

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90656 / December 14, 2020

WHISTLEBLOWER AWARD PROCEEDING
File No. 2021-15

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 of approximately \$300,000, which represents *** percent (*** %) of the monetary sanctions collected, or to be collected, in the above-referenced Covered Action (the “Covered Action”). Claimant provided written notice of Claimant’s decision not to contest the Preliminary Determination.

The recommendation of the CRS is adopted. The record demonstrates that Claimant voluntarily provided original information to the Commission that significantly contributed to the successful enforcement of the Covered Action.¹

In reaching this determination, we have considered the application of Exchange Act Rule 21F-4(b)(4)(iii)(B), which excludes information from being credited as the whistleblower’s “independent knowledge” or “independent analysis”—and hence original information²—if the

¹ 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).

² Under Exchange Act Rule 21F-4(b)(1), “[i]n order for [a] whistleblower submission to be considered original information, it must,” among other requirements, be “[d]erived from [the whistleblower’s] independent knowledge or independent analysis.” 17 C.F.R. § 240.21F-4(b)(1).

whistleblower “obtained the information because” the whistleblower was “[a]n employee whose principal duties involve compliance or internal audit responsibilities. . . .”³ Here, the record reflects that Claimant became aware of the potential securities law violations in connection with Claimant’s audit-related responsibilities

Redacted However, such claimants may learn original information and be eligible for whistleblower awards if they had “a reasonable basis to believe that the relevant entity is engaging in conduct that will impede an investigation of the misconduct.”⁴ Here, the record shows that Claimant had a reasonable basis at the time Claimant provided the information⁵ to believe that Redacted would impede the Commission’s investigation because Redacted had Redacted

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Claimant
Redacted met with Enforcement staff more than a dozen times, and identified potential witnesses. Further, Claimant aggressively attempted to remedy the misconduct and suffered a unique hardship,
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³ 17 C.F.R. § 240.21F-4(b)(4)(iii)(B).

⁴ 17 C.F.R. § 240.21F-4(b)(4)(v)(B).

⁵ Claimant satisfies the voluntariness requirement because Claimant provided information about the securities law violation to a federal agency before Commission staff contacted Claimant. See 17 C.F.R. §240.21F-4(a)(1)(ii) (a “submission of information to the Commission will be considered voluntary if [a claimant] voluntarily provided the same information to” *inter alia*, any authority of the federal government “prior to receiving a request, inquiry, or demand from the Commission”).

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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 A. Countryman
Secretary