

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 103281 / June 17, 2025

WHISTLEBLOWER AWARD PROCEEDING
File No. 2025-39

In the Matter of the Claim for an Award

in connection with

Redacted

Redacted

Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

The Office of the Whistleblower (“OWB”) issued a Preliminary Summary Disposition¹ recommending the denial of the whistleblower award application submitted by claimant Redacted (“Claimant”) in connection with the above-referenced covered action (“Covered Acton”). Claimant submitted a timely response contesting the preliminary denial. For the reasons discussed below, Claimant’s award claim is denied.

I. Background

A. The Covered Action

On Redacted, the Commission instituted settled cease-and desist proceedings against Redacted (“Company”) in the Covered Action, for violating the Redacted. According to the SEC’s Order, the Company Redacted in exchange for certain Redacted and Redacted that financially benefitted the Company. The Redacted took place against a Redacted, and the Redacted

¹ See Securities Exchange Act of 1934 (“Exchange Act”) Rule 21F-18, 17 C.F.R. § 240.21F-18.

Redacted in the Company's recordkeeping. Among other relief, the Commission ordered monetary sanctions exceeding \$1 million.

OWB posted a Notice of Covered Action on the Commission's public website inviting claimants to submit whistleblower award applications within 90 days. Claimant submitted a timely whistleblower award claim.

B. The Preliminary Summary Disposition

OWB issued a Preliminary Summary Disposition recommending that Claimant's claim be denied because Claimant's information did not lead to the success of the Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(3) and 21F-4(c) thereunder. Claimant's tip, submitted more than four years after the investigation was opened, was reviewed by Enforcement staff responsible for the Covered Action, but was duplicative of information already known to them. OWB also preliminarily recommended that Claimant's award claim be denied because it did not contain "original information," as required under Rule 21F-4(b), because the information was not new and was based exclusively on publicly available information without independent analysis.

C. Claimant's Response to the Preliminary Summary Disposition

Claimant submitted a timely written response contesting the Preliminary Summary Disposition. In contesting the Preliminary Summary Disposition, Claimant concedes that he/she submitted information in Redacted, which was more than four years after the investigation had been opened in Redacted, and the attachments he/she submitted were all publicly available documents. However, Claimant argues that a foreign court issued a judicial decision in a foreign language in Redacted, which was made public on Redacted. Claimant also annexed this judicial decision and what seemed to be English translations from an online program of other open-source materials to the tip he/she submitted to the Commission in Redacted. Claimant supposes that the Commission did not have access to the information contained in this judicial decision until it became public and Claimant provided it to the Commission, and that the judicial decision significantly contributed to the success of the Covered Action. Claimant also states that the declaration from the Enforcement staff supporting the recommended denial was provided by only one member of the Enforcement investigative team.

II. Analysis

To qualify for a whistleblower award under Section 21F of the Exchange Act, an individual must voluntarily provide the Commission with original information that leads to the

successful enforcement of a covered action.² Under Rules 21F-4(c)(1) and (2), respectively, the Commission will consider a claimant to have provided original information that led to the successful enforcement of a covered action if either: (1) the original information caused the staff to open an investigation “or to inquire concerning different conduct as part of a current . . . investigation” and the Commission brought a successful action based in whole or in part on conduct that was the subject of the original information;³ or (2) the conduct was already under examination or investigation, and the original information “significantly contributed to the success of the action.”⁴

Claimant’s information does not satisfy the “led to” requirement under Rule 21F-4(c)(1) as he/she submitted a tip to the Commission more than four years after the investigation had been opened. Claimant also did not provide information to the Commission that caused Enforcement staff to inquire into different conduct, as required under Rule 21F-4(c)(1), or that “significantly contributed” to the success of the Covered Action, as required under Rule 21F-4(c)(2). According to an initial declaration provided by the Enforcement staff responsible for the Covered Action investigation (“Initial Declaration”), as well as a supplemental declaration provided in response to the Claimant’s request for reconsideration (“Supplemental Declaration”), both of which we credit, Enforcement staff received Claimant’s tip in ^{Redacted}, more than four years after the opening of the investigation. In addition, none of the information contained in the tip or the attachments thereto was used in or advanced the investigation. By the time Enforcement staff received Claimant’s tip, staff had conducted substantial investigative work, and the information provided by Claimant was already known to the staff. After receiving the tip, staff did not communicate with the Claimant.

Turning to Claimant’s arguments in his/her response, Enforcement staff confirmed in the Supplemental Declaration that they were already aware of the contents of the foreign court’s judicial decision prior to Claimant providing it to the Commission in ^{Redacted}. As such, Claimant’s tip and attachments thereto did not have any impact on the Covered Action investigation or the Covered Action.

² Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1).

³ See Exchange Act Rule 21F-4(c)(1); 17 C.F.R. § 240.21F-4(c)(1).

⁴ See Exchange Act Rule 21F-4(c)(2), 17 C.F.R. § 240.21F-4(c)(2). In determining whether the information “significantly contributed” to the success of the action, the Commission will consider whether the information was “meaningful” in that it “made a substantial and important contribution” to the success of the covered action. For example, the Commission will consider a claimant’s information to have significantly contributed to the success of an enforcement action if it allowed the Commission to bring the action in significantly less time or with significantly fewer resources, or to bring additional successful claims or successful claims against additional individuals or entities. *Order Determining Whistleblower Award Claims*, Exchange Act Rel. No. 90922 (Jan. 14, 2021) at 4; see also *Order Determining Whistleblower Award Claims*, Exchange Act Rel. No. 85412 (Mar. 26, 2019) at 9 (same).

Additionally, to be eligible for an award, a claimant must provide “original information,” which is defined as information that is “derived from your independent knowledge or independent analysis,” “not already known to the Commission,” “not exclusively derived from an allegation made in a judicial or administrative hearing,” and submitted for the first time after July 21, 2010.⁵ “Independent knowledge,” means “factual information in [one’s] possession that is not derived from publicly available sources.”⁶ “Independent analysis” means “your examination and evaluation of information that may be publicly available, but which reveals information that is not generally known or available to the public.”⁷ According to the Enforcement staff responsible for the Covered Action, the staff was already aware of Claimant’s information, and the attachments to his/her tip consisted of a publicly available court document and online translations of other public materials. In his/her response, Claimant admits that the ^{Redacted} judicial decision by the foreign court became publicly available on ^{Redacted}. A publicly available judicial decision from a foreign court and online translation of other public materials does not alone qualify as “original information.”

We therefore conclude that Claimant is not eligible for an award because he/she did not provide “original information” that “led to” the success of the Covered Action.⁸

⁵ Exchange Act Rule 21F-4(b)(1).

⁶ Exchange Act Rule 21F-4(b)(2).

⁷ Exchange Act Rule 21F-4(b)(3). To qualify as “independent analysis,” a whistleblower’s submission must provide evaluation, assessment, or insight beyond what would be reasonably apparent to the Commission from publicly available information. Adopting Release for Amendments to Whistleblower Program Rules, Release No. 34-89963 (Sept. 23, 2020) (“Adopting Release for 2020 Rule Amendments”) at 112. To be credited with providing “independent analysis,” the whistleblower’s examination and evaluation should contribute significant independent information that “bridges the gap” between the publicly available information and the possible securities violations. *Id.* “In each case, the touchstone is whether the whistleblower’s submission is revelatory in utilizing publicly available information in a way that goes beyond the information itself and affords the Commission with important insights or information about possible violations.” *Id.*

⁸ Claimant states that the Initial Declaration from the Enforcement staff was provided by only one member of the Enforcement investigative team. However, the Initial Declaration states that the declarant learned of the information based not only on his/her own personal knowledge as one of the primary Enforcement staff assigned to the Covered Action but also through information provided by other Commission staff. Moreover, the Supplemental Declaration further clarifies that the Enforcement declarant communicated with the other members of the Enforcement investigative team in preparing the Initial and Supplemental Declarations. Both declarations reflect the investigative team’s recollections.

III. Conclusion

Accordingly, it is hereby ORDERED that the whistleblower award application of Claimant for the Covered Action be, and it hereby is, denied.

By the Commission.

Vanessa A. Countryman
Secretary