

Release Number 8294-20**CFTC and SEC Chairmen Sign Joint Letter Establishing Pilot Program Relating to “Bad Actor Disqualification” Provisions of Regulations A and D****October 23, 2020**

Washington, D.C. — The Commodity Futures Trading Commission today announced that, by a joint letter, Chairman Jay Clayton of the Securities and Exchange Commission and Chairman Heath P. Tarbert of the CFTC have established a one-year pilot program to set out and formalize the practice and agreement between the Chairmen relating to CFTC orders that implicate the “bad actor disqualification” provisions of Regulations A and D under the Securities Act of 1933 (SEC’s Disqualification Rules). The letter responds to a request by the CFTC Chairman to create such a pilot program.

At times with notice to the SEC and where appropriate, the CFTC has included in its orders, and may so include in the future, language advising the SEC that disqualification should not arise as a result of a particular CFTC final order. Through this letter, the Chairmen of the SEC and CFTC agree to use their reasonable efforts to formalize and memorialize the coordination of their respective staffs with respect to CFTC orders that implicate the SEC’s Disqualification Rules.

A copy of the letter is available [here](#).

-CFTC-