

MEMORANDUM

To: File No. S7-33-10

From: Sarit Klein
Senior Counsel, Division of Enforcement

Date: January 28, 2011

Re: Proposed Rules for Implementing the Whistleblower Provisions
of Section 21F of the Securities Exchange Act of 1934

On January 6, 2011, Stephen Cohen, Senior Advisor to the Chairman; and Sarit Klein, Senior Counsel in the Division of Enforcement, met briefly with Sarah Teslik (Apache Corp.) and Jay Cohen (Assurant). The participants discussed the Commission's proposed rules implementing the whistleblower provisions of Section 21F of the Securities Exchange Act of 1934. Specifically, Ms. Teslik and Mr. Cohen wanted to address specific concerns about the importance of encouraging whistleblowers to provide information to internal compliance even if simultaneously with reporting to the SEC at the least. They also discussed the possibility for exceptions where the whistleblower reasonably believes they might be subject to retaliation, where there is not an appropriate internal compliance program, or where ongoing fraud or fraud at the highest levels of the company counsel against internal reporting.