Notice of Covered Action: [redacted]

PRELIMINARY DETERMINATION OF THE CLAIMS REVIEW STAFF

In response to the above-referenced Notice of Covered Action, the U.S. Securities and Exchange Commission received whistleblower award claims from [redacted] ("Claimant 1"), [redacted] ("Claimant 2"), and [redacted] (collectively, "Claimants") for the above-referenced matter. Pursuant to Section 21F of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 21F-10 promulgated thereunder, the Claims Review Staff has evaluated the above claims in accordance with the criteria set forth in Rules 21F-1 through 21F-17.

The Claims Review Staff has preliminarily determined to recommend that the Commission deny the above award claims.[1] The basis for this determination is marked below as follows:

☒ **Claimants 1, 2, [redacted] did not provide information that led to the successful enforcement of the above-referenced Covered Actions within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(3) and 21F-4(c) thereunder because any information provided did not, under Rule 21F-4(c)(1) of the Exchange Act: (1) cause the Commission to (a) commence an examination, open or reopen an investigation, or inquire into different conduct as part of a current Commission examination or investigation, and (b) thereafter bring an action based, in whole or in part, on conduct that was the subject of claimants' information; 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.**[2]

☐ Claimant is not considered a "whistleblower" under Exchange Act Rule 21F-2(a)(1) with respect to the Covered Action. To qualify as a whistleblower, an

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[1] To the extent Claimants have applied for an award in a related action, because Claimants are not eligible for an award in an SEC Covered Action, they are not eligible for an award in connection with any related action. See 15 U.S.C. § 78u-6(b); Exchange Act Rule 21F-3(b), (b)(1); Rule 21F-4(g) and (f); Rule 21F-11(a); see also Order Determining Whistleblower Award Claim, Release No. 34-86902 (Sept. 9, 2019).

[2] **The investigation was opened in [redacted] based on a source other than Claimants, and prior to receiving any tips from the Claimants. None of the information provided by Claimants 1, 2, [redacted] was used in or contributed to the success of the Covered Action. While Enforcement staff responsible for the Covered Action received Claimants' information and communicated with them, staff was not able to substantiate those allegations and/or their allegations did not become part of the Commission's charges in the Covered Action.**

individual must (among other things) provide information regarding a potential securities law violation to the Commission in the form and manner that is required by Exchange Act Rule 21F-9(a), which Claimant did not do.

☒ **Claimant 1 failed to submit the claim for award to the Office of the Whistleblower within ninety (90) days of the date of the above-referenced Notice for the Covered Action, as required under Rule 21F-10(b) of the Exchange Act.**[3]

☐ Claimant's whistleblower submission(s), upon which Claimant bases the claim for an award, was not made voluntarily as required by Exchange Act Section 21F and Rules 21F-3 and 21F-4(a)(1) because Claimant made the submission(s) after a request, inquiry, or demand that relates to same subject matter as the submission(s) was directed to Claimant or anyone representing Claimant (such as an attorney) by (i) the Commission, (ii) another regulatory
or law enforcement agency or self-regulatory organization (such as FINRA), or (iii) Congress or any other authority of the federal government.

☐ Claimant did not provide "original information" that led to the successful enforcement of the above-referenced Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(2) and 21F-4(b) thereunder because the information was not derived from Claimant's: (1) "independent knowledge," as defined under Rule 21F-4(b)(2), but instead was derived entirely from "publicly available sources;" or (2) "independent analysis," as defined under Rule 21F-4(b)(3), because the information did not include an examination and evaluation of information that "reveals information that is not generally known or available to the public."

☐ Claimant did not provide "original information" that led to the successful enforcement of the above-referenced Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(2) and 21F-4(b) thereunder because the information provided by Claimant was already known to the Commission.

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[3] *See* Order Determining Whistleblower Award Claim, Release No. 34-77368 (Mar. 14, 2016), *pet. for rev. denied sub nom. Cerny v. SEC*, 708 F. App'x 29 (2d Cir. Sept. 7, 2017), *cert. denied*, 138 S.Ct. 2005 (2018). The deadline to file award claims for the Covered Action was [redacted]. Claimant 1's award application was dated [redacted].

Notice of Covered Action: [redacted]

☐ Claimant did not provide "original information" that led to the successful enforcement of the above-referenced Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(2) and 21F-4(b) thereunder because the information was not provided to the Commission for the first time after July 21, 2010 (the date of enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act).[4]

By: Claims Review Staff
Date: April 23, 2020

[4] *See Stryker v. SEC*, 780 F.3d 163 (2d Cir. 2015).