

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90189 / October 15, 2020

WHISTLEBLOWER AWARD PROCEEDING
File No. 2021-1

In the Matter of the Claim for an Award

in connection with

Redacted

Notice of Covered Action ¹ Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

The Claims Review Staff (“CRS”) issued a Preliminary Determination recommending the denial of the whistleblower award claim submitted by Redacted (“Claimant”) in connection with Covered Action Redacted (the “Covered Action”) on the ground that Claimant was not a “whistleblower.” Claimant filed a timely response contesting the preliminary denial.

Upon review of the record, including Claimant’s request for reconsideration, we have determined that Claimant satisfied the requirements for being considered a whistleblower and we further find that Claimant voluntarily provided original information to the Commission that led to the successful enforcement of the Covered Action.²

¹ As discussed in *infra* note 2, Redacted is deemed to be part of the Covered Action because it arose from the same nucleus of operative facts as the Covered Action.

² See 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). For the purposes of payment on the award in this matter, we have determined to treat a separate enforcement action, Redacted, together with the above-referenced action, as a single Covered Action, as the proceedings arise out of the same nucleus of operative facts. See Securities Exchange Act of 1934 (“Exchange Act”) Rule 21F-4(d), 17 C.F.R. § 240.21F-4(d)(2). We also determine that the Redacted should be treated as part of the Covered Action because, while it does not qualify as a Covered Action in its own right because the monetary sanctions ordered were less than \$1,000,000, it arises from the same nucleus of operative facts as the Covered Action. The Redacted resulted from the same investigation that produced the Covered Action, and related to Redacted.

See Exchange Act Rule 21F-4(d)(2) (“[f]or purposes of determining the payment on an award under § 240.21F-14 of

We have further determined that Claimant should receive a whistleblower award of more than \$800,000 (*** percent (**)) of the monetary sanctions collected in the Covered Action). In making this award determination, we applied the award criteria in Rule 21F-6 of the Securities Exchange Act of 1934 to the specific facts and circumstances here.³ In reaching that determination, we positively assessed that Claimant authored information containing a detailed analysis that alerted Commission staff to the underlying securities violations. However, beyond the initial tips, Claimant did not provide further assistance to the staff during the course of the investigation.

Accordingly, it is hereby ORDERED that Claimant shall receive an award of *** percent (**) of the monetary sanctions collected or to be collected in the Covered Action.

By the Commission.

Vanessa Countryman
Secretary

this chapter, the Commission will deem as part of the Commission action upon which the award was based [*i.e.*, the covered action] any subsequent Commission proceeding that, individually, results in a monetary sanction of \$1,000,000 or less, and that arises out of the same nucleus of operative facts.”).

³ 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.