

**FINAL ORDER – THIS PRELIMINARY DETERMINATION BECAME THE FINAL ORDER OF
THE COMMISSION ON FEBRUARY 17, 2025 PURSUANT TO RULE 21F-10(f) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Notice of Covered Action: [REDACTED]

OWB Reference No. 02172025

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 a whistleblower award claim from [REDACTED] (“Claimant”) 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 claim in accordance with the criteria set forth in Rules 21F-1 through 21F-18.

The Claims Review Staff has preliminarily determined to recommend that the Commission deny the above award claim. To be eligible for an award, a claimant must submit “original information,” meaning that the information is derived from the claimant’s “independent knowledge” or “independent analysis.”¹ Information will not be considered “independent knowledge” or “independent analysis” if the claimant “obtained the information in connection with the legal representation of a client on whose behalf [claimant] or [claimant’s] employer or firm are providing services, and [claimant] seek[s] to use the information to make a whistleblower submission for [his] own benefit, unless disclosure would otherwise be permitted by an attorney pursuant to § 205.3(d)(2) of this chapter, the applicable state attorney conduct rules, or otherwise.”² According to the Commission’s 2011 adopting release, this rule applies to both attorneys and non-attorneys.³

While Claimant represented to Enforcement staff that he/she was not an attorney and conducted general administration and management work for [REDACTED] (the “Entity”), the record also includes Claimant’s representations that he/she led the legal department, was the legal manager of the Entity, and was a prominent lawyer, which the CRS credits because of the detailed written explanations Claimant provided to the staff regarding his/her role at the Entity. Claimant also represented that his/her duties consisted of responding to investor complaints, including by working with investors or law enforcement to dismiss or resolve those complaints, and [REDACTED] was able to solve cases because of the knowledge [REDACTED] had in the law. As such, the record supports the conclusion that Claimant learned the information that he/or she provided to the Commission in connection with his/her duties at the Entity and that Claimant obtained the information he/she provided to the Commission in connection with the legal representation of a client. Furthermore, Claimant does not establish that disclosure of information was permitted under an applicable exception laid out in Rule 21F-4(b)(4)(ii).

The CRS has also preliminarily determined to recommend that the Commission deny an

¹ Exchange Act Rule 21F-4(b)(1)(i).

² Exchange Act Rule 21F-4(b)(4)(ii).

³ “Implementation of the Whistleblower Provisions of Section 21F of the Securities Exchange Act of 1934,” 17 CFR Parts 240 and 249 [Release No. 34-64545; File No. S7-33-10], at p. 59, *available at* <https://www.sec.gov/files/rules/final/2011/34-64545.pdf> (“[W]e have modified the language [of the proposed rules] to clarify that both exclusions [in Rules 21F-4(b)(4)(i) and (ii)] apply to non-attorneys.”).

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award to Claimant because he/she is ineligible under Exchange Act Rule 21F-2 which provides that a claimant must comply with the procedures set forth in Exchange Act Rule 21F-9 when providing information relating to a possible violation of the federal securities laws. While we recognize that Claimant submitted information to Enforcement staff in telephonic interviews and email exchanges, Claimant did not submit the information by mailing or faxing a Form TCR to the Office of the Whistleblower or through the Commission's online system in accordance with Exchange Act Rule 21F-9(a). Additionally, Claimant did not provide a declaration under penalty of perjury, as required by Exchange Act Rule 21F-9(b).⁴

By: Claims Review Staff
Date: December 18, 2024

⁴ Exchange Rule 21F-9(e) further provides that if an individual fails to follow the submission procedures specified in Rules 21F-9(a) and (b), then the individual "will be deemed ineligible for an award in connection with that information"