

Notice of Covered Action: [REDACTED]
[REDACTED]

PRELIMINARY DETERMINATION OF THE CLAIMS REVIEW STAFF

In response to the above-referenced Notice of Covered Actions, 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. The basis for this determination is as follows:

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.”

In order to qualify as “independent analysis,” a whistleblower must bring to the public information some additional evaluation, assessment, or insight beyond what would be reasonably apparent to the Commission from publicly available information. “Independent analysis” is not satisfied where the whistleblower merely identifies “common hallmarks of fraud” or red flags.¹ Here, Claimant pointed to “red flags” based on publicly available information on the firm’s website. Claimant failed to provide additional evaluation or insight beyond what was apparent from the statements made on the publicly-available website. Specifically, Claimant identified certain website statements that appeared to be inconsistent with [REDACTED] but failed to provide additional evaluation or insight beyond what was apparent from the statements on the publicly-available website. As a result, Claimant failed to provide information that

¹ See Adopting Release for Whistleblower Rule Amendments, Release No. 34-89963 at 123 (Sept. 23, 2020) (“Adopting Release”).

**FINAL ORDER - THIS PRELIMINARY DETERMINATION BECAME THE FINAL ORDER
OF THE COMMISSION ON JUNE 25, 2021
PURSUANT TO RULE 21F-10(f) OF THE SECURITIES EXCHANGE ACT OF 1934**

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served to “bridge the gap” between the publicly available information and the possible securities laws violations.²

By: Claims Review Staff

Date: April 26, 2021

² *Id.* at 122.