

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 69912 / July 2, 2013

WHISTLEBLOWER AWARD PROCEEDING
File No. 2013-2

In the Matter of the Claim for Award

in connection with

Redacted

Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

Claimant filed a timely whistleblower award claim pursuant to section 21F of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. § 78u-6, in connection with Notice of Covered Action Redacted. The Claims Review Staff ("CRS") issued a Preliminary Determination recommending that Claimant's claim should be denied. Claimant now has filed a response contesting the Preliminary Determination. For the reasons set forth below, Claimant's claim is denied.

I. Background

A. Claimant's Tip and the Commission's Covered Action

In approximately April 2006, Claimant submitted information to the Securities and Exchange Commission (the "Commission") about suspected accounting fraud at Redacted. At that time, Claimant was the company's CEO. After May 2006, Claimant did not provide any additional information to the Commission relating to the alleged fraud.

On Redacted, the Commission filed an enforcement action against Redacted for operating a financial fraud at Redacted. The Commission's action alleged that Redacted violated various anti-fraud provisions of the federal securities

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laws, as well as registration and books and records provisions. Redacted agreed to the entry of consent judgments that included a total of \$ Redacted in disgorgement, penalties, and prejudgment interest.

On Redacted, the district court entered Redacted in favor of the Commission. Among other relief, the court ordered that Redacted pay Redacted in civil penalties, \$ Redacted in disgorgement, and \$ Redacted in prejudgment interest.

As noted above, Claimant filed a timely whistleblower award claim based on Notice of Covered Action Redacted, which was posted on Redacted. On Redacted, the CRS made a Preliminary Determination recommending that Claimant's claim should be denied. The Preliminary Determination concluded that Claimant's information was not "original information" because it was not submitted after July 21, 2010, the date that Section 21F was added to the Exchange Act by the Dodd-Frank Wall Street Reform and Consumer Protection Act.¹

B. Claimant's Response to the Preliminary Determination

On Redacted, Claimant submitted a response contesting the Preliminary Determination pursuant to Rule 21F-10(e)(2) under the Exchange Act. Rule 21F-10(e)(2) provides that a claimant seeking to contest a Preliminary Determination must submit a written response within 60 days that "sets forth the grounds for your objection to either the denial of an award or the proposed amount of an award." 17 C.F.R. § 240.21F-10(e)(2).

Claimant's response argues that:

Redacted

In the response, Claimant does not claim that -- provided any information to the Commission after July 21, 2010.

II. Analysis

To be considered for an award under Section 21F, a whistleblower must voluntarily

¹ Pub. L. No. 111-203, § 922, 124 Stat. 1376, 1841 (2010).

² Redacted

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provide the Commission with “original information” that leads to the successful enforcement of a covered judicial or administrative action or related action. 15 U.S.C. § 78u-6(b)(1). Under Rule 21F-4(b)(1)(iv), information will be considered “original information” only if it was provided to the Commission for the first time after July 21, 2010. 17 C.F.R. § 240.21F-4(b)(1)(iv). Claimant has not provided the Commission with any information about this covered action since Redacted, and -- has not claimed otherwise in -- response. The information Claimant provided to the Commission therefore is not “original information” and does not provide a basis for a whistleblower award.

III. Conclusion

Accordingly, it is ORDERED that Claimant’s whistleblower award claim be, and hereby is, denied.

By the Commission.

Elizabeth M. Murphy
Secretary