

UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 103810 / August 29, 2025

WHISTLEBLOWER AWARD PROCEEDING

File No. 2025-46

In the Matter of the Claim for an Award

in connection with

Redacted

Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

The Office of the Whistleblower (“OWB”) issued a Preliminary Summary Disposition¹ recommending the denial of the whistleblower award claim submitted by Redacted (“Claimant”)² in connection with the above-referenced covered action (the “Covered Action”). Claimant filed a timely response contesting the preliminary denial. For the reasons discussed below, Claimant’s award claim is denied.

I. Background

A. The Covered Action

On Redacted, the Commission filed a complaint in federal court against Redacted (collectively, the “Defendants”), charging them with violations of Redacted

Redacted The Commission alleged that the Defendants Redacted Redacted (“The Company”). The Commission alleged Redacted On Redacted, the court entered final judgment against defendant Redacted, ordering payment of Redacted. On Redacted, the court entered final judgment against defendant Redacted, ordering payment of Redacted. On Redacted, the court entered final judgment against defendant Redacted.

¹ See Exchange Act Rule 21F-18, 17 C.F.R. § 240.21F-18.

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the court entered final judgment against defendant Redacted , ordering payment of Redacted
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On Redacted , the Office of the Whistleblower (“OWB”) posted the Notice for the Covered Action on the Commission’s public website inviting claimants to submit whistleblower award applications within 90 days. Claimant filed a timely whistleblower award claim.

B. The Preliminary Summary Disposition

OWB issued a Preliminary Summary Disposition recommending that Claimant’s claim be denied because Claimant’s information was not provided to or used by Enforcement staff assigned to the investigation that led to the Covered Action (the “Investigation”) and therefore did not lead to the successful enforcement of the Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(3) and 21F-4(c) thereunder. OWB preliminarily determined that the Investigation was opened based upon a referral from another organization. And while OWB preliminarily determined that staff assigned to the Investigation received information from Claimant after the Investigation was opened, OWB stated that Claimant’s information was vague, non-specific, and duplicative of other information Enforcement staff had already received. Accordingly, OWB stated that Claimant did not provide information that was used in or otherwise had any impact on the Investigation or resulting Covered Action.

OWB further preliminarily determined that Claimant did not provide “original information” 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.

OWB also preliminarily determined that Claimant did not comply with the requirements of Exchange Act Rule 21F-9 when submitting the tip upon which Claimant’s award was based, stating that Claimant did not submit his/her information on Form TCR or online through the Commission’s website, nor did Claimant sign the whistleblower declaration as required under Rule 21F-9(b).

C. Claimant’s Response to the Preliminary Summary Disposition

Claimant submitted a timely written response (the “Response”) contesting the Preliminary Summary Disposition. In the Response, Claimant stated that he/she was contesting the Preliminary Summary Disposition “for same reasons as [Preliminary Determination] on [Notice of Covered Action (“NoCA”)] Redacted ”³ (the “Prior NoCA”). Claimant submitted a

³ Claimant’s Response cites to the response Claimant submitted regarding the Prior NoCA. However, Claimant’s Response refers to NoCA *** which he/she never initially applied for, and which we construe as a typographical error. We construe the Response as citing to Claimant’s submissions in connection with the Prior NoCA, for which Claimant did submit a whistleblower application and which pertains to a similar matter as the Covered Action currently before us. The Commission issued a final order denying Claimant’s claim in the Prior NoCA on Redacted

response to the Prior NoCA in ^{Redacted}. Claimant did not provide any substantive response specific to the present NoCA, but merely referred to her response to the Prior NoCA.

Regarding Claimant's request for reconsideration in the Prior NoCA, Claimant principally argues that Claimant should receive similar treatment as he/she did in another whistleblower proceeding, in which Claimant did not submit a TCR or sign the whistleblower declaration and was preliminarily granted an award by the Claims Review Staff. In response to the Prior NoCA, Claimant argues that by requiring a person with probative information about an ongoing fraud to complete and submit a detailed TCR and then wait for the TCR to be triaged and assigned to attorneys, "allows the recidivist time to end the scheme and move on." Claimant further argues, "[t]here is no dispute that the Whistleblower tips to the Commission and other regulators regarding chief architect [Defendant] were timely, helpful . . . , and original."

II. Analysis

To qualify for an award under Section 21F of the Exchange Act, a claimant must voluntarily provide the Commission with original information that leads to the successful enforcement of a covered action.⁴ For a claimant's submission to be considered "original information," the submission must be (i) derived from the claimant's "independent knowledge or independent analysis," and (ii) "not already known to the Commission from any other source," unless the claimant is the "original source" of the information.⁵

Additionally, original information will be deemed to lead to a successful enforcement action if either: (i) the original information caused the staff to "commence an examination, open an investigation . . . or to inquire concerning different conduct as part of a current examination or investigation" and the Commission brought a successful action based in whole or in part on conduct that was the subject of the original information;⁶ or (ii) the conduct was already under examination or investigation, and the original information "significantly contributed to the success of the action."⁷

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.⁸ 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.⁹

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⁴ Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1).

⁵ Exchange Act Rule 21F-4(b)(1), 17 C.F.R. § 240.21F-4(b)(1).

⁶ Exchange Act Rule 21F-4(c)(1), 17 C.F.R. § 240.21F-4(c)(1).

⁷ Exchange Act Rule 21-F-4(c)(2), 17 C.F.R. § 240.21F-4(c)(2).

⁸ Order Determining Whistleblower Award Claims, Exchange Act Rel. No. 90922 (Jan. 14, 2021) at 4; *see also* Order Determining Whistleblower Award Claims, Exchange Act Rel. No. 85412 (Mar. 26, 2019) at 9.

⁹ Exchange Act Rel. No. 85412 at 8-9.

Finally, to qualify for an award under Section 21F of the Exchange Act, an individual must be a whistleblower.¹⁰ Section 21F of the Exchange Act defines the term “whistleblower” to include “any individual who provides . . . information relating to a violation of the securities laws to the Commission, *in a manner established, by rule or regulation, by the Commission.*”¹¹ It also directs that “[n]o award under subsection (b) shall be made . . . to any whistleblower who fails to submit information to the Commission in such form as the Commission may, by rule, require.”¹² Exchange Act Rule 21F-2(b), states, “[t]o be eligible for an award under Section 21F(b) of the Exchange Act (15 U.S.C. 78u-6(b)) based on any information you provide that relates to a possible violation of the federal securities laws, you must comply with the procedures and the conditions described in §§240.21F-4, 240.21F-8, and 240.21F-9.”¹³ Rule 21F-9 instructs that to be considered a whistleblower, an individual must submit information to the Commission online through the Commission’s TCR portal or by submitting a Form TCR, and the individual must declare under penalty of perjury that his/her “information is true and correct to the best of [his/her] knowledge and belief.”¹⁴

The record demonstrates that the Covered Action investigation was opened based on a referral from another organization and not from information provided by Claimant, and Claimant does not argue, nor is there any record support to show, that Claimant provided any information to the other organization that led to the referral. While the investigative staff on the Covered Action received non-whistleblower information from Claimant after the opening of the investigation, Claimant’s information was vague, non-specific, and duplicative of information that staff already had received. As such, Claimant did not provide original information that led to the success of the Covered Action because staff was already aware of Claimant’s information and his/her information was not used in and did not have any impact on the investigation or resulting Covered Action.

Additionally, Claimant failed to comply with Exchange Act Rule 21F-9, described above. Claimant sent his/her first email to the Commission about ^{Redacted}. Claimant, by his/her own admission did not, however, submit a TCR about this information at that time.¹⁵ Moreover, Claimant did not provide the whistleblower declaration required by Rule 21F-9. Since Claimant did not provide the Commission with information relating to a possible securities law violation in accordance with the procedures set forth in Exchange Act Rule 21F-9(a) and did not sign the whistleblower declaration as required under Exchange Act Rule 21F-9(b), Claimant is ineligible to receive an award.¹⁶

¹⁰ Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1).

¹¹ *Id.* Section 21F(a)(6), 15 U.S.C. § 78u-6(a)(6) (emphasis added).

¹² *Id.* Section 21F(c)(2)(D), 15 U.S.C. § 78u-6(c)(2)(D).

¹³ Exchange Act Rule 21F-2(b); 17 C.F.R. § 240.21F-2(b).

¹⁴ Exchange Act Rule 21F-9(a), (b), 17 C.F.R. § 240.21F-9(a), (b).

¹⁵ In addition to Claimant’s own admission, Commission staff did its own inquiry and confirmed that Claimant did not submit a TCR that related to any of the Defendants in the Covered Action.

¹⁶ Exchange Act Rule 21F-9(e), 17 C.F.R. § 240.21F-9(e), provides for an automatic waiver of the TCR filing requirement where a claimant can show either that he or she complied with the submission requirements of the rule within 30 days of submitting the original information or within 30 days of “first obtaining actual or constructive notice about those requirements (or 30 days from the date you retain counsel to represent you in connection with your submission of original information, whichever occurs first);” and “[t]he Commission can readily develop an administrative record that unambiguously demonstrates that you would otherwise qualify for an award.” Further,

Claimant contends that the Commission treated him/her differently in a prior whistleblower matter (NoCA ^{Redacted}) where he/she did not submit a TCR in accordance with Rule 21F-9. However, in the prior matter, Claimant submitted his/her information to the Commission before the Commission's whistleblower rules became effective on August 12, 2011. Therefore, in the prior matter, Claimant's information was deemed to have satisfied Rules 21F-9(a) and (b) pursuant to Rule 21F-9(d).¹⁷ Here, Claimant submitted his/her information after August 12, 2011, and therefore he/she was required to comply with Rules 21F-9(a) and (b).

For these reasons, we deny Claimant's whistleblower award claim.

III. Conclusion

Accordingly, it is hereby ORDERED that the whistleblower award application of Claimant in connection with the Covered Action be, and it hereby is, denied.

By the Commission.

Stephanie J. Fouse
Assistant Secretary

under this rule, a claimant must file a Form TCR within 30 days of providing the Commission with the original information to be relied upon as a basis for claiming an award. Claimant is not eligible for the automatic waiver under Rule 21F-9(e) because he/she did not submit a TCR relating to any of the Defendants in the Covered Action during the 30-day grace period (or afterwards), and the record does not unambiguously demonstrate that Claimant would otherwise qualify for an award.

¹⁷ The Claims Review Staff initially recommended that Claimant receive an award in NoCA ^{Redacted} . However, after the issuance of the Preliminary Determination, new evidence came to the Claims Review Staff's attention, and the Claims Review Staff issued a new Preliminary Determination denying an award to Claimant on the basis that he/she did not provide original information. Claimant did not seek reconsideration of the new Preliminary Determination, and it became the Final Order of the Commission on ^{Redacted} .