

**FINAL ORDER- THIS PRELIMINARY DETERMINATION BECAME THE FINAL ORDER
OF THE COMMISSION ON SEPTEMBER 18, 2023
PURSUANT TO RULE 21F-10(f) OF THE SECURITIES EXCHANGE ACT OF 1934**

Notice of Covered Action [REDACTED]
[REDACTED]
[REDACTED]

PRELIMINARY DETERMINATION OF THE CLAIMS REVIEW STAFF

In response to the above-referenced Notice of Covered Action (the “Action”), the Securities and Exchange Commission (“Commission”) received a whistleblower award claim from [REDACTED] (“Claimant”). Pursuant to Section 21F of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 21F-10 promulgated thereunder, the Claims Review Staff (“CRS”) evaluated the claim in accordance with the criteria set forth in Rules 21F-1 through 21F-18, and on [REDACTED], the CRS issued a Preliminary Determination (the “[REDACTED] Preliminary Determination”) recommending denial of the claim. Claimant timely submitted a request for reconsideration of the [REDACTED] Preliminary Determination on [REDACTED].

Upon review of Claimant’s request for reconsideration, the Office of the Whistleblower staff obtained additional factual information which is set forth in a Declaration of a Division of Enforcement attorney identified by Claimant in his/her request for reconsideration. Although the additional information shows that Claimant provided certain helpful information to Commission staff which was used in [REDACTED] [REDACTED] (the “Amended Judgment”), the CRS continues to recommend that Claimant’s claim be denied for the reasons set forth below.

The Claims Review Staff has preliminarily determined to recommend that the Commission deny Claimant’s claim because the information he/she submitted did not “lead [] to the successful enforcement by the Commission” of the Covered Action.¹ As pertinent here, a claimant may satisfy the “leads to” requirement by giving the Commission original information² that was sufficiently specific, credible, and timely to cause the staff to open or reopen an investigation, or to inquire concerning different conduct as part of a current investigation, and the Commission brought a successful judicial action based in whole or in part on conduct that was the subject of the original information.³ A claimant may also satisfy the “leads to” requirement if he/she provided original information about conduct that was already under investigation by the

¹ Exchange Act Rule (hereafter “Rule”) 21F-3(a)(3).

² In [REDACTED], the Commission received a referral of an anonymous tip to the [REDACTED] [REDACTED] (the “[REDACTED] Tip”). The [REDACTED] Tip and follow-up research by Commission staff alerted staff to [REDACTED]. The [REDACTED] Tip was received and the follow-up research was conducted before the Commission received Claimant’s tip alleging that [REDACTED].

³ Rule 21F-4(c)(1).

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Commission, and the submission significantly contributed to the success of the action.⁴ Claimant's information here neither caused the investigation giving rise to the Action to be opened or reopened⁵ or significantly contributed to the success of the Action.

Claimant's information did not lead to the successful enforcement of the Action because it did not contribute to the process leading to the entry of the [REDACTED] judgment (" [REDACTED] Judgment") and consequent relief in the Commission's favor and also did not result in the subsequent entry of any additional relief for the violations alleged by the Commission.⁶ To the extent that Claimant provided information that assisted the Commission in obtaining the Amended Judgment, such information related to the collection of monetary sanctions already imposed by the court. A claimant's information that contributes solely to the Commission's collection efforts cannot satisfy the "leads to" requirement.⁷

By: Claims Review Staff

Date: July 20, 2023

⁴ Rule 21F-4(c)(2).

⁵ Claimant first provided information about the individual defendant in the Action in [REDACTED] long after the investigation giving rise to the [REDACTED] Judgment was completed. To the extent that Claimant argues that his/her information caused the investigation to be reopened, Enforcement staff's inquiries into [REDACTED] after Claimant provided his/her information pertained solely to the collection of the [REDACTED] Judgment.

⁷ In addition, the [REDACTED] Action could not form the basis for a whistleblower award claim because it was entered before the 2010 enactment of the Dodd-Frank Act that created the Whistleblower Program. The [REDACTED] Amended Judgment did not resolve any new charges related to securities-law violations beyond those addressed in the [REDACTED] Judgment, and therefore could not form the basis for a whistleblower award.