

FINAL ORDER - THIS PRELIMINARY DETERMINATION BECAME THE FINAL ORDER OF THE COMMISSION ON MARCH 9, 2014, PURSUANT TO RULE 21F-10(f) OF THE EXCHANGE ACT

Notice of Covered Action 2011-106, Securities and Exchange Commission v. Brad A. Morrice, et al., Civil Action No. SACV09-0426 JVS (C.D. Cal.)

Notice of Covered Action 2011-108, Securities and Exchange Commission v. Angelo Mozilo, David Sambol, and Eric Sieracki, Civil Action No. CV-09-03994 (C.D. Cal.)

PRELIMINARY DETERMINATION OF THE CLAIMS REVIEW STAFF

In response to the above-referenced Notices of Covered Action, the Securities and Exchange Commission (the “Commission”) received timely whistleblower award claims. Pursuant to Section 21F of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 21F-10 promulgated thereunder, the Claims Review Staff has evaluated the claims in accordance with the criteria set forth in Rules 21F-1 through 21F-17.

This is an unusual award application in that the Claimant does not contend that she at any point provided information directly to the Commission. Instead, Claimant’s award applications are based entirely on certain information that she claims she provided to the U.S. Department of Housing and Urban Development (“HUD”) and the Federal Bureau of Investigation (“FBI”) from 2008-2011. She contends that HUD and/or the FBI subsequently shared that information with the Commission (although she does not specify when HUD or the FBI purportedly did so) and that that the information was thereafter used by the Commission to “lead to” the success of the Covered Action.

The Claims Review Staff has recommended that the Commission deny an award to Claimant. The basis for this determination is as follows:

1. With respect to any information of the Claimant’s that HUD or the FBI may have provided to the Commission prior to July 21, 2010, that information would not be “original information” within the meaning of Section 21F(a)(1) of the Exchange Act and Rule 21F-4(b)(1)(iv) thereunder; and,
2. With respect to any information of the Claimant’s that HUD or the FBI may have provided to the Commission for the first time after July 21, 2010, that information would not have been provided to the Commission in writing by the Claimant as required by Rule 21F-9(d).

By: Claims Review Staff

Dated: January 8, 2014