

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 91225 / March 1, 2021

WHISTLEBLOWER AWARD PROCEEDING
File No. 2021-31

In the Matter of the Claim for an Award

in connection with

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Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS

The Claims Review Staff (“CRS”) issued Preliminary Determinations recommending that Redacted (“Claimant 1”) and Redacted (“Claimant 2”) (collectively “Claimants”) each receive a whistleblower award in the amount of ^{***} percent (^{***} %) of the monetary sanctions collected and to be collected in Redacted Redacted Redacted Redacted Redacted (collectively, the “Covered Action”)¹ and in a related Redacted action,

¹ For the purposes of making an award, we determined to treat the judicial and administrative actions in this matter as a single Covered Action because they arose out the same nucleus of operative facts. See Securities Exchange Act of 1934 Rule 21F-4(d)(1), 17 C.F.R. § 240.21F-4(d)(1).

Redacted (the “Related Action”),² which will presently result in an aggregate award of over \$500,000.³ 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 each voluntarily provided original information to the Commission and to the Redacted (the “Other Agency”), and that each Claimant’s original information led to the successful enforcement of both the Covered Action and the Related Action.⁴

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² The disgorgement and prejudgment interest ordered to be paid in the Redacted was "deemed satisfied" by the order of Redacted Redacted related Redacted action. Redacted

Redacted Only amounts actually obtained from the defendant in satisfaction of the defendant’s obligation in the Redacted action, and not the entire amount ordered, are included in the Commission’s calculation of any award payments. *See Order Determining Whistleblower Award Claim*, Release No. 34-72301, at n.1 (June 3, 2014) (providing for the payment of an award when monetary sanctions ordered in a Covered Action are deemed satisfied by payment of an amount in an action by another governmental authority). Further, amounts collected from the defendant in the Redacted action will not be double counted for purposes of calculating any award payment. *See Order Determining Whistleblower Award Claim*, Release No. 34-77530, at n. 2 (April 5, 2016) (providing that monetary sanctions collected in the Covered Action or in the related criminal action that are either deemed to satisfy or are in fact used to satisfy any payment obligations of the defendants in the other action shall not be double counted for purposes of paying an award); *See also Order Determining Whistleblower Award Claim*, Release No. 34-88015 (January 22, 2020) (same).

³ The Redacted action constitutes a “related action” to the Covered Action within the meaning of Section 21F(a)(5) of the Exchange Act, 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 Redacted action that was brought by Redacted 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.

⁴ *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).

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In reaching this determination, we considered that (1) the Claimants' tips both caused the swift opening of the Commission's and the Other Agency's investigations and were the underlying source that formed the basis for the Covered Action and Related Action; (2) both Claimants provided substantial, ongoing assistance that focused the investigation and conserved significant Commission and Other Agency time and resources; and (3) there was substantial law enforcement interest in the information provided, as it related to detecting an ongoing fraud involving ^{Redacted} .

Further, we find that an equal split of the award is appropriate based on similar contributions Claimant 1 and Claimant 2 made to the Covered Action and the Related Action.

Accordingly, it is hereby ORDERED that Claimant 1 and Claimant 2 shall each receive an award of ^{***} percent (^{***} %) of the monetary sanctions collected in the Covered Action, and ^{***} 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

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