

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 105185 / April 9, 2026

WHISTLEBLOWER AWARD PROCEEDING  
File No. 2026-15

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In the Matter of the Claim for an Award  
in connection with  
Notice of Covered Action <sup>Redacted</sup>  
Redacted

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**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM**

On April 29, 2025, the Claims Review Staff (“CRS”) issued Preliminary Determinations recommending the denial of the whistleblower award claims submitted by <sup>Redacted</sup> (“Claimant 1”) and <sup>Redacted</sup> (“Claimant 2”) in connection with the above-referenced covered action (the “Covered Action”). Claimant 1 and Claimant 2 filed timely responses contesting the preliminary determinations. For the reasons discussed below, both Claimant 1’s and Claimant 2’s award claims are denied.

**I. BACKGROUND**

**A. The Covered Action**

On <sup>Redacted</sup>, the Commission filed an enforcement action in the United States District Court for the <sup>Redacted</sup> (“the Company”) and <sup>Redacted</sup> (“the Individual”). According to the complaint, <sup>Redacted</sup> the Company

<sup>Redacted</sup> . The Individual <sup>Redacted</sup>  
<sup>Redacted</sup> . By <sup>Redacted</sup>, an entity that <sup>Redacted</sup>  
<sup>Redacted</sup>

Redacted

Redacted

Instead, the Company

Redacted

Redacted

. The Commission filed

Redacted

Redacted

. The court entered a qualifying judgment

Redacted

under the Whistleblower Rules against the Company and the Individual on

On Redacted, OWB posted the Notice for the Covered Action on the Commission’s public website inviting claimants to submit whistleblower award applications within 90 days, with a posted Claims Due Date of Redacted. Claimant 2 timely filed a whistleblower award claim on Redacted. Claimant 1 filed a WB-APP on Redacted, three months after the deadline.<sup>1</sup>

**B. The Preliminary Determinations**

On April 29, 2025, the Claims Review Staff (“CRS”) issued Preliminary Determinations recommending denials of the award claims submitted by Claimants 1 and 2. In particular, Claimant 1’s claim was submitted after the deadline to be considered for an award, and so Claimant 1 was deemed ineligible for an award.<sup>2</sup>

The CRS recommended denying Claimant 2 because his/her information did not lead to the success of the Covered Action. The investigation that gave rise to the Covered Action (“the Investigation”) was opened because of information provided by another tipster, and not because of any information Claimant 2 provided. Further, Claimant 2’s information did not significantly contribute to the success of an already open investigation or cause staff to inquire into different conduct. Claimant 2 provided his/her information almost a year after the Investigation was opened. Claimant 2 was not an investor and did not have any first-hand knowledge of the misconduct. Claimant 2’s information appeared to be based on public sources, and did not advance the Investigation in any way. Therefore, Claimant 2 did not provide information that led to the successful enforcement of the Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and the Rules 21F-3(a)(3) and 21F-4(c) thereunder because the information provided did not: (1) cause the Commission to (i) commence an examination, (ii) open or reopen an investigation, or (iii) inquire into different conduct as part of a current Commission examination or investigation under Rule 21F-4(c)(1) of the Exchange Act, or (2) significantly contribute to the success of a Commission judicial or administrative enforcement action under Rule 21F-4(c)(2) of the Exchange Act.

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<sup>1</sup> Claimant 1 also filed a TCR on Redacted, summarizing his/her contributions to the Covered Action and requesting whistleblower status.

<sup>2</sup> See Exchange Act Rule (hereafter “Rule”) 21F-10(b)(1), 17 C.F.R. § 240.21F-10(b)(1).

### **C. Claimant 1’s Response to the Preliminary Determination**

Claimant 1 timely submitted a response contesting the Preliminary Determination.<sup>3</sup> Claimant 1 argues on reconsideration that he/she was unaware of the requirement to submit a timely Form WB-APP, and that he/she should receive a waiver of this requirement under Section 36(a) of the Exchange Act.

### **D. Claimant 2’s Response to the Preliminary Determination**

Claimant 2 timely submitted a response contesting the Preliminary Determination.<sup>4</sup> Claimant 2 argues on reconsideration that the Commission’s <sup>Redacted</sup> alleged and relied on his/her reporting and information submitted in his/her TCRs, that he/she provided independent analysis that “untangled” the Individual’s misconduct, and that an investigator from a state securities regulator who was working with Commission staff called Claimant 2 and told him/her that he planned to share certain information from Claimant 2 with the Commission.

## **II. ANALYSIS**

### **A. Claimant 1 is Not Eligible for an Award**

Claimant 1 is not eligible for an award because he/she did not submit a Form WB-APP within 90 days of the posting of the Notice of Covered Action. In his/her request for reconsideration, Claimant 1 seeks an exemption under Section 36(a) of the Exchange Act, which provides that the Commission may exempt any person from any provision of any rule to the extent that such exemption is necessary or appropriate in the public interest and is consistent with the protection of investors. Claimant 1 argues that if he/she had been aware of the requirements, he/she would have submitted a Form WB-APP. Further, Claimant 1 alleges that his/her information was the “cause for opening the investigation,” that his/her information protected investors and the public interest, and asks if he/she may receive an award on equitable grounds given his/her contributions.

Non-compliance with the 90-day deadline for WB-APP submissions should not be waived except in rare and unique situations, and Claimant has not shown such circumstances here.<sup>5</sup> Claimant 1 has not introduced any novel or significant information in his/her request for reconsideration suggesting circumstances that would warrant such a waiver. He/she did not initially elect whistleblower status and provided information directly to Enforcement staff.

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<sup>3</sup> See Rule 21F-10(e), 17 C.F.R. § 240.21F-10(e).

<sup>4</sup> See Rule 21F-10(e), 17 C.F.R. § 240.21F-10(e).

<sup>5</sup> *Order Determining Whistleblower Award*, Exch. Act Release No. 97202 (Mar. 27, 2023), *pet. for rehearing denied*, No. 23-60216 (5th Cir. Oct. 29, 2024).

Claimant contends that \*\*\* had extensive contacts with Enforcement staff early in the Investigation, but it remains the Claimant’s responsibility to be aware of and comply with the whistleblower rules.

For these reasons, Claimant 1 is not entitled to an award.<sup>6</sup>

**B. Claimant 2’s Information Did Not Contribute to the Commission’s Investigation**

To qualify for an award under Section 21F of the Exchange Act, a whistleblower must voluntarily provide the Commission with original information that leads to the successful enforcement of a covered action.<sup>7</sup> As relevant here, under Exchange Act 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: (i) 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;<sup>8</sup> or (ii) the conduct was already under examination or investigation, and the original information “significantly contributed to the success of the action.”<sup>9</sup>

In determining whether 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.<sup>10</sup> 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.<sup>11</sup>

Claimant 2 does not qualify for a whistleblower award in the Covered Action because his/her information did not lead to the successful enforcement of the Covered Action. Claimant

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<sup>6</sup> Nor is Claimant 1 entitled to exemptive relief under Rule 21F-8 because he/she has not shown “extraordinary circumstances” that would justify such relief here.

<sup>7</sup> Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1).

<sup>8</sup> See Rule 21F-4(c)(1), 17 C.F.R. § 240.21F-4(c)(1).

<sup>9</sup> See Rule 21F-4(c)(2), 17 C.F.R. § 240.21F-4(c)(2).

<sup>10</sup> *Order Determining Whistleblower Award Claims*, Exch. Act Release No. 90922 (Jan. 14, 2021) at 4; see also *Order Determining Whistleblower Award Claims*, Exch. Act Release No. 85412 (Mar. 26, 2019) at 9.

<sup>11</sup> Exchange Act Release No. 85412 at 8-9.

2's information did not cause staff to open the Investigation, nor did it cause the staff to inquire into different conduct or significantly contribute to the ongoing investigation.

The record demonstrates that the Investigation was opened in [Redacted] because of a tip submitted by another person. Claimant 2 submitted his/her TCR to the Commission in [Redacted] [Redacted], 10 months after staff opened the investigation. In his/her request for reconsideration, Claimant 2 acknowledges that another entity may have triggered the Investigation, but alleges that his/her information strengthened the Commission's case, and therefore "significantly contributed to the success of the action," entitling Claimant 2 to an award.

Specifically, Claimant 2 argues that the [Redacted] [Redacted]. Claimant 2 argues that because the [Redacted] [Redacted], his/her information necessarily must have significantly contributed to the Commission's action. However, the record demonstrates that Claimant 2's TCR was based on publicly available information and did not add to the substantive investigative record the Commission had already developed. Another entity [Redacted]

[Redacted] [Redacted]. In response, the Company [Redacted] [Redacted]. Commission staff had already obtained documents demonstrating that [Redacted] [Redacted] by the time Claimant 2 had submitted his/her TCR. Claimant 2's TCR did not contain any information about the Company's fraud that the Commission did not already possess.

In the Commission's [Redacted] [Redacted] to include, among other things, additional events that occurred during the timeline of the Company's violations. This included a section detailing how the Company [Redacted] [Redacted]

[Redacted] [Redacted]. However, the Company's [Redacted] [Redacted]. Claimant 2's submission of information was not helpful to the Investigation. The Company's [Redacted] [Redacted] was relevant to the facts in the [Redacted] [Redacted], as it demonstrated the Company's ongoing efforts to hide its fraudulent activity.

Claimant 2's submission of information did not contribute to the substantive investigative record the Commission had already developed at the time of Claimant 2's TCR submission. Claimant 2 further alleges that an investigator at another regulator who was working with the SEC contacted him/her, and Claimant 2 in turn shared the [Redacted] [Redacted]. Claimant 2 appears to allege that being contacted by the other regulator serves as

evidence of his/her contributions to the Commission's enforcement action. Nothing in the record suggests that any of Claimant 2's information was helpful to the Commission's Investigation.

For these reasons, Claimant 2 is not entitled to an award.

**III. Conclusion**

Accordingly, it is hereby ORDERED that the whistleblower award applications of Claimants 1 and 2 in connection with the Covered Action be, and it hereby are, denied.

By the Commission.

Vanessa A. Countryman  
Secretary