 *See* Form PF.

11 *Id*.

12 *See* Amendments to Form PF, supra footnote 7.

13 *See* 17 CFR 275.204(b)-1(b).

report in XML format because it allows them to automate aspects of their reporting and, therefore, minimizes burdens and generates efficiencies for the adviser. Collecting information electronically is designed to reduce the regulatory burden upon investment advisers by providing a convenient portal for quickly transmitting reports and, for advisers that submit their reports in XML format in particular, allowing them to automate aspects of their reporting.

4. **Duplication**

The collection of information requirements of Form PF are not duplicated elsewhere.

5. **Effect on Small Entities**

For the purposes of the Advisers Act and the Regulatory Flexibility Act of 1980, an investment adviser generally is a small entity if it (1) has assets under management having a total value of less than $25 million; (2) did not have total assets of $5 million or more on the last day of the most recent fiscal year; and (3) does not control, is not controlled by, and is not under common control with another investment adviser that has assets under management of $25 million or more, or any person (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year.[14]

By definition, no small entity on its own, would meet the rules' minimum reporting threshold of $150 million in regulatory assets under management attributable to private funds. Based on Form PF and Form ADV data as of December 2022, the SEC estimates that no small

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[14] 17 CFR 275.0-7.

entity advisers are required to file Form PF. The SEC does not have evidence to suggest that any small entities are required to file Form PF but are not filing Form PF.

6. **Consequences of Not Conducting Collection**

The rules implement provisions of Title IV of the Dodd-Frank Act, which amended the Advisers Act to require the SEC to, among other things, establish reporting requirements for advisers to private funds.[15] The information collected on Form PF is designed to facilitate FSOC's monitoring of systemic risk in the private fund industry and assist FSOC in determining whether and how to deploy its regulatory tools with respect to nonbank financial companies.[16] The SEC and the CFTC also may use information collected on Form PF in their regulatory programs, including examinations, investigations, and investor protection efforts relating to private fund advisers.[17]

The frequency of collection varies depending on the size of the adviser and the types of private funds it manages, which balances the need for, and value of, current information against the relative reporting burden for different types of advisers. If the information either is not collected or is collected less frequently, FSOC's ability to monitor systemic risk and deploy its regulatory tools, as well as the SEC's ability to protect investors, may be reduced.

7. **Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)**

Under 5 CFR 1320.5(d)(2)(i), OMB will not approve a collection of information requiring respondents to report information to the agency more often than quarterly, unless the agency is able to demonstrate that it is necessary to satisfy statutory requirements or other substantial need. Large hedge fund advisers are required to submit

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15 *See* 15 U.S.C. 80b-4(b) and 15 U.S.C. 80b-11(e).

16 *See* Form PF.

17 *Id*.

current reports as soon as practicable but no later than 72 hours from the occurrence of reporting event, which could occur more or less than quarterly. The current reporting requirements are necessary to satisfy statutory requirements or other substantial need to assist the FSOC in its monitoring obligations under the Dodd-Frank Act and assist the SEC in its investor protection efforts under the Advisers Act, by providing the SEC and FSOC with more timely data to identify and respond to private funds that are facing stress that could result in investor harm or systemic risk.

8. Consultation Outside the Agency

The SEC and the staff of the Division of Investment Management participate in an ongoing dialogue with representatives of the investment management industry through public conferences, meetings, and informal exchanges. These various forums provide the SEC and the staff with a means of ascertaining and acting upon paperwork burdens confronting the industry. The SEC requested comment and considered comments received on its proposal to amend the rules.[18]

9. Payment or Gift

Not applicable.

10. Confidentiality

Responses to the information collection will be kept confidential to the extent permitted by law.[19] Form PF elicits non-public information about private funds and their trading strategies, the public disclosure of which could adversely affect the funds and their investors. The SEC

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18 Amendments to Form PF to Require Current Reporting and Amend Reporting Requirements for Large Private Equity Advisers and Large Liquidity Fund Advisers, Advisers Act Release No. 5950 (Jan. 26, 2022) [87 FR 9106 (Feb. 17, 2022)] ("2022 Form PF Proposing Release").

19 *See* 5 CFR 1320.5(d)(2)(vii) and (viii).

does not intend to make public Form PF information that is identifiable to any particular adviser or private fund, although the SEC may use Form PF information in an enforcement action and to assess potential systemic risk.[20] SEC staff issues certain publications designed to inform the public of the private funds industry, all of which use only aggregated or masked information to avoid potentially disclosing any proprietary information.[21] The Advisers Act precludes the SEC from being compelled to reveal Form PF information except (1) to Congress, upon an agreement of confidentiality, (2) to comply with a request for information from any other Federal department or agency or self-regulatory organization for purposes within the scope of its jurisdiction, or (3) to comply with an order of a court of the United States in an action brought by the United States or the SEC.[22] Any department, agency, or self-regulatory organization that receives Form PF information must maintain its confidentiality consistent with the level of confidentiality established for the SEC.[23] The Advisers Act requires the SEC to make Form PF information available to FSOC.[24] For advisers that also are commodity pool operators or commodity trading advisers, filing Form PF through the Form PF filing system is filing with both the SEC and CFTC.[25] Therefore, the SEC makes Form PF information available to FSOC and the CFTC, pursuant to Advisers Act section 204(b), making the information subject to the confidentiality protections applicable to information required to be filed under that section.

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20 *See* 15 U.S.C. 80b-10(c).

21 S*ee*, *e.g.,* Private Funds Statistics, issued by staff of the SEC Division of Investment Management's Analytics Office, which we have used in this PRA as a data source, *available at* https://www.sec.gov/divisions/investment/private-funds-statistics.shtml.

22 *See* 15 U.S.C. 80b-4(b)(8).

23 *See* 15 U.S.C. 80b-4(b)(9).

24 *See* 15 U.S.C. 80b-4(b)(7).

25 *See* Reporting by Investment Advisers to Private Funds and Certain Commodity Pool Operators and Commodity Trading Advisors on Form PF, Advisers Act Release No. 3308 (Oct. 31, 2011), 76 FR 71128, at n.17 (Nov. 16, 2011).

Before sharing any Form PF information, the SEC requires that any such department, agency, or self-regulatory organization represent to the SEC that it has in place controls designed to ensure the use and handling of Form PF information in a manner consistent with the protections required by the Advisers Act. The SEC has instituted procedures to protect the confidentiality of Form PF information in a manner consistent with the protections required in the Advisers Act.[26]

11. **Sensitive Questions**

Form PF elicits non-public information about private funds and their trading strategies, the public disclosure of which could adversely affect the funds and their investors. A System of Records Notice that covers the collection of information has been published in the Federal Register at 83 FR 6892 and can also be found at http://www.sec.gov/about/privacy/secprivacyoffice.htm. Instructions for obtaining the Privacy Impact Assessment for IARD can be found at http://www.sec.gov/about/privacy/secprivacyoffice.htm.

12. **Burden of Information Collection**

We are revising our total burden estimates to reflect the adopted amendments.[27] The tables below map out the Form PF requirements as they apply to each group of respondents and detail our burden estimates.

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26 *See* 5 CFR 1320.5(d)(2)(viii).

27 For the previously approved estimates, see ICR Reference 202305-3235-023 (conclusion date XXXX, *available at* https://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=202305-3235-023.

a. Final Form PF Requirements by Respondent

Table 1: Form PF Requirements by Respondent

Form PF	**Smaller private fund advisers**	**Large hedge fund advisers**	**Large liquidity fund advisers**	**Large private equity fund advisers**
Section 1a and section 1b (basic information about the adviser and the private funds it advises) **No revisions**	Annually	Quarterly	Quarterly	Annually
Section 1c (additional information concerning hedge funds) **No revisions**	Annually, if they advise hedge funds	Quarterly	Quarterly, if they advise hedge funds	Annually, if they advise hedge funds
Section 2 (additional information concerning qualifying hedge funds) **No revisions**	No	Quarterly	No	No
Section 3 (additional information concerning liquidity funds) **The adopted amendments modify section 3**	No	No	Quarterly	No
Section 4 (additional information concerning private equity funds) **No revisions**	No	No	No	Annually
Section 5 (current reporting concerning qualifying hedge funds) **No revisions**	No	As soon as practicable upon a current reporting event, but no later than 72 hours	No	No
Section 6 (event reporting for private equity fund advisers) **No revisions**	Within 60 days of fiscal quarter end upon a reporting event, if they advise private equity funds	No	No	Within 60 days of fiscal quarter end upon a reporting event
Section 7 (temporary hardship request) **No revisions**	Optional, if they qualify	Optional, if they qualify	Optional, if they qualify	Optional, if they qualify

b. Annual Hour Burden Estimates

Below are tables with annual hour burden estimates for (1) initial filings, (2) ongoing annual and quarterly filings, (3) current reporting and private equity event reporting, and (4) transition filings, final filings, and temporary hardship requests.

Table 2: Annual Hour Burden Estimates for Initial Filings

Respondent[1]		Number of Respondents = Aggregate Number of Responses[2]	Hours Per Response		Hours Per Response Amortized Over 3 Years[3]	Aggregate Hours Amortized Over 3 Years[4]
Smaller Private Fund Advisers	**Previously Approved**	358 responses[5]	40 hours	÷ 3 =	13 hours	4,654 hours
	No Change Requested					
Large Hedge Fund Advisers	**Previously Approved**	16 responses[6]	325 hours	÷ 3 =	108 hours	1,728 hours
	No Change Requested					
Large Liquidity Fund Advisers	**Proposed Estimate**	1 response[7]	202 hours	÷ 3 =	67 hours	67 hours
	Requested	1 response[8]	202 hours	÷ 3 =	67 hours	67 hours
	Previously Approved[9]	1 response	200 hours		67 hours	67 hours
	Change	0 responses	2 hours		1 hour[10]	1 hour
Large Private Equity Fund Advisers	**Previously Approved**	17 responses[11]	252 hours	÷ 3 =	84 hours	1,428 hours
	No Change Requested					

Notes:

1. We expect that the hourly burden will be most significant for the initial report because the adviser will need to familiarize itself with the new reporting form and may need to configure its systems in order to efficiently gather the required information. In addition, we expect that some large liquidity fund advisers will find it efficient to automate some portion of the reporting process, which will increase the burden of the initial filing but reduce the burden of subsequent filings.

2. This concerns the initial filing; therefore, we estimate one response per respondent.

3. We amortize the initial time burden over three years because we believe that most of the burden would be incurred in the initial filing.

4. (Number of responses) x (hours per response amortized over three years) = aggregate hours amortized over three years.

5. Private Funds Statistics show 2,616 smaller private fund advisers filed Form PF in a recent reporting period. Based on filing data from 2017 through 2021, an average of 13.7 percent of them did not file during the prior year. (2,616 x 0.137 = 358.39 advisers, rounded to 358 advisers.)

6. Private Funds Statistics show 598 large hedge fund advisers filed Form PF in a recent reporting period. Based on filing data from 2017 through 2021, an average of 2.7 percent of them did not file during the prior year. (598 x 0.027 = 16.146 advisers, rounded to 16 advisers.)

7. In the case of the proposed estimates, Private Funds Statistics show 23 large liquidity fund advisers filed Form PF in the fourth quarter of 2020. Based on filing data from 2016 through 2020, an average of 1.5 percent of them did not file for the previous due date. (23 x 0.015 = 0.345 advisers, rounded up to 1 adviser.)

8. In the case of the requested values, Private Funds Statistics show 21 large liquidity fund advisers filed Form PF in the third quarter of 2022. Based on filing data from 2017 through 2021, an average of 1.5 percent of them did not file during the prior year. (21 x 0.015= 0.32 advisers, rounded up to 1 adviser.).

9. These figures differ from those in the Commission's 2023 MMF Reforms release because the OMB approved updated estimates of the burdens in the interim.

10. Figures do not sum due to rounding. We round the hours per response aggregated over 3 years to 1 hour because (202 / 3) – (200 / 3) = 0.66666.

11. Private Funds Statistics show 435 large private equity fund advisers filed Form PF in the most recent reporting period. Based on filing data from 2017 through 2021, an average of 3.9 percent of them did not file during the prior year. (435 x 0.039 = 16.97 advisers, rounded to 17 advisers.)

Table 3: Annual Hour Burden Estimates for Ongoing Annual and Quarterly Filings

Respondent[1]		Number of Respondents[2]		Number of Responses[3]		Hours Per Response		Aggregate Hours
Smaller Private Fund Advisers	**Previously Approved**	2,258 advisers[4]	x	1 response	x	15 hours	=	33,870 hours
				No Change Requested				
Large Hedge Fund Advisers	**Previously Approved**	582 advisers[5]	x	4 responses	x	150 hours	=	349,200 hours
				No Change Requested				
Large Liquidity Fund Advisers	**Proposed Estimate**	22 advisers[6]	x	4 responses	x	71 hours	=	6,248 hours
	Requested	20 advisers[7]	x	4 responses	x	71 hours	=	5,680 hours
	Previously Approved[8]	21 advisers	x	4 responses	x	70 hours	=	5,880 hours
	Change	(1) adviser		0 responses		1 hour		(200) hours
Large Private Equity Fund Advisers	**Previously Approved**	418 advisers[9]	x	1 response	x	128 hours	=	53,504 hours
				No Change Requested				

Notes:

1. We estimate that after an adviser files its initial report, it will incur significantly lower costs to file ongoing annual and quarterly reports, because much of the work for the initial report is non-recurring and likely created system configuration and reporting efficiencies.

2. Changes to the number of respondents are due to using updated data to estimate the number of advisers.

3. Smaller private fund advisers and large private equity fund advisers file annually. Large hedge fund advisers and large liquidity fund advisers file quarterly.

4. Private Funds Statistics show 2,616 smaller private fund advisers filed Form PF in a recent reporting period. We estimated that 358 of them filed an initial filing, as discussed in Table 2: Annual Hour Burden Estimates for Initial Filings. (2,616 total smaller advisers – 358 advisers who made an initial filing = 2,258 advisers who make ongoing filings.)

5. Private Funds Statistics show 598 large hedge fund advisers filed Form PF in a recent reporting period. We estimated that 16 of them filed an initial filing, as discussed in Table 2: Annual Hour Burden Estimates for Initial Filings. (598 total large hedge fund advisers – 16 advisers who made an initial filing = 582 advisers who make ongoing filings.)

6. In the case of the proposed estimates, Private Funds Statistics show 23 large liquidity fund advisers filed Form PF in the fourth quarter of 2020. We estimated that one of them filed an initial filing, as discussed in Table 2: Annual Hour Burden for Initial Filings. (23 total large liquidity fund advisers – 1 adviser who made an initial filing = 22 advisers who make ongoing filings.)

7. In the case of the requested values, Private Funds Statistics show 21 large liquidity fund advisers filed Form PF in the third quarter of 2022. We estimated that one of them filed an initial filing, as discussed in Table 2. (21 total large liquidity fund advisers – 1 adviser who made an initial filing = 20 advisers who make ongoing filings.)

8. These figures differ from those in the Commission's 2023 MMF Reforms release because the OMB approved updated estimates of the burdens in the interim.

9. Private Funds Statistics show 435 large private equity fund advisers filed Form PF in a recent reporting period. Based on filing data from 2017 through 2021, an average of 3.9 percent of them did not file during the prior year. (435 x 0.039 = 16.97 advisers, rounded to 17 advisers.) (435 total large private equity fund advisers – 17 advisers who made an initial filing = 418 advisers who make ongoing filings.) As discussed in Table 2: Annual Hour Burden Estimates for Initial Filings, we are not adopting the proposed change in threshold for large private equity fund advisers.

Table 4: Annual Hour Burden Estimates for Current Reporting and Private Equity Event Reporting

Respondent		Aggregate Number of Responses		Hours Per Response		Aggregate Hours
Smaller Private Fund Advisers	**Previously Approved**	20 responses	x	5 hours	=	100 hours
	No Change Requested					
Large Hedge Fund Advisers	**Previously Approved**	60 responses	x	10 hours	=	600 hours
	No Change Requested					
Large Private Equity Fund Advisers	**Previously Approved**	20 responses	x	5 hours	=	100 hours
	No Change Requested					

Table 5: Annual Hour Burden Estimates for Transition Filings, Final Filings, and Temporary Hardship Requests

Filing Type[1]		Aggregate Number of Responses		Hours Per Response		Aggregate Hours
Transition Filing from Quarterly to Annual	**Previously Approved**	71 responses[2]	x	0.25 hours	=	17.75 hours
	No Change Requested					
Final Filings	**Previously Approved**	235 responses[3]	x	0.25 hours	=	58.75 hours
	No Change Requested					
Temporary Hardship Requests	**Previously Approved**	4 responses[4]	x	1 hour	=	4 hours
	No Change Requested					

Notes:

1. Advisers must file limited information on Form PF in three situations. First, any adviser that transitions from filing quarterly to annually because it has ceased to qualify as a large hedge fund adviser or large liquidity fund adviser, must file a Form PF indicating that it is no longer obligated to report on a quarterly basis. Second, any adviser that is no longer subject to Form PF's reporting requirements, must file a final report indicating this. Third, an adviser may request a temporary hardship exemption if it encounters unanticipated technical difficulties that prevent it from making a timely electronic filing. A temporary hardship exemption extends the deadline for an electronic filing for seven business days. To request a temporary hardship exemption, the adviser must file a request on Form PF. Temporary hardship exemptions are available for current reporting and private equity event reporting.

2. Private Funds Statistics show 620 advisers filed quarterly reports in a recent reporting period. Based on filing data from 2017 through 2021, an average of 11.5 percent of them filed a transition filing. (620 x 0.115 = 71.3 responses, rounded to 71 responses.)

3. Private Funds Statistics show 3,671 advisers filed Form PF in a recent reporting period. Based on filing data from 2017 through 2021, an average of 6.4 percent of them filed a final filing. (3,671 x 0.064 = approximately 235 responses.)

4. Private Funds Statistics show there were 3,671 private fund advisers who filed Form PF in a recent reporting period. (3,671 / 1,000 = approximately 4 responses.)

c. Annual Monetized Time Burden Estimates

Below are tables with annual monetized time burden estimates for (1) initial filings, (2) ongoing annual and quarterly filings, (3) current reporting and private equity event reporting, and (4) transition filings, final filings, and temporary hardship requests.[28]

Table 6: Annual Monetized Time Burden of Initial Filings

Respondent[1]		Per Response[2]			Per Response Amortized Over 3 years[3]		Aggregate Number of Responses[4]		Aggregate Monetized Time Burden Amortized Over 3 Years
Smaller Private Fund Advisers	**Previously Approved**	$15,520[5]	÷ 3	=	$5,174	x	358 responses	=	$1,852,292
	No Change Requested								
Large Hedge Fund Advisers	**Previously Approved**	$118,890[6]	÷ 3	=	$39,630	x	16 responses	=	$634,080
	No Change Requested								
Large Liquidity Fund Advisers	**Proposed Estimate**	$64,893[7]	÷ 3	=	$21,631	x	1 response	=	$21,631
	Requested	$73,391[8]	÷ 3	=	$24,644	x	1 response	=	$24,644
	Previously Approved[9]	$73,200	÷ 3	=	$24,400	x	1 response	=	$24,400
	Change	$191					0 responses		$244
Large Private Equity Fund Advisers	**Previously Approved**	$92,221[10]	÷ 3	=	$30,740	x	17 responses	=	$522,580
	No Change Requested								

[28] The hourly wage rates used in our estimates are based on (1) SIFMA's *Management & Professional Earnings in the Securities Industry 2013*, modified by SEC staff to account for an 1,800-hour work-year and inflation, and multiplied by 5.35 to account for bonuses, firm size, employee benefits and overhead; and (2) SIFMA's *Office Salaries in the Securities Industry 2013*, modified by SEC staff to account for an 1,800-hour work-year and inflation, and multiplied by 2.93 to account for bonuses, firm size, employee benefits and overhead. The requested values are based on the preceding SIFMA data sets, which SEC staff have updated since the proposing release to account for current inflation rates.

Notes:

1. We expect that the monetized time burden will be most significant for the initial report, for the same reasons discussed in Table 2: Annual Hour Burden Estimates for Initial Filings. Accordingly, we anticipate that the initial report will require more attention from senior personnel, including compliance managers and senior risk management specialists, than will ongoing annual and quarterly filings.

2. For the hours per response in each calculation, *see* Table 2: Annual Hour Burden Estimates for Initial Filings.

3. We amortize the monetized time burden for initial filings over three years, as we do with other initial burdens in this PRA, because we believe that most of the burden would be incurred in the initial filing.

4. *See* Table 2: Annual Hour Burden Estimates for Initial Filings.

5. For smaller private fund advisers, we estimate that the initial report will most likely be completed equally by a compliance manager at a cost of $360 per hour and a senior risk management specialist at a cost of $416 per hour. Smaller private fund advisers generally would not realize significant benefits from or incur significant costs for system configuration or automation because of the limited scope of information required from smaller private fund advisers. (($416 per hour x 0.5) + ($360 per hour x 0.5)) x 40 hours per response = $15,520.

6. For large hedge fund advisers, we estimate that for the initial report, of a total estimated burden of 325 hours, approximately 195 hours will most likely be performed by compliance professionals and 130 hours will most likely be performed by programmers working on system configuration and reporting automation. Of the work performed by compliance professionals, we anticipate that it will be performed equally by a compliance manager at a cost of $360 per hour and a senior risk management specialist at a cost of $416 per hour. Of the work performed by programmers, we anticipate that it will be performed equally by a senior programmer at a cost of $386 per hour and a programmer analyst at a cost of $280 per hour. (($360 per hour x 0.5) + ($416 per hour x 0.5)) x 195 hours = $75,600. (($386 per hour x 0.5) + ($280 per hour x 0.5)) x 130 hours = $43,290. 75,600 + $43,290 = $118,890.

7. In the case of the proposed estimates for large liquidity fund advisers, we estimated that for the initial report, of a total estimated burden of 202 hours, approximately 60 percent would most likely be performed by compliance professionals and approximately 40 percent would most likely be performed by programmers working on system configuration and reporting automation (that is approximately 121 hours for compliance professionals and 81 hours for programmers). Of the work performed by compliance professionals, we anticipated that it would be performed equally by a compliance manager at a cost of $316 per hour and a senior risk management specialist at a cost of $365 per hour. Of the work performed by programmers, we anticipated that it would be performed equally by a senior programmer at a cost of $339 per hour and a programmer analyst at a cost of $246 per hour. (($316 per hour x 0.5) + ($365 per hour x 0.5)) x 121 hours = $41,200.50. (($339 per hour x 0.5) + ($246 per hour x 0.5)) x 81 hours = $23,692.50. $41,200.50 + $23,692.50 = $64,893.

8. In the case of the requested values for large liquidity fund advisers, we estimate that for the initial report, of a total estimated burden of 202 hours, approximately 60 percent will most likely be performed by compliance professionals and approximately 40 percent will most likely be performed by programmers working on system configuration and reporting automation (that is approximately 121 hours for compliance professionals and 81 hours for programmers). Of the work performed by compliance professionals, we anticipate that it will be performed equally by a compliance manager at a cost of $360 per hour and a senior risk management specialist at a cost of $416 per hour. Of the work performed by programmers, we anticipate that it will be performed equally by a senior programmer at a cost of $386 per hour and a programmer analyst at a cost of $280 per hour. (($360 per hour x 0.5) + ($416 per hour x 0.5)) x 121 hours

= \$46,948. ((\$386 per hour x 0.5) + (\$280 per hour x 0.5)) x 81 hours = \$26,973. \$46,958 + \$26,973 = \$73,931.

9. These figures differ from those in the Commission's 2023 MMF Reforms release because the OMB approved updated estimates of the burdens in the interim.

10. For large private equity fund advisers, we expect that for the initial report, of a total estimated burden of 252 hours, approximately 60 percent will most likely be performed by compliance professionals and approximately 40 percent will most likely be performed by programmers working on system configuration and reporting automation (that is approximately 151 hours for compliance professionals and 101 hours for programmers). Of the work performed by compliance professionals, we anticipate that it will be performed equally by a compliance manager at a cost of \$360 per hour and a senior risk management specialist at a cost of \$416 per hour. Of the work performed by programmers, we anticipate that it will be performed equally by a senior programmer at a cost of \$386 per hour and a programmer analyst at a cost of \$280 per hour. ((\$360 per hour x 0.5) + (\$416 per hour x 0.5)) x 151 hours = \$58,588. ((\$386 per hour x 0.5) + (\$280 per hour x 0.5)) x 101 hours = \$33,633. \$58,588 + \$33,633 = \$92,221.

Table 7: Annual Monetized Time Burden of Ongoing Annual and Quarterly Filings

Respondent[1]		Per Response[2]		Aggregate Number of Responses		Aggregate Monetized Time Burden
Smaller Private Fund Advisers	**Previously Approved**	\$4,815[3]	x	2,258 responses[4]	=	\$10,872,270
	No Change Required					
Large Hedge Fund Advisers	**Previously Approved**	\$48,150[5]	x	2,328 responses[6]	=	\$112,093,200
	No Change Required					
Large Liquidity Fund Advisers	**Proposed Estimate**	\$20,022[7]	x	88 responses[8]	=	\$1,761,936
	Requested	\$22,791[9]	X	80 responses[10]	=	\$1,823,280
	Previously Approved[11]	\$22,470	x	84 responses	=	\$1,887,480
	Change	\$321		(4) responses		(\$64,200)
Large Private Equity Fund Advisers	**Previously Approved**	\$41,730[12]	x	418 responses[13]	=	\$17,443,140
	No Change Required					

Notes:

1. We expect that the monetized time burden will be less costly for ongoing quarterly and annual reports than for initial reports, for the same reasons discussed in Table 4: Annual Hour Burden for Ongoing Annual and Quarterly Filings. Accordingly, we anticipate that senior personnel will bear less of the reporting burden than they would for the initial report.

2. For all types of respondents, we estimate that both annual and quarterly reports would be completed equally by (1) a compliance manager at a cost of $360 per hour, (2) a senior compliance examiner at a cost of $276, (3) a senior risk management specialist at a cost of $416 per hour, and (4) a risk management specialist at a cost of $232 an hour. ($360 x 0.25 = $90) + ($276 x 0.25 = $69) + ($416 x 0.25 = $104) + ($232 x 0.25 = $58) = $321. To calculate the cost per response for each respondent, we used the hours per response from Table 2: Annual Hour Burden Estimates for Quarterly Filings.

3. Cost per response for smaller private fund advisers: ($321 per hour x 15 hours per response = $4,815 per response.)

4. (2,258 smaller private fund advisers x 1 response annually = 2,258 aggregate responses.)

5. Cost per response for large hedge fund advisers: ($321 per hour x 150 hours per response = $48,150 per response.)

6. (582 large hedge fund advisers x 4 responses annually = 2,328 aggregate responses.)

7. For the proposed estimates, we estimated that quarterly reports would be completed equally by (1) a compliance manager at a cost of $316 per hour, (2) a senior compliance examiner at a cost of $243, (3) a senior risk management specialist at a cost of $365 per hour, and (4) a risk management specialist at a cost of $203 an hour. ($316 x 0.25 = $79) + ($243 x 0.25 = $60.75) + ($365 x 0.25 = $91.25) + ($203 x 0.25 = $50.75) = $281.75, rounded to $282 per hour. In the case of the proposed estimates, cost per response for large liquidity fund advisers: $282 per hour x 71 hours per response = $20,022 per response.

8. In the case of the proposed estimates, (22 large liquidity fund advisers x 4 responses annually = 88 aggregate responses.)

9. In the case of the final estimates, cost per response for large liquidity fund advisers: $321 per hour x 71 hours per response = $22,791 per response.

10. In the case of the requested values, 20 large liquidity fund advisers x 4 responses annually = 80 aggregate responses.

11. These figures differ from those in the Commission’s 2023 MMF Reforms release because the OMB approved updated estimates of the burdens in the interim.

12. Cost per response for large private equity fund advisers: ($321 per hour x 130 hours per response = $41,730 per response.)

13. (418 large private equity fund advisers x 1 response annually = 418 aggregate responses.)

Table 8: Annual Monetized Time Burden of Current Reporting and Private Equity Event Reporting

Respondent		Per Response		Aggregate Number of Responses[1]		Aggregate Monetized Time Burden
Smaller Private Fund Advisers	**Previously Approved**	$2,024[2]	x	20 responses	=	$40,480
	No Change Requested					
Large Hedge Fund Advisers	**Previously Approved**	$5,160[3]	x	60 responses	=	$309,600
	No Change Requested					
Large Private Equity Fund Advisers	**Previously Approved**	$2,024[2]	x	20 responses	=	$40,480
	No Change Requested					

Notes:

1. *See* Table 4: Annual Hour Burden Estimates for Current Reporting and Private Equity Event Reporting.

2. We estimate that the time costs for a legal professional to be approximately $560, which is a blended average of hourly rate for a deputy general counsel ($695) and compliance attorney ($425). We estimate that the time costs for a financial professional to be approximately $355, which is a blended average hourly rate for a senior risk management specialist ($416) and a financial reporting manager ($339). Of the total 5 hours that a private equity event report would take, we estimate that an adviser would spend on average 2.5 hours of legal professional time and 1.5 hours of financial professional time to prepare, review, and submit a private equity event report. (2.5 hours x $560 per hour for a legal professional = $1,400) + (1.5 hours x $416 per hour for a financial professional = $624) = $2,024.

3. We estimate that the time costs for a legal professional to be approximately $560, which is a blended average of hourly rate for a deputy general counsel ($695) and compliance attorney ($425). We estimate that the time costs for a financial professional to be approximately $355, which is a blended average hourly rate for a senior risk management specialist ($416) and a financial reporting manager ($339). Of the total 10 hours that a current report would take, we estimate that an adviser would spend on average 5.5 hours of legal professional time and 4.5 hours of financial professional time to prepare, review, and submit a current report. (5.5 hours x $560 per hour for a legal professional = $3,080) + (5 hours x $416 per hour for a financial professional = $2,080) = $5,160

Table 9: Annual Monetized Time Burden for Transition Filings, Final Filings, and Temporary Hardship Requests

Filing Type		Per Response		Aggregate Number of Responses[1]		Aggregate Monetized Time Burden
Transition Filing from Quarterly to Annual	**Previously Approved**	$20.50[2]	x	71 responses	=	$1,455.50
	No Change Requested					
Final Filings	**Previously Approved**	20.50[2]	x	422 responses	=	$8,651
	No Change Requested					
Temporary Hardship Requests	**Previously Approved**	$252.38[3]	x	4 responses	=	$1,009.52
	No Change Requested					

Notes:

1. *See* Table 5: Annual Hour Burden Estimates for Transition Filings, Final Filings, and Temporary Hardship Requests.
2. We estimate that each transition filing will take 0.25 hours and that a compliance clerk would perform this work at a cost of $82 an hour. (0.25 hours x $82 = $20.50.)
3. We estimate that each temporary hardship request will take 1 hour. We estimate that a compliance manager would perform five-eighths of the work at a cost of $360 and a general clerk would perform three-eighths of the work at a cost of $73. (1 hour x ((5/8 of an hour x $360 = $225) + (3/8 of an hour x $73 = $27.38)) = $252.38 per response.

13. Cost to Respondents

We estimate an aggregate annual estimated external cost burden of $1,610,228, which represents a decrease of $600 from the previously approved estimate of $1,610,828. See the tables below, which detail the annual external cost burden estimates for (1) initial filings as well as ongoing annual and quarterly filings and (2) current and event reporting. There are no filing fees for transition filings, final filings, or temporary hardship requests and we continue to estimate there would be no external costs for those filings, as previously approved.

Table 2: Annual External Cost Burden for Ongoing Annual and Quarterly Filings as well as Initial Filings

Respondent[1]		Number of Responses Per Respondent[2]		Filing Fee Per Filing[3]		Total Filing Fees	External Cost of Initial Filing[4]		External Cost of Initial Filing Amortized Over 3 Years[5]		Number of Initial Filings[6]		Aggregate External Cost of Initial Filing Amortized Over 3 Years	Total Aggregate External Cost
Smaller Private Fund Advisers	**Previously Approved**	1	x	$150	=	$150	Not Applicable							$392,400[7]
	No Changes Requested													
Large Hedge Fund Advisers	**Previously Approved**	4	x	$150	=	$600	$50,000	÷ 3 =	$16,667	x	16	=	$266,672	$625,472[8]
	No Change Requested													
Large Liquidity Fund Advisers	**Proposed Estimate**	4	x	$150	=	$600	$50,000	÷ 3 =	$16,667	x	1	=	$16,667	$30,467[9]
	Requested	4	x	$150	=	$600	$50,000	÷ 3 =	$16,667	x	1	=	$16,667	$29,267[10]
	Previously Approved	4	x	$150	=	$600	$50,000	÷ 3 =	$16,667	x	1	=	$16,667	$29,867[11]
	Change	0		$0		$0	$0				0		$0	($600)
Large Private Equity Fund Advisers	**Previously Approved**	1	x	$150	=	$150	$50,000	÷ 3 =	$16,667	x	17	=	$283,339	$348,589[12]
	No Change Requested													

Notes:

1. We estimate that advisers would incur the cost of filing fees for each filing. For initial filings, advisers may incur costs to modify existing systems or deploy new systems to support Form PF reporting, acquire or use hardware to perform computations, or otherwise process data required on Form PF.

2. Smaller private fund advisers and large private equity fund advisers file annually. Large hedge fund advisers and large liquidity fund advisers file quarterly.

3. The SEC established Form PF filing fees in a separate order. Since 2011, filing fees have been and continue to be $150 per annual filing and $150 per quarterly filing. *See* Order Approving Filing Fees for Exempt Reporting Advisers and Private Fund Advisers, Advisers Act Release No. 3305 (Oct. 24, 2011) [76 FR 67004 (Oct. 28, 2011)].

4. In the previous PRA submission for the rules, staff estimated that the external cost burden for initial filings would range from $0 to $50,000 per adviser. This range reflected the fact that the cost to any adviser may depend on how many funds or the types of funds it manages, the state of its existing systems, the complexity of its business, the frequency of Form PF filings, the deadlines for completion, and the amount of information the adviser must disclose on Form PF. Smaller private fund advisers would be unlikely to bear such costs because the information they must provide is limited and will, in many cases, already be maintained in the ordinary course of business. We continue to estimate that the same cost range would apply.

5. We amortize the external cost burden of initial filings over three years, as we do with other initial burdens in this PRA, because we believe that most of the burden would be incurred in the initial filing.

6. *See* Table 2: Annual Hour Burden Estimates for Initial Filings.

7. Private Funds Statistics show 2,616 smaller private fund advisers filed Form PF in a recent reporting period. (2,616 smaller private fund advisers x $150 total filing fees) = $392,400 aggregate cost.

8. Private Funds Statistics show 598 large hedge fund advisers filed Form PF in a recent reporting period. (598 large hedge fund advisers x $600 total filing fees) + $266,672 total external costs of initial filings, amortized over three years = $625,472 aggregate cost.

9. In the case of the proposed estimates, Private Funds Statistics show 23 large liquidity fund advisers filed Form PF in the fourth quarter of 2020. (23 large liquidity fund advisers x $600 total filing fees) + $16,667 total external costs of initial filings, amortized over three years = $30,467 aggregate cost.

10. In the case of the requested values, Private Funds Statistics show 21 large liquidity fund advisers filed Form PF in the third quarter of 2022. (21 large liquidity fund advisers x $600 total filing fees) + $16,667 total external costs of initial filings, amortized over three years = $29,267 aggregate cost.

11. The previously approved estimates reflected 22 large liquidity fund advisers. (22 large liquidity fund advisers x $600 total filing fees) + $16,667 total external costs of initial filings, amortized over three years = $29,867 aggregate cost.

12. Private Funds Statistics show 435 large private equity fund advisers filed Form PF in a recent reporting period. (435 large private equity fund advisers x $150 total filing fees) + $283,339 total external costs of initial filings, amortized over three years = $348,589 aggregate cost.

Table 11: Annual External Cost Burden for Current Reporting and Private Equity Event Reporting

Respondent[1]		Aggregate Number of Responses[2]		Cost of Outside Counsel Per Current Report or Private Equity Event Report		Aggregate Cost of Outside Counsel	One-time Cost of System Changes	Total Aggregate External Cost[3]
Smaller Private Fund Advisers	**Previously Approved**	20	x	$1,695[4]	=	$33,900	$15,000	$48,900
	No Change Requested							
Large Hedge Fund Advisers	**Previously Approved**	60	x	$1,695[4]	=	$101,700	$15,000	$116,700
	No Change Requested							
Large Private Equity Fund Advisers	**Previously Approved**	20	x	$1,695[4]	=	$33,900	$15,000	$48,900
	No Change Requested							
Advisers would pay filing fees, the amount of which would be determined in a separate action.								

Notes:

1. In a separate action, the SEC would approve filing fees that reflect the reasonable costs associated with current report and private equity event report filings and the establishment and maintenance of the filing system. (*See* 15 U.S.C. 80b-4(c).) We estimate that large hedge fund advisers and private equity fund advisers would incur costs of outside counsel for each current report or private equity event report, as applicable. We also estimate that large hedge fund advisers and private equity fund advisers may incur a one-time cost to modify existing systems or deploy new systems to support current reporting or private equity event reporting, as applicable, acquire or use hardware to perform computations, or otherwise process data to identify the reporting events set forth in section 5 or section 6, as applicable, because such reporting events are quantitative.

2. *See* Table 4: Annual Hour Burden Estimates for Current Reporting and Private Equity Event Reporting.

3. (Aggregate cost of outside counsel) + (one-time cost of system changes, as applicable) = total aggregate cost.

4. We estimate the cost for outside legal counsel is $565. This estimate reflects the hour burden for current reporting and private equity event reporting. (3 hours x $565 for outside legal services = $1,695.)

14. **Cost to the Federal Government**

There are no costs to the government directly attributable to Form PF.

15. **Change in Burden**

The aggregate annual estimate of 3,670 respondents represents a decrease of 1 respondent from the previously approved estimate of 3,671 respondents. The aggregate annual estimate of 5,886 responses represents a decrease of 21 responses from the previously approved estimate of 5,907 responses. The total annual hour burden of 451,011.50 hours represents a decrease of 0.5 hours from the previous burden hour estimate of 451,012 hours, which reflects that the burden for large liquidity fund advisers has increased under the amended reporting requirements while the number of large liquidity fund advisers has decreased. The aggregate annual estimated monetized time burden of $145,667,162.02 represents a decrease of $54,010.50 from the previously approved estimate of $145,721,172.52. The aggregate annual estimated external cost burden of $1,610,228 represents a decrease of $600 from the previously approved estimate of $1,610,828. The changes are due to the amendments and a decline in the number of large liquidity fund advisers.

16. **Information Collection Planned for Statistical Purposes**

Not applicable.

17. **Approval to Omit OMB Expiration Date**

We request authorization to omit the expiration date on the electronic version of Form PF, although the OMB control number will be displayed. Including the expiration date on the electronic version of this form will result in increased costs, because the need to make changes to the form may not follow the application's scheduled version release dates.

18. **Exceptions to Certification Statement for Paperwork Reduction Act Submission**

Not applicable.

B. **COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

Not applicable.