

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 92780 / August 27, 2021

WHISTLEBLOWER AWARD PROCEEDING
File No. 2021-87

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 that Redacted (“Claimant”) receive a whistleblower award of more than \$350,000, which represents Redacted percent (%) of the monetary sanctions collected, or to be collected, in the above-referenced Covered Action (the “Covered Action”).¹ Claimant provided written notice of Claimant’s decision not to contest the Preliminary Determination.

The recommendation of the CRS is adopted. The record demonstrates that Claimant voluntarily provided original information to the Commission that caused Enforcement staff to inquire concerning different conduct as part of a current investigation,² and the Commission brought the Covered Action based in part on conduct that was the subject of Claimant’s

¹ The Commission directs that in the event monetary sanctions of \$1 million or less are ordered in the enforcement action Redacted the Redacted Action be treated as part of the Covered Action under Rule 21F-4(d)(1) for purposes of determining the amount of the award because the Redacted Action arose out of the same nucleus of operative facts as the Covered Action.

² See Securities Exchange Act of 1934 (“Exchange Act”) Rule 21F-4(c)(1), 17 C.F.R. § 240.21F-4(c)(1).

information.³ Claimant satisfied the original information requirement by providing independent analysis⁴ based on publicly available information. Claimant identified a microcap company (the “Company”) whose stock was the subject of a suspicious promotional campaign. Claimant’s information, including a comparison of the language in touting emails with emails in other promotional campaigns, was the product of unusual effort and expertise developed over many years and helped establish the connection between the Company and previous or ongoing promotional campaigns that were suspicious in nature.⁵ Claimant’s timely identification of the Company helped secure and an enforcement
action Redacted

Redacted

Redacted

Redacted

Redacted

Claimant assisted the investigation by speaking with
Enforcement staff at least twice and providing real-time information about the incipient
promotional campaign. Redacted

³ See Exchange Act § 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).

⁴ To be credited with providing “independent analysis,” the whistleblower’s examination and evaluation should contribute significant independent information that “bridges the gap” between the publicly available information and the possible securities violations. “[I]n each case, the touchstone is whether the whistleblower’s submission is revelatory in utilizing publicly available information in a way that goes beyond the information itself and affords the Commission with important insights or information about possible violations.” Adopting Release for Amendments to Whistleblower Rules, Release No. 34-89963 (Sept. 23, 2020) at 112-13.

⁵ *Id.* at 113 (“non-experts may configure publicly available information in a non-obvious way that reveals patterns indicating possible violations that would not be otherwise inferable from the public information or may engage in highly probative calculations or some other meaningful exercise with the information that may demonstrate the possibility of securities violations”).

Redacted

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Redacted

Accordingly, it is hereby ORDERED that Claimant shall receive an award of *** percent (*** %) of the monetary sanctions collected or to be collected in the Covered Action.

By the Commission.

Vanessa A. Countryman
Secretary