

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 90537 / December 1, 2020

WHISTLEBLOWER AWARD PROCEEDING  
File No. 2021-11

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In the Matter of the Claims for Award

in connection with

Redacted

Redacted

Redacted

Notice of Covered Action Redacted

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**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS**

The Claims Review Staff (“CRS”) issued Preliminary Determinations recommending that Redacted (“Claimant 1”) and Redacted (“Claimant 2”) (collectively “Claimants”) receive a whistleblower award jointly<sup>1</sup> in the amount of over \$6 million, which equals Redacted percent ( Redacted %) of the monetary sanctions collected, or to be collected, in Redacted

(collectively the

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<sup>1</sup> A joint award is appropriate as Claimants jointly submitted their tip and Forms WB-APP via the same counsel. *See* Securities Exchange Act of 1934 (“Exchange Act”) Section 21F(a)(6) (defining “whistleblower” to mean “2 or more individuals acting jointly who provide[] information relating to a violation of the securities laws to the Commission”). Our proceeding in this way has not impacted the net total award percentage to Claimants. Unless Claimants, within ten (10) calendar days of the issuance of this Order, make a joint request, in writing, for a different allocation of the award between the two of them, the Office of the Whistleblower is directed to pay each of them individually 50% of their joint award.

“Covered Action”<sup>2</sup> and <sup>Redacted</sup> percent ( <sup>\*\*\*</sup> %) of the monetary sanctions collected, or to be collected, in a related <sup>Redacted</sup> action, <sup>Redacted</sup> (the “Related Action”).<sup>3</sup> Claimants provided written notice of their decisions not to contest the Preliminary Determinations.

The recommendation of the CRS is adopted. The record demonstrates that Claimant 1 and Claimant 2 voluntarily provided the same original information to the Commission and to <sup>Redacted</sup> (the “Other Agency”), and that this information led to the successful enforcement of both the Covered Action and the Related Action.<sup>4</sup>

Applying the award criteria in Rule 21F-6 of the Exchange Act to the specific facts and circumstances here, we find the proposed award percentages for both the Covered Action and the Related Action are appropriate.<sup>5</sup> In reaching that determination, we considered that (i) Claimants submitted a joint whistleblower tip providing information that significantly contributed to the Commission’s investigation and led to an investigation initiated by the Other Agency; (ii) Claimants’ information led to <sup>Redacted</sup> actions related to a complex <sup>Redacted</sup> scheme involving multiple individuals and tens of millions of dollars in ill-gotten gains; and (iii) Claimants substantially assisted the Commission and the Other Agency by, among other things, submitting information and documents, participating in interviews, and identifying key individuals involved in the misconduct. Based on the facts and circumstances of this matter, we believe a <sup>\*\*\*</sup> % joint whistleblower award would recognize the significance of Claimants’ information and the high law enforcement interest involved in this matter.

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<sup>2</sup> For the purposes of making an award, we are treating <sup>Redacted</sup> as a single Covered Action as the proceedings arose out the same nucleus of operative facts. *See* Exchange Act Rule 21F-4(d)(1), 17 C.F.R. § 240.21F-4(d)(1).

<sup>3</sup> The Related Action constitutes a “related action” to the Covered Action within the meaning of Exchange Act Section 21F(a)(5), 15 U.S.C. § 78u-6(a)(5), and Rule 21F-3(b) promulgated thereunder, 17 C.F.R. § 240.21F-3(b), as a <sup>Redacted</sup> and is based on the same original information that the whistleblower voluntarily provided to the Commission, and that led the Commission to obtain monetary sanctions totaling more than \$1,000,000.

<sup>4</sup> *See* Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1); Exchange Act Rule 21F-3(a), 17 C.F.R. § 240.21F-3(a).

<sup>5</sup> In assessing the appropriate award amount, Exchange Act Rule 21F-6 provides that the Commission consider: (1) the significance of information provided to the Commission; (2) the assistance provided in the Commission action; (3) law enforcement interest in deterring violations by granting awards; (4) participation in internal compliance systems; (5) culpability; (6) unreasonable reporting delay; and (7) interference with internal compliance and reporting systems. 17 C.F.R. § 240.21F-6.

Finally, we find that the contributions made by Claimants to the Covered Action are similar to Claimants' contributions to the success of the Related Action, and, therefore, it is appropriate that Claimants receive the same award percentage for both actions.

Accordingly, it is hereby ORDERED that Claimants shall receive an award jointly of <sup>Redacted</sup> percent ( % ) of the monetary sanctions collected in the Covered Action, and <sup>Redacted</sup> percent ( % ) of the monetary sanctions collected in the Related Action, as well as any monetary sanctions collected in either action after the date of this Order.

By the Commission.

Vanessa A. Countryman  
Secretary