

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 92163 / June 14, 2021

WHISTLEBLOWER AWARD PROCEEDING

File No. 2021-59

In the Matter of the Claim for Award

in connection with

Redacted

Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS

The Claims Review Staff (“CRS”) issued Preliminary Determinations recommending that Redacted (“Claimant 1”) receive a whistleblower award equal to Redacted percent (*** %) of the monetary sanctions collected, or to be collected, in the above-referenced Covered Action; and that Redacted (“Claimant 2,” and collectively with Claimant 1, the “Claimants”) receive a whistleblower award equal to Redacted percent (*** %) of the monetary sanctions collected, or to be collected, in the above-referenced Covered Action. Based upon anticipated future collections, the aggregate *** % award to Claimants would equal an initial combined payment of approximately \$3 million.¹ Claimant 1 and Claimant 2 each 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 that this

¹ The Commission has determined to treat as collected monetary sanctions under Section 21F(b)(1) of the Exchange Act those amounts already distributed or to be distributed to investors Redacted in the Covered Action. See Exchange Act Rule 21F-4(e): “Monetary sanctions means: (1) An order to pay money that results from a Commission action or related action and which is either: (i) Expressly designated as penalty, disgorgement, or interest; or (ii) Otherwise ordered as relief for the violations that are the subject of the covered action or related action” 17 C.F.R. § 240.21F-4(e).

information led to the successful enforcement of the Covered Action.²

Applying the award criteria in Rule 21F-6 of the Exchange Act to the specific facts and circumstances here, we find the proposed award percentages for the Covered Action are appropriate.³ In reaching that determination with regard to Claimant 1, we considered that Claimant 1 provided Enforcement staff with assistance early in the investigation and helped the staff focus its resources and theories. In reaching that determination with regard to Claimant 2, we considered that Claimant 2 helped Enforcement staff uncover misappropriated funds and fraudulent transfers. Both Claimant 1 and Claimant 2 provided ongoing assistance to Enforcement staff through multiple interviews and document productions. Based on the facts and circumstances of this matter, we believe that a *** % whistleblower award to Claimant 1 and a *** % whistleblower award to Claimant 2 would recognize the independent significance of the assistance of Claimant 1's and Claimant 2's information and the high law enforcement interest involved in this matter.

Accordingly, it is hereby ORDERED that (1) Claimant 1 shall receive an award equal to Redacted percent (*** %) of the monetary sanctions collected, or to be collected, in the Covered Action, and (2) Claimant 2 shall receive an award equal to Redacted percent (*** %) of the monetary sanctions collected, or to be collected, in the Covered Action.

By the Commission.

Vanessa A. Countryman
Secretary

² 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).

³ In assessing the appropriate award amount, Exchange Act Rule 21F-6 provides that the Commission consider: (1) the significance of information provided to the Commission; (2) the assistance provided in the Commission action; (3) law enforcement interest in deterring violations by granting awards; (4) participation in internal compliance systems; (5) culpability; (6) unreasonable reporting delay; and (7) interference with internal compliance and reporting systems. 17 C.F.R. § 240.21F-6.