UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 106525 / September 29, 2026

WHISTLEBLOWER AWARD PROCEEDING
File No. 2026-48

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 process the denial of the whistleblower award claim submitted by Redacted 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.[1]

I. Background

A. The Covered Action

On Redacted, the Commission instituted settled administrative and cease-and desist proceedings against Redacted ("Company"), alleging that the Company Redacted Redacted The Company was also charged for Redacted

[1] OWB also recommended the denial of a second claimant's award claim. Because the second claimant did not submit a request for reconsideration, the preliminary denial is now deemed to be a final order of the Commission through operation of law. *See* Securities Exchange Act of 1934 ("Exchange Act") Rule 21F-18(b)(4).

Redacted .
The Commission ordered the Company to pay more than $1 million in monetary sanctions.

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

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

According to Claimant 1, he/she submitted a tip to the Commission on Redacted and a subsequent submission on Redacted referencing his/her TCR number. Claimant 1 asserts that a federal government entity, which he/she does not identify, unlawfully interfered with his/her attempts to submit information to the Commission, violating Exchange Act Rule 21F-17(a) and depriving him/her of his/her property and liberty interests under the Fifth Amendment and his/her First Amendment right to petition the government. Due to these purported extraordinary circumstances, Claimant 1 asserts that the Commission should provide exemptive relief to excuse the failure of his/her information to reach the Commission. Claimant 1 further maintains that his/her information was factually similar to the allegations in the Covered Action, thus meeting the "led to successful enforcement" requirement. Claimant 1 also contends that he/she submitted the initial Redacted tip to the Commission within 120 days of submitting concerns internally to his/her employer. Claimant 1 also asks for a hearing before the Claims Review Staff to resolve any factual disputes regarding the government interference with his/her communications.

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 under Rule 21F-4(c)(1) and Rule 21F-4(c)(2) of the Exchange

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

Act 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;[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]

Additionally, under Rule 21F-4(c)(3) of the Exchange Act, a claimant's original information will be deemed to have led to a successful enforcement action if: (1) the whistleblower reported original information through an entity's internal whistleblower, legal, or compliance procedures for reporting allegations of possible violations of law before or at the same time the whistleblower reported them to the Commission; (2) the entity later provided the whistleblower's information to the Commission, or provided results of an audit or investigation initiated in whole or in part in response to information the whistleblower reported to the entity; and (3) the information the entity provided to the Commission satisfies either paragraph (c)(1) or (c)(2) of Rule 21F-4. Additionally, under paragraph (c)(3), the whistleblower must also submit the same information to the Commission in accordance with the procedures set forth in §240.21F-9 within 120 days of providing it to the entity.

Claimant 1 did not provide information that prompted the opening of the investigation. Enforcement staff responsible for the Covered Action confirmed in a declaration, which we credit, that staff opened the investigation based on investigative efforts related to a referral, and not because of information from Claimant 1.

Additionally, Claimant 1 did not provide information that caused staff to inquire into different conduct or that significantly contributed to the success of the Covered Action. Enforcement staff do not recall receiving or reviewing any information from Claimant 1 and do

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

[4] *See* Exchange Act Rule 21F-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.

not recall having communications with Claimant 1, prior to or during the investigation. The Commission's TCR system reflects that Claimant 1's Redacted TCR was closed with a "No Further Action" or "NFA" disposition and not forwarded to Enforcement staff responsible for the Covered Action.[7] Claimant 1 also states that he/she provided information to the Redacted Redacted ("Other Agency 1") and to the Redacted Redacted ("Other Agency 2"). According to the declaration, investigative staff did not receive Claimant 1's information from Other Agency 1 or Other Agency 2, and moreover, Claimant 1 did not provide any information that was used in, or otherwise had any impact on, the investigation or the resulting Covered Action.

Turning to the arguments raised in Claimant 1's Response, Claimant 1 appears to misconstrue the Preliminary Summary Disposition as saying that the Commission never received his/her information. The Commission did receive Claimant 1's information, but the information was not used in the investigation. In any event, since the record unequivocally demonstrates that Claimant 1 did in fact manage to submit information to the Commission, we see no legal necessity to any grant of exemptive relief for failure to submit information. Moreover, regardless of any appearance of factual similarity between his/her allegations and the Covered Action, a claimant's information can only satisfy the "led to" requirement under Rule 21F-4(c)(1) or Rule 21F-4(c)(2) if the information was used in the investigation, as explained above. Here, the record shows that Enforcement staff responsible for the Covered Action did not receive or review Claimant 1's information or have any communications with Claimant 1 before or during the investigation or resulting Covered Action. Finally, although Claimant 1 states that he/she submitted his/her tip to the Commission within 120 days of filing an internal complaint at the respondent entity, a supplemental staff declaration, which we credit, supports the conclusion that Enforcement staff did not receive from the Company any internal complaint it received from Claimant 1 and that staff is unaware of the Company having initiated an internal investigation in response to Claimant 1's concerns.

Based on the foregoing, we conclude that there is sufficient evidence in the record to support a finding that Claimant 1's information did not "lead to" the success of the Covered Action within the meaning of Rule 21F-4(c) of the Exchange Act.[8]

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[7] An NFA disposition indicates that the staff will not take any additional steps with respect to a TCR unless subsequent information leads staff to take action. Order Determining Whistleblower Award Claims, Release No. 34-95753 (Sep. 13, 2022) at 4.

[8] With respect to Claimant's 1 request for a hearing before the Claims Review Staff, the Commission's regulations do not offer claimants an opportunity for a hearing before the Commission or the Claims Review Staff. Furthermore, Claimant 1's award claim was preliminarily denied by OWB through the preliminary summary disposition process under Exchange Act Rule 21F-18, and not by the Claims Review Staff under Exchange Act Rule 21F-10.

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