

UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 105772 / June 25, 2026

WHISTLEBLOWER AWARD PROCEEDING

File No. 2026-25

In the Matter of the Claim for an Award

in connection with

Redacted

Redacted

Notice of Covered Action: Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

The Office of the Whistleblower (“OWB”) recommended through the Preliminary Summary Disposition process¹ the denial of the whistleblower award claim submitted by Redacted “Claimant 1”) in connection with the above-referenced covered action (the “Covered Action”). Claimant 1 filed a timely response (“Response”) contesting the preliminary denial. For the reasons discussed below, the award claim of Claimant 1 is denied.

I. Background

A. The Covered Action

On Redacted, the Commission filed a complaint against Redacted (“Company”), two of its subsidiaries, and an executive (collectively, “Defendants”) in federal district court alleging that the Defendants had fraudulently offered more than Redacted in Redacted securities in the U.S. markets while concealing that more than Redacted in the U.S. Redacted The

¹ See Securities Exchange Act of 1934 (“Exchange Act”) Rule 21F-18, 17 C.F.R. § 240.21F-18. The Preliminary Summary Disposition also recommended the denial of two other award claims. Because the claimants did not seek reconsideration, the preliminary denial of their award claims is deemed to be final by operation of law.

complaint alleged that the Defendants made false and misleading statements to investors and underwriters about ^{Redacted} which resulted in the Defendants reaping ^{Redacted} of dollars in benefit by ^{Redacted} The court entered a final judgment ordering more than \$1 million in monetary sanctions.

OWB posted a Notice for the Covered Action on the Commission's public website inviting claimants to submit whistleblower award applications within 90 days. Claimant 1 filed a timely whistleblower award claim.

B. The Preliminary Summary Disposition

The Preliminary Summary Disposition recommended that the award claim of Claimant 1 be denied because his/her information did not lead to the success of the Covered Action as required under Exchange Act Section 21F(b)(1) and Exchange Act Rules 21F-3(a)(3) and 21F-4(c) thereunder. Claimant 1 submitted information after the Commission staff had concluded its investigation and the Commission had filed litigation against the Defendants. While Enforcement staff responsible for the Covered Action received Claimant 1's information, they determined not to pursue the allegations, which primarily concerned misconduct with respect to a ^{Redacted} ^{Redacted} than the misconduct alleged in the Commission's complaint.

C. Claimant 1's Response to the Preliminary Summary Disposition

In the Response, Claimant 1 primarily argues that: (1) in addition to his/her initial tip, he/she submitted a supplemental TCR on ^{Redacted} ("Supplemental TCR") that was not addressed in the initial declaration by Division of Enforcement staff ("Enforcement staff") for the Covered Action; (2) his/her information concerned ^{Redacted} in addition to ^{Redacted} (3) his/her Supplemental TCR was useful in that it identified potential witnesses and other individuals knowledgeable about the misconduct and highlighted the contents of documents produced in other litigation.

II. Analysis

To qualify for an award under Section 21F of the Exchange Act, a whistleblower must voluntarily provide the Commission with original information that leads to the successful enforcement of a covered action.² As relevant here, 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

² Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1).

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;³ or (ii) the conduct was already under examination or investigation, and the original information “significantly contributed to the success of the action.”⁴ In determining whether a whistleblower’s 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.⁵ 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.⁶

Claimant 1 did not provide original information that caused the Commission staff to open the Covered Action investigation. Staff opened the investigation in [REDACTED] based on news reports, and not because of information from Claimant 1.

Nor did Claimant 1 provide information that caused Commission staff to inquire into different conduct or that significantly contributed to the success of the Covered Action. Claimant 1 submitted his/her initial tip to the Commission in ^{Redacted} (“Initial TCR”),⁷ more than five years after the opening of the investigation and more than eighteen months after the filing of the litigation. Based on an initial declaration provided by Enforcement staff responsible for the Covered Action, which we credit, while they received Claimant 1’s Initial TCR and spoke with Claimant 1, they determined not to pursue his/her allegations because the allegations primarily concerned the ^{Redacted} whereas the complaint involved ^{Redacted} Enforcement staff responsible for the Covered Action determined that the Initial TCR was not related to their pending litigation, and other Commission staff closed the Initial TCR with a disposition of “No Further Action” or “NFA.”⁸

³ Exchange Act Rule 21F-4(c)(1), 17 C.F.R. § 240.21F-4(c)(1).

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

⁵ Order Determining Whistleblower Award Claims, Release No. 34-90922 (Jan. 14, 2021) at 4; *see also* Order Determining Whistleblower Award Claims, Release No. 34-85412 (Mar. 26, 2019) at 9 (same).

⁶ Release No. 34-85412 at 8-9.

⁷ Claimant 1 complains that the initial declaration from the Enforcement staff referenced a different number with respect to his/her Initial TCR than the TCR submission number. In the supplemental declaration, Enforcement staff clarifies that he referenced the Initial TCR by the internal TCR number, but that it has the same TCR submission number used by Claimant 1.

⁸ A disposition of NFA generally means that no further action is planned with respect to that TCR unless subsequent information leads Commission staff to reopen or reexamine that TCR.

Turning to the arguments raised in Claimant 1's Response, Claimant 1's Supplemental TCR, which was submitted more than three years after the Covered Action had been filed, also did not cause Commission staff to inquire into different conduct or significantly contribute to the success of the Covered Action. The same Enforcement staff who provided the initial declaration provided a supplemental declaration, which we credit, in response to the arguments made in Claimant 1's Response. According to the responsible Enforcement staff, they received the Supplemental TCR; however, like Claimant 1's Initial TCR, Enforcement staff did not view the Supplemental TCR as related to the pending litigation. This is because Claimant 1's allegations primarily related to ^{Redacted} rather than in the ^{Redacted} ^{Redacted} upon which the Commission's complaint was based.⁹ After the responsible Enforcement staff declined to act on the Supplemental TCR, the Supplemental TCR, like the Initial TCR, was vetted by others within the Commission and designated for NFA.

Claimant 1 also asserts that his/her Supplemental TCR was useful in that it identified potential witnesses and other individuals knowledgeable about the misconduct. However, as the Enforcement team had been litigating the Covered Action for several years prior to receiving the Supplemental TCR, the Supplemental TCR did not identify new witnesses or information that contributed to the success of the Covered Action. Finally, regardless of whether some portion of the Initial TCR or Supplemental TCR related to ^{Redacted} Enforcement staff responsible for the Covered Action confirmed that they did not rely on Claimant 1's information, which was submitted years after the opening of the investigation and commencement of the litigation. None of the information Claimant 1 submitted allowed the Commission to bring the action in significantly less time or with significantly fewer resources, to bring additional successful claims or successful claims against additional individuals, or to otherwise advance the Covered Action. Enforcement staff responsible for the Covered Action did not receive any information from Claimant 1 in the Initial TCR, Supplemental TCR, phone calls or through any other communications that contributed to advancing the Covered Action.

⁹ Additionally, when the Enforcement team spoke with Claimant 1 and his/her counsel in connection with the Initial TCR, the team expressed concerns about how Claimant 1 had obtained his/her information, as he/she represented that he/she had obtained some of the information as ^{Redacted} in connection with litigation against the Company related to the Company's ^{Redacted}. It was further Enforcement staff's understanding that some of the information about the Company that Claimant 1 had obtained in his/her role as ^{Redacted} ^{Redacted} in ancillary litigation and that Claimant 1 was later instructed ^{Redacted}.

III. Conclusion

Accordingly, it is hereby ORDERED that the whistleblower award application of Claimant 1 in connection with the Covered Action be, and is hereby, denied.

By the Commission.

Vanessa A. Countryman
Secretary