

March 2025

Improve the SEC Form D Regime

- *SEC Form D is a notice of exemption from the requirement under the Securities Act of 1933 that any issuance of a securities must be registered with the U.S. Securities and Exchange Commission (“SEC”).*
- *For far too long, Congress has failed to address glaring problems with SEC Form D notices. First, there are simply no tangible consequences when a company fails to file a SEC Form D. Second, the process for submitting Form Ds makes it difficult for investors and regulators alike to know if an offering is legitimate. Third, the information disclosed through SEC Form D is insufficient.*
- *None of the federal bills that would expand the SEC’s definition of an accredited investor should become law unless and until Congress makes meaningful improvements to the SEC Form D regime.*

Background on SEC Form D

In 1982, the SEC adopted SEC Regulation D and SEC Form D for issuers of unregistered private securities offerings. At the time, the SEC believed that Regulation D would facilitate capital formation, while protecting investors, by simplifying and clarifying the existing exemptions for private or limited offerings, expanding their availability, and providing more uniformity between state and federal exemptions.

Regulation D originated as an effort to assist small businesses. Today, the Regulation D market has grown well beyond the size and complexity envisioned by the SEC in the early 1980s. The Regulation D market has eclipsed the public offering markets and is growing. At least \$15 trillion of Regulation D securities were sold from 2009 through 2020 when approximately \$16.4 trillion of registered securities were sold. At least \$4.4 trillion of Regulation D securities were sold in 2021 and 2022, which was 13% more than the \$3.9 trillion proceeds from public offerings.¹

Mechanically, Form D notices are available on a public database maintained by the SEC called EDGAR. They include basic information regarding the securities issuer, the offering, the investors, and related fees. Further limiting the information available on Form D is the fact that the issuer may decline to disclose information in response to certain questions. They also include a disclaimer that the notice may contain inaccurate or incomplete information. In practice, regulators rarely have the resources to review these notices, except in connection to already-initiated enforcement actions.

Improvements to the SEC Form D Regime

In 2013, the SEC published proposed rules on several possible amendments to Regulation D under the Securities Act of 1933. The amendments were intended to enhance the SEC’s ability to evaluate the development of market practices in Rule 506 offerings and address concerns that may arise in connection with permitting issuers to engage in general solicitation and general advertising under certain conditions. Notably, the proposed amendments to Regulation D would have required the filings of (1) a Form D in Rule 506(c) offerings before the issuer engaged in general solicitation (a so-called “Advance Form D”), (2) an amendment to the Advance Form D with the remaining information required by Form D within 15 calendar

¹ See Craig McCann, Chuan Qin, Mike Yan, Securities and Exchange Commission, Investor Advisory Committee, [Regulation D: Issuers, Investors and Intermediaries](#) (Sept. 21, 2023).

days after the date of the first sale of securities in the Rule 506(c) offering, and (3) the filing of a closing amendment to the Form D after the termination of any Rule 506 offering.² In short, the SEC never acted on the proposed amendments that would have established an Advance Form D or required the filing of a closing amendment.

Rationale for Federal Legislation to Improve the SEC Form D Regime

State securities regulators are very aware that the present Regulation D market is dramatically different from the private placement market the SEC envisioned. Of note, incomplete, inaccurate, and/or misleading Regulation D disclosures are commonplace in today's market. State regulators routinely encounter disclosures that fail to include material information regarding the value and risks associated with the investment. In such an environment, accredited investors and, in some cases, nonaccredited investors face an uphill battle to determine whether an investment makes sense in their portfolio. The widespread use of sloppy or check-the-box disclosures in this marketplace also makes it more difficult for regulators and investors alike to spot the truly fraudulent offerings from the ones with inadequate disclosures.

As an illustrative example of the risks, FTX Trading Ltd. submitted Form D notices to the SEC after raising over \$1.4 billion in capital from dozens of investors. In these notices, the corporation only had to disclose basic information regarding it, the offering, the investors, and related fees.³ In the case of FTX, there is no doubt that stronger disclosure requirements in the private securities markets would have made it easier for regulators and other market watchers to spot or prevent the fraud and other misconduct earlier.

To address such problems, Congress should direct the SEC to require issuers under Regulation D to submit Form D pre-issuance and post-closing sales reports to the SEC. Advance Form Ds along the lines of the SEC's 2013 Advance Form D proposal updated to cover both Rule 506(b) and Rule 506(c) offerings would empower market participants and state and federal securities regulators to make informed decisions and prevent scams. Absent Advance Form Ds, businesses, investors, and regulators who learn of an offering have no easy way of knowing whether the issuer is engaged in a compliant offering or a scam. Separately but relatedly, requiring a closing filing would provide more complete information of the total amounts of capital raised in Regulation D offerings and the methods used to verify accredited investor status. Closing filings would provide more complete information about exempt offerings and a more accurate assessment of the overall size and quality of private markets.

Key Points

- *Congress can protect investors and help regulators by improving the processes for SEC Form D filings. Directing Advance Form Ds and post-closing sales reports are critical process improvements.*
- *Congress also can protect market participants by strengthening the information that issuers must provide pursuant to the form. Presently, investors, whether accredited or not, do not have a fighting chance of understanding the full nature and risks of the offering.*
- *Requiring private market issuers to provide pre-issuance and post-closing sales reports to the SEC will close the information gap that investors suffer in private markets.*

² See SEC, [Amendments to Regulation D, Form D, and Rule 156](#), SEC Rel. No. 33-9416 (July 10, 2013).

³ For reference, a copy of the Form D that Sam Bankman-Fried signed on behalf of FTX is attached as an appendix.

The Securities and Exchange Commission has not necessarily reviewed the information in this filing and has not determined if it is accurate and complete.
The reader should not assume that the information is accurate and complete.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM D

Notice of Exempt Offering of Securities

OMB APPROVAL

OMB Number: 3235-0076
Estimated average burden
hours per response: 4.00

1. Issuer's Identity

CIK (Filer ID Number)	Previous Names	<input checked="" type="checkbox"/> None	Entity Type
0001876386			<input checked="" type="checkbox"/> Corporation
Name of Issuer			<input type="checkbox"/> Limited Partnership
FTX Trading Ltd.			<input type="checkbox"/> Limited Liability Company
Jurisdiction of Incorporation/Organization			<input type="checkbox"/> General Partnership
ANTIGUA AND BARBUDA			<input type="checkbox"/> Business Trust
Year of Incorporation/Organization			<input type="checkbox"/> Other (Specify)
<input type="checkbox"/> Over Five Years Ago			
<input checked="" type="checkbox"/> Within Last Five Years (Specify Year) 2019			
<input type="checkbox"/> Yet to Be Formed			

2. Principal Place of Business and Contact Information

Name of Issuer			
FTX Trading Ltd.			
Street Address 1	Street Address 2		
No. 11 Mandolin Place	Friar's Hill Road		
City	State/Province/Country	ZIP/PostalCode	Phone Number of Issuer
Saint John's	ANTIGUA AND BARBUDA	00000	2069134300

3. Related Persons

Last Name	First Name	Middle Name
Bankman-Fried	Samuel	
Street Address 1	Street Address 2	
2000 Center Street, 4th Floor		
City	State/Province/Country	ZIP/PostalCode
Berkeley	CALIFORNIA	94704
Relationship: <input checked="" type="checkbox"/> Executive Officer <input checked="" type="checkbox"/> Director <input type="checkbox"/> Promoter		

Clarification of Response (if Necessary):

4. Industry Group

☐ Agriculture ☐ Health Care ☐ Retailing

Banking & Financial Services

- ☐ Commercial Banking
- ☐ Insurance
- ☐ Investing
- ☐ Investment Banking
- ☐ Pooled Investment Fund

Is the issuer registered as an investment company under the Investment Company Act of 1940?

☐ Yes ☐ No

☐ Other Banking & Financial Services

☐ Business Services

Energy

- ☐ Coal Mining
- ☐ Electric Utilities
- ☐ Energy Conservation
- ☐ Environmental Services
- ☐ Oil & Gas
- ☐ Other Energy

☐ Biotechnology

☐ Health Insurance

☐ Hospitals & Physicians

☐ Pharmaceuticals

☐ Other Health Care

☐ Manufacturing

Real Estate

☐ Commercial

☐ Construction

☐ REITS & Finance

☐ Residential

☐ Other Real Estate

☐ Restaurants

Technology

- ☐ Computers
- ☐ Telecommunications
- ☐ Other Technology

Travel

- ☐ Airlines & Airports
- ☐ Lodging & Conventions
- ☐ Tourism & Travel Services
- ☐ Other Travel

☒ Other

5. Issuer Size**Revenue Range**

OR

Aggregate Net Asset Value Range

- ☐ No Revenues
- ☐ \$1 - \$1,000,000
- ☐ \$1,000,001 - \$5,000,000
- ☐ \$5,000,001 - \$25,000,000
- ☐ \$25,000,001 - \$100,000,000
- ☐ Over \$100,000,000
- ☒ Decline to Disclose
- ☐ Not Applicable

- ☐ No Aggregate Net Asset Value
- ☐ \$1 - \$5,000,000
- ☐ \$5,000,001 - \$25,000,000
- ☐ \$25,000,001 - \$50,000,000
- ☐ \$50,000,001 - \$100,000,000
- ☐ Over \$100,000,000
- ☐ Decline to Disclose
- ☐ Not Applicable

6. Federal Exemption(s) and Exclusion(s) Claimed (select all that apply)

- ☐ Rule 504(b)(1) (not (i), (ii) or (iii))
- ☐ Rule 504 (b)(1)(i)
- ☐ Rule 504 (b)(1)(ii)
- ☐ Rule 504 (b)(1)(iii)
- ☒ Rule 506(b)
- ☐ Rule 506(c)

☐ Investment Company Act Section 3(c)

☐ Section 3(c)(1)

☐ Section 3(c)(2)

☐ Section 3(c)(3)

☐ Section 3(c)(4)

☐ Section 3(c)(9)

☐ Section 3(c)(10)

☐ Section 3(c)(11)

☐ Section 3(c)(12)

☐ Securities Act Section 4(a)(5) ☐ Section 3(c)(5) ☐ Section 3(c)(13)
☐ Section 3(c)(6) ☐ Section 3(c)(14)
☐ Section 3(c)(7)

7. Type of Filing

☒ New Notice Date of First Sale 2021-07-21 ☐ First Sale Yet to Occur
☐ Amendment

8. Duration of Offering

Does the Issuer intend this offering to last more than one year? ☐ Yes ☒ No

9. Type(s) of Securities Offered (select all that apply)

☒ Equity ☐ Pooled Investment Fund Interests
☐ Debt ☐ Tenant-in-Common Securities
☐ Option, Warrant or Other Right to Acquire Another Security ☐ Mineral Property Securities
☐ Security to be Acquired Upon Exercise of Option, Warrant or Other Right to Acquire Security ☐ Other (describe)

10. Business Combination Transaction

Is this offering being made in connection with a business combination transaction, such as a merger, acquisition or exchange offer? ☐ Yes ☒ No

Clarification of Response (if Necessary):

11. Minimum Investment

Minimum investment accepted from any outside investor \$0 USD

12. Sales Compensation

Recipient	Recipient CRD Number <input checked="" type="checkbox"/> None	
(Associated) Broker or Dealer <input checked="" type="checkbox"/> None	(Associated) Broker or Dealer CRD Number	<input checked="" type="checkbox"/> None
Street Address 1	Street Address 2	
City	State/Province/Country	ZIP/Postal Code
State(s) of Solicitation (select all that apply) Check "All States" or check individual States	<input type="checkbox"/> All States <input type="checkbox"/> Foreign/non-US	

13. Offering and Sales Amounts

Total Offering Amount \$1,000,000,000 USD or ☐ Indefinite
Total Amount Sold \$890,938,883 USD
Total Remaining to be Sold \$109,061,117 USD or ☐ Indefinite

Clarification of Response (if Necessary):

14. Investors

☐ Select if securities in the offering have been or may be sold to persons who do not qualify as accredited investors, and enter the number of such non-accredited investors who already have invested in the offering.

Regardless of whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors, enter the total number of investors who already have invested in the offering:

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15. Sales Commissions & Finder's Fees Expenses

Provide separately the amounts of sales commissions and finders fees expenses, if any. If the amount of an expenditure is not known, provide an estimate and check the box next to the amount.

Sales Commissions \$0 USD ☐ Estimate

Finders' Fees \$0 USD ☐ Estimate

Clarification of Response (if Necessary):

16. Use of Proceeds

Provide the amount of the gross proceeds of the offering that has been or is proposed to be used for payments to any of the persons required to be named as executive officers, directors or promoters in response to Item 3 above. If the amount is unknown, provide an estimate and check the box next to the amount.

\$0 USD ☐ Estimate

Clarification of Response (if Necessary):

Signature and Submission

Please verify the information you have entered and review the Terms of Submission below before signing and clicking SUBMIT below to file this notice.

Terms of Submission

In submitting this notice, each issuer named above is:

- Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish them, upon written request, in the accordance with applicable law, the information furnished to offerees.*
- Irrevocably appointing each of the Secretary of the SEC and, the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against the issuer in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these statutes, or (ii) the laws of the State in which the issuer maintains its principal place of business or any State in which this notice is filed.
- Certifying that, if the issuer is claiming a Regulation D exemption for the offering, the issuer is not disqualified from relying on Rule 504 or Rule 506 for one of the reasons stated in Rule 504(b)(3) or Rule 506(d).

Each Issuer identified above has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

For signature, type in the signer's name or other letters or characters adopted or authorized as the signer's signature.

Issuer	Signature	Name of Signer	Title	Date
FTX Trading Ltd.	/s/ Samuel Bankman-Fried	Samuel Bankman-Fried	CEO	2021-08-05

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

* This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 ("NSMIA") [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are "covered securities" for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA's preservation of their anti-fraud authority.