

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION
SECURITIES EXCHANGE ACT OF 1934
Release No. 74404 / March 2, 2015
WHISTLEBLOWER AWARD PROCEEDING
File No. 2015-1

In the Matter of the Claim for Award

in connection with

Redacted
Redacted
Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

On December 15, 2014, the Claims Review Staff issued a Preliminary Determination related to Notice of Covered Action Redacted (the “Covered Action”). The Preliminary Determination recommended that Redacted (“Claimant”) receive a whistleblower award because Claimant voluntarily provided original information to the Commission that led to the successful enforcement of the Covered Action pursuant to Section 21F(b)(1) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. § 78u-6(b)(1), and Rule 21F-3(a) thereunder, 17 C.F.R. § 240.21F-3(a).¹

¹ Claimant was Redacted at the time Claimant obtained the information. As a result, in preliminarily determining that Claimant had provided original information, the Claims Review Staff considered whether Claimant’s information was derived from Claimant’s independent knowledge or independent analysis. Under Rule 21F-4(b)(1), “[i]n order for [a] whistleblower submission to be considered original information, it must,” among other requirements, be “[d]erived from [the whistleblower’s] independent knowledge or independent analysis.” 17 C.F.R. § 240.21F-4(b)(1). In turn, Rule 21F-4(b)(4)(iii)(A) provides that, unless an exception applies, “[t]he Commission will not consider information to be derived from [a whistleblower’s] independent knowledge or independent analysis” if the whistleblower “obtained the information because” the whistleblower was “[a]n officer, director, trustee, or partner of an entity and another person informed you of allegations of misconduct, or you learned the information in connection with the entity’s processes for identifying, reporting, and addressing possible violations of law[.]” 17 C.F.R. § 240.21F-4(b)(4)(iii)(A). But the Claims Review Staff preliminarily determined that Rule 21F-4(b)(4)(iii)(A) did not apply here to disqualify Claimant’s information from treatment as original information pursuant to the exception in Rule 21F-4(b)(4)(v)(C), 17 C.F.R. § 240.21F-4(b)(4)(v)(C), because Claimant reported the information to other responsible persons at the entity, as provided for under our rules, or such persons knew about it, at least 120 days before Claimant reported the information to the Commission.

Further, the Claims Review Staff recommended that such award be set in the amount of Redacted of the monetary sanctions collected or to be collected in the Covered Action, which will be between \$475,000 and \$575,000. In arriving at this recommendation, the Claims Review Staff considered the factors set forth in Rule 21F-6, 17 C.F.R. § 240.21F-6, in relation to the facts and circumstances of Claimant's application.

On December 16, 2014, Claimant provided written notice to the Commission of Claimant's decision not to contest the Preliminary Determination within the 60-day deadline set out in Rule 21F-10(e) promulgated under the Exchange Act, 17 C.F.R. § 240.21F-10(e). Accordingly, pursuant to Rule 21F-10(f), 17 C.F.R. § 240.21F-10(f), the Preliminary Determination became the Proposed Final Determination of the Claims Review Staff.

Upon due consideration under Rules 21F-10(f) and (h), 17 C.F.R. § 240.21F-10(f) and (h), and for the reasons set forth in the Preliminary Determination, it is hereby ORDERED that Claimant shall receive Redacted of the monetary sanctions collected in this Covered Action.

By the Commission.

Brent J. Fields
Secretary