

UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 103254 / June 13, 2025

WHISTLEBLOWER AWARD PROCEEDING

File No. 2025-38

In the Matter of the Claim for an Award

in connection with

Redacted

Notice of Covered Action 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 the above-referenced covered action (the “Covered Action”). Claimant filed a timely response contesting the preliminary denial. For the reasons discussed below, Claimant’s award claim is denied.

I. Background

A. The Covered Action

On Redacted, the Commission instituted settled administrative and cease-and-desist proceedings against Redacted (“Respondent”). The Commission’s Order alleged that Respondent violated the Redacted provisions of the Redacted (“Relevant Country”)

Redacted Respondent was ordered to pay monetary sanctions of more than \$1 million.

The Office of the Whistleblower (“OWB”) posted a Notice of Covered Action on the Commission’s public website inviting claimants to submit whistleblower award applications within 90 days. Claimant filed a timely whistleblower award claim.

B. The Preliminary Determination

The CRS issued a Preliminary Determination recommending that Claimant’s award claim be denied because Claimant did not provide information that led to the successful enforcement of the Covered Action within the meaning of Section 21F(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 21F-3(a)(3) and 21F-4(c) thereunder. Enforcement staff opened the Covered Action investigation based on information provided by Respondent and not because of Claimant’s information. Respondent subsequently informed Commission staff that it was looking into ^{Redacted} allegations in the Relevant Country, which became the focus of the Covered Action investigation. In addition: (i) Claimant’s information was general in nature and did not advance the Covered Action investigation; (ii) Claimant’s supplemental submissions were not helpful because the documents were deemed privileged by a privilege review filter team at the Commission and not reviewed or used by staff assigned to the Covered Action investigation; and (iii) staff did not obtain any information that advanced the Covered Action investigation from a potential witness identified by Claimant.

C. Claimant’s Response to the Preliminary Determination

Claimant submitted a timely written response (the “Response”) contesting the Preliminary Determination.¹ In the Response, Claimant states that he/she submitted two Freedom of Information Act (“FOIA”) requests to the Commission and asks that the Commission defer rendering a final adjudication on his/her award claim until the Commission’s Office of FOIA Services produces the requested information. Claimant also requests that he/she be permitted to supplement the Response following his/her receipt of the requested information. In addition, Claimant argues that he/she is award eligible because: (i) the allegations in Claimant’s TCR submissions are the same allegations that in part led to the Covered Action and (ii) Enforcement staff is unable to pinpoint with certainty the date of the Respondent’s self-disclosure to the Commission of the Relevant Country allegations and suggests that Respondent “may” have self-disclosed the Relevant Country allegations after Claimant submitted a tip.

II. Analysis

The Commission need not defer issuing a Final Order here because of Claimant’s FOIA requests. Exchange Act Rule 21F-12(a) sets forth the materials that may form the basis of an award determination and that may comprise the record on appeal. Pursuant to Exchange Act Rule 21F-12(b), claimants are not entitled to receive any materials other than those listed in Exchange Act Rule 21F-12(a). Claimant timely requested the record and signed a Confidentiality Agreement, and the Commission’s Office of the Whistleblower subsequently provided the record to Claimant. As such, Claimant is not entitled to any extra materials with respect to the

¹ See Exchange Act Rule 21F-10(e), 17 C.F.R. § 240.21F-10(e).

determination of his/her award claim.² Moreover, pursuant to Exchange Act Rule 21F-10(e)(2), the deadline for Claimant to contest the Preliminary Determination and to provide any supporting materials has passed; as such, Claimant is no longer permitted to supplement the Response.

As to Claimant's award eligibility, to qualify for an award under Section 21F of the Exchange Act, a whistleblower must voluntarily provide the Commission with original information that leads to the successful enforcement of a covered action.³ As relevant here, under Exchange Act Rules 21F-4(c)(1) and (2), respectively, the Commission will consider a claimant to have provided original information that led to the successful enforcement of a covered action if either (1) the original information caused the staff to commence an examination, open an investigation, or inquire into different conduct as part of a current examination or investigation and the Commission brought a successful action based in whole or in part on conduct that was the subject of the original information;⁴ or (2) the conduct was already under examination or investigation, and the original information "significantly contributed to the success of the action."⁵

In determining whether the information "significantly contributed" to the success of the action, the Commission will consider whether the information was "meaningful" in that it "made a substantial and important contribution" to the success of the covered action.⁶ For example, the Commission will consider a claimant's information to have significantly contributed to the success of an enforcement action if it allowed the Commission to bring the action in significantly less time or with significantly fewer resources, or to bring additional successful claims or successful claims against additional individuals or entities.⁷

Based on the record, which includes a detailed declaration, which we credit, from one of the primary Enforcement attorneys assigned to the Covered Action investigation, Claimant did not provide information that led to the success of the Covered Action. First, Claimant's information did not cause Enforcement staff to open the Covered Action investigation or inquire into different conduct. Enforcement staff opened the Covered Action investigation on ^{Redacted} _{Redacted}, a month before Claimant provided any information to the Commission. In addition, Enforcement staff began inquiring into misconduct involving the Relevant Country based on information provided from the Respondent, which according to Enforcement staff occurred during a meeting on or about ^{Redacted}, or soon thereafter. Regardless of whether the Enforcement declaration pinpoints with certainty when the Respondent self-disclosed the

² See *Order Determining Whistleblower Award Claims*, Release No. 99230 (Dec. 22, 2023) (claimant not entitled to extra-record materials); *Order Determining Whistleblower Award Claims*, Release No. 97438 (May 5, 2023) (same).

³ Exchange Act Section 21F(b)(1), 15 U.S.C. § 78u-6(b)(1).

⁴ See Exchange Act Rule 21F-4(c)(1), 17 C.F.R. § 240.21F-4(c)(1).

⁵ See Exchange Act Rule 21F-4(c)(2), 17 C.F.R. § 240.21F-4(c)(2).

⁶ *Order Determining Whistleblower Award Claims*, Exchange Act Rel. No. 90922 (Jan. 14, 2021) at 4; *see also* *Order Determining Whistleblower Award Claims*, Exchange Act Rel. No. 85412 (Mar. 26, 2019) at 9.

⁷ Exchange Act Rel. No. 85412 at 8-9.

Relevant Country allegations to the staff, the record supports the conclusion that staff learned of the Relevant Country allegations from the Respondent and not from Claimant. Furthermore, Claimant's TCR submissions on ^{Redacted} raise general concerns about Respondent's handling of ^{Redacted} and does not identify any geographic region by name and thus would not have prompted staff to inquire into the Relevant Country.

Second, none of Claimant's information advanced the Covered Action investigation. While Claimant named the Relevant Country in subsequent communications with staff assigned to the Covered Action investigation, including in a ^{Redacted} email to staff, the information was general in nature and concerned mishandling of ^{Redacted}. In addition, the documents in Claimant's supplemental submissions were deemed privileged by a privilege filter review team at the Commission and were not released to staff assigned to the Covered Action investigation.

Claimant's information did not significantly contribute to the success of the Covered Action. None of Claimant's information was used in or advanced the Covered Action investigation or Covered Action. Claimant's information did not allow Enforcement staff to conserve time and resources in the Covered Action investigation; nor did Claimant's information allow the Commission to bring additional charges or charges against additional respondents.

We therefore conclude that Claimant did not provide original information that led to the successful enforcement of the above-referenced Covered Action within the meaning of Section 21F(b)(1) of the Exchange Act and Rules 21F-3(a)(3) and 21F-4(c) thereunder. For this reason, Claimant is not eligible for an award.⁸

III. Conclusion

Accordingly, it is hereby ORDERED that Claimant's whistleblower award application be, and hereby is, denied.

By the Commission.

Vanessa A. Countryman
Secretary

⁸ Because Claimant is not eligible for an award in the Covered Action, Claimant is also not eligible for any related action award.