

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 96641 / January 12, 2023

WHISTLEBLOWER AWARD PROCEEDING

File No. 2023-23

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In the Matter of the Claim for Award

in connection with

	Redacted	
Notice of Covered Action		Redacted
	Redacted	
Notice of Covered Action		Redacted
	Redacted	
Notice of Covered Action		Redacted
	Redacted	
Notice of Covered Action		Redacted

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**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS**

The Claims Review Staff (“CRS”) issued Preliminary Determinations recommending that claimant <sup>Redacted</sup> (“Claimant”) receive a whistleblower award equal to <sup>Redacted</sup> percent (<sup>\*\*\*</sup> %) of the monetary sanctions collected, or to be collected, in the four above-referenced Covered Actions.<sup>1</sup> The CRS also recommended that Claimant receive a whistleblower award

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<sup>1</sup> Pursuant to Rule 21F-4(d)(1), we are treating the following individual enforcement actions (the “Individual Actions”) together with Covered Action <sup>Redacted</sup> because they arose out of the same underlying facts: <sup>Redacted</sup>  
<sup>Redacted</sup>

equal to <sup>Redacted</sup> percent ( <sup>\*\*\*</sup> %) of the monetary sanctions collected, or to be collected, in four separate, related actions (the “Other Agency Actions”) brought by another agency (the “Other Agency”).<sup>2</sup> Based upon current collections, the total whistleblower award to Claimant recommended by the CRS for the Covered Actions and the Other Agency Actions is approximately \$900,000.<sup>3</sup> Claimant provided written notice of his/her decision not to contest the Preliminary Determinations.<sup>4</sup>

The recommendation of the CRS is adopted. The record demonstrates that Claimant voluntarily provided original information to the Commission, and that this information led to the successful enforcement of the Covered Actions and the Other Agency Actions.<sup>5</sup> Applying the award criteria as specified in Rule 21F-6 of the Exchange Act based on the specific facts and circumstances with regard to the <sup>Redacted</sup> Covered Action and the <sup>Redacted</sup> Covered Action, we find that an award of <sup>\*\*\*</sup> % for Claimant is appropriate.<sup>6</sup>

<sup>Redacted</sup>

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<sup>Redacted</sup>

The Individual Actions and the four Covered Actions are collectively referred to as the “Covered Actions.”

<sup>2</sup> The Commission may pay an award based on amounts collected in related actions that are based on the same original information that the whistleblower voluntarily provided to the Commission and that led the Commission to obtain monetary sanctions totaling more than \$1 million. Here, the Commission finds that the <sup>Redacted</sup> actions <sup>Redacted</sup>

constitute “related actions” within the meaning of Exchange Act Rules 21F-3(b) and 21F-4(d)(3).

<sup>3</sup> The CRS also preliminarily denied the award claims of one other claimant. That claimant did not seek reconsideration of the Preliminary Determinations, and therefore the denial of his/her claim was deemed to be the Final Order of the Commission under Exchange Act Rule 21F-10(f).

<sup>4</sup> Claimant requested that all funds collected by the receiver be considered “collections” for purposes of a whistleblower award. But this approach is contrary to the Commission’s rules. The Commission has determined to treat as collected monetary sanctions under Section 21F(b)(1) of the Exchange Act those amounts distributed to investors by the court-appointed receiver in the Covered Action. *See* Exchange Act Rule 21F-4(e): “Monetary sanctions means: (1) An order to pay money that results from a Commission action or related action and which is either: (i) Expressly designated as penalty, disgorgement, or interest; or (ii) Otherwise ordered as relief for the violations that are the subject of the covered action or related action . . . .” 17 C.F.R. § 240.21F-4(e).

<sup>5</sup> *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).

<sup>6</sup> 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;

Redacted

In reaching these determinations for the four Covered Actions, we considered that Claimant provided Enforcement staff with documents and information relating to his/her allegations of misconduct. Claimant also provided continued assistance to the staff and gave on-the-record testimony. Claimant's information allowed the Commission to bring the Covered Actions more quickly, potentially preventing further misappropriation by the defendants.

Additionally, in view of the same considerations described above in connection with the Covered Actions, the Commission finds it appropriate for Claimant to receive an award of \*\*\* % of the monetary sanctions collected in the Other Agency Actions.

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(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.

Redacted

Accordingly, it is hereby ORDERED that Claimant shall receive an award equal to <sup>Redacted</sup> percent ( <sup>\*\*\*</sup> %) of the monetary sanctions collected, or to be collected, in the four Covered Actions and in the Other Agency Actions.

By the Commission.

Vanessa A. Countryman  
Secretary