

UNITED STATES OF AMERICA

before the

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 87039 / September 20, 2019

WHISTLEBLOWER AWARD PROCEEDING

File No. 2019-11

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In the Matter of the Claims for Award

in connection with

Notice of Covered Action: Redacted

Redacted

and

Notice of Covered Action: Redacted

Redacted

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**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM**

The Claims Review Staff (“CRS”) issued Preliminary Determinations recommending that Redacted (“Claimant”) receive a whistleblower award in the amount of Redacted percent ( % ) of the monetary sanctions collected in the above-referenced Covered Actions<sup>1</sup> for a payout of more than \$38,000. Claimant provided written notice of Claimant’s decision not to contest the Preliminary Determinations.<sup>2</sup>

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<sup>1</sup> Because of the significant factual and legal overlap between the Covered Actions and the identity of the Claimant on both matters, for administrative efficiency we are issuing a single Final Order with respect to both Covered Actions.

<sup>2</sup> The CRS’s Preliminary Determination in Covered Action Redacted also recommended denying awards to five other claimants. Those determinations were not contested and, thus, the CRS’s recommendation to deny those award applications became final pursuant to Exchange Act Rule 21F-10(f).

The recommendation of the CRS is adopted. The record demonstrates that Claimant voluntarily provided original information to the Commission that led to the successful enforcement of the above-referenced Covered Actions pursuant to Section 21F(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)<sup>3</sup> and Rule 21F-3(a) thereunder.<sup>4</sup>

Applying the award criteria specified in Rule 21F-6 of the Exchange Act to the specific facts and circumstances here, we find the proposed award amount is appropriate.<sup>5</sup> In reaching that determination, we positively assessed the following facts: Claimant acted quickly to alert the Commission to the misconduct, causing staff to open an investigation, which resulted in the filing of two successful enforcement actions involving <sup>Redacted</sup> <sup>Redacted</sup> on retail investors; Claimant provided continuing assistance by meeting with staff, providing investigative testimony, and encouraging others to cooperate with staff; and collections from the defendants of the monetary sanctions ordered were low. We negatively assessed that Claimant, when not yet aware of the fraudulent scheme, <sup>Redacted</sup> <sup>Redacted</sup> for a short period of time. We also considered that Claimant <sup>Redacted</sup> and, as such, did not financially profit from <sup>Redacted</sup>

Accordingly, it is hereby ORDERED that Claimant shall receive an award of <sup>Redacted</sup> <sup>Redacted</sup> percent ( <sup>\*\*\*</sup> %) of the monetary sanctions collected in the Covered Actions.<sup>6</sup>

By the Commission.

Vanessa A. Countryman  
Secretary

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<sup>3</sup> 15 U.S.C. § 78u-6(b)(1).

<sup>4</sup> 17 C.F.R. § 240.21F-3(a).

<sup>5</sup> In assessing the appropriate award amount, 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.

<sup>6</sup> We have treated those amounts distributed to injured investors by the court-appointed receiver in one of the Covered Actions as collected monetary sanctions on which Claimant’s award can be based.