

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90049 / September 30, 2020

WHISTLEBLOWER AWARD PROCEEDING
File No. 2020-36

In the Matter of the Claims for an Award

in connection with

Redacted

Notice of Covered Action Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS

The Claims Review Staff (“CRS”) issued Preliminary Determinations recommending that Redacted (“Claimant 1”) receive a whistleblower award of over \$22,000,000.00, which is equal to Redacted percent (Redacted) and Redacted (“Claimant 2”) receive a whistleblower award of almost \$7,000,000.00, which is equal to Redacted percent (Redacted) of the amounts collected in Redacted (“Covered Action”).¹ Claimant 1 and Claimant 2 provided written notice of their decisions not to contest the Preliminary Determinations.

The recommendation of the CRS is adopted. The record demonstrates that Claimant 1 and Claimant 2 voluntarily provided original information to the Commission that led to the successful enforcement of the Covered Action.²

¹ For the purposes of making an award in this matter, we are treating the enforcement action against the individual respondents together with the action against the company as a single Covered Action, as the proceedings arise out of the same nucleus of operative facts. *See* Rule 21F-4(d).

² *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).

Applying the award criteria in Rule 21F-6 of the Securities Exchange Act of 1934 to the specific facts and circumstances here, we find the proposed award amounts are appropriate.³ In reaching that determination, we positively assessed the following facts: (1) Claimant 1 was the first to alert Enforcement staff to the potential wrongdoing, and Claimant 1's information, coupled with Claimant 2's information, prompted the opening of the investigation; (2) Claimant 1 provided substantial ongoing assistance to Enforcement staff during the investigation that saved Commission time and resources; and, (3) Claimant 1 persistently internally reported and elevated Claimant 1's concerns in an effort to remedy the conduct.

The record further demonstrates that while Claimant 2 provided certain new, valuable information to the Commission that, together with Claimant 1's information, prompted the opening of the investigation, much of Claimant 2's information was duplicative of Claimant 1's information. Further, Claimant 2 provided more limited assistance as compared to Claimant 1. As to both Claimant 1 and Claimant 2, there are high law enforcement interests here as tens of millions of dollars were returned to harmed retail investors.

Accordingly, it is hereby ORDERED that Claimant 1 shall receive an award of over \$22,000,000.00, Redacted percent (Redacted) of the monetary sanctions collected in the Covered Action, and Claimant 2 shall receive almost \$7,000,000.00, Redacted percent (Redacted) of the monetary sanctions collected in the Covered Action.

By the Commission.

Vanessa A. Countryman
Secretary

³ 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; (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.