

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 88803 / May 4, 2020

WHISTLEBLOWER AWARD PROCEEDING
File No. 2020-18

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 Claims Review Staff (“CRS”) issued a Preliminary Determination recommending
that ^{Redacted} (“Claimant”) receive a whistleblower award in the amount of ^{***}

^{Redacted} of the monetary sanctions collected in the above-referenced Covered Action (the
“Covered Action”) for a payout of almost \$2 million.¹ Claimant provided written notice of
Claimant’s decision not to contest the Preliminary Determinations.

The recommendation of the CRS is adopted.² The record demonstrates that Claimant
voluntarily provided original information to the Commission that led to the successful

¹ For purposes of determining the amount of the monetary sanctions collected, the
distributions to the investors ordered by the court in the Covered Action, net of monetary
sanctions paid by ^{Redacted} (and therefore separately deemed to be collected), are
treated as collected monetary sanctions. *Cf. Order Determining Whistleblower Award Claim*,
Release No. 34-77530, at 2 n.1 (April 5, 2016) (expressing policy against double counting of
collected sanctions).

² The CRS also preliminarily determined to recommend that the Commission deny a
related-action award to Claimant with respect to certain actions of another agency. Claimant has
not contested that Preliminary Determination. As a result, the CRS's Preliminary Determination
of Claimant’s related action award claims became the final determination of the Commission
pursuant to Exchange Act Rule 21F-11(f). *See Order Determining Whistleblower Award Claim*,
Release No. 34-82996, at 3 n.3 (Apr. 5, 2018).

enforcement of the Covered Action.³

Applying the award criteria in Rule 21F-6 of the Exchange Act to the specific facts and circumstances here, we find the proposed award amount is appropriate.⁴ In reaching that determination, we positively assessed the following facts: (i) although Claimant did not submit the tip that led to opening the investigation, Claimant did provide new information regarding an ongoing fraud that the Commission was not aware of at the time; (ii) Claimant's information about the ongoing fraudulent scheme informed the staff's need to expeditiously seek a temporary restraining order and asset freeze to prevent further investor losses; (iii) Claimant provided Commission staff with specific, timely and credible information, significant ongoing assistance and supporting documents, including answering detailed follow-up inquiries from the staff; (iv) in major part due to Claimant's information and assistance, investors recovered much of their investments; and (v) Claimant suffered hardship.

Accordingly, it is hereby ORDERED that Claimant shall receive an award of ***

Redacted of the monetary sanctions collected or to be collected in the Covered Action.

By the Commission.

Vanessa A. Countryman
Secretary

³ See Securities Exchange Act of 1934 ("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).

⁴ 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.