

UNITED STATES OF AMERICA

before the

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 87544 / November 15, 2019

WHISTLEBLOWER AWARD PROCEEDING

File No. 2020-1

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In the Matter of the Claims for Award

in connection with

Notice of Covered Action: Redacted

Redacted

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**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS**

The Claims Review Staff (“CRS”) issued a Preliminary Determination recommending that claimants, Redacted (“Claimants”), jointly receive a whistleblower award in the amount of \*\*\* percent (\*\*\*%) of the monetary sanctions collected, or to be collected, in the above-referenced Covered Action.<sup>1</sup> Based on current collections, a \*\*\*% award would result in an undivided payment to Claimants of over \$260,000. Claimants provided written notice of Claimants’ decision not to contest the Preliminary Determination.

The recommendation of the CRS is adopted. The record demonstrates that Claimants voluntarily provided original information to the Commission that led to the successful

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<sup>1</sup> See Section 21F(a)(6) of the Securities Exchange Act of 1934 (“Exchange Act”) (defining “whistleblower” to mean “2 or more individuals acting jointly who provide information relating to a violation of the securities laws to the Commission”). Our proceeding in this way has not impacted the net total award percentage to Claimants. Unless Claimants, within ten (10) calendar days of the issuance of this Order, make a joint request, in writing, for a different allocation of the award between the three of them, the Office of the Whistleblower is directed to pay each of them individually one-third of their joint award.

enforcement of the above-referenced Covered Action pursuant to Exchange Act Section 21F(b)(1)<sup>2</sup> and Rule 21F-3(a) thereunder.<sup>3</sup>

Applying the award criteria specified in Rule 21F-6 of the Exchange Act to the specific facts and circumstances here, we find the proposed award amount is appropriate.<sup>4</sup> In reaching that determination, we positively assessed the following facts: (i) the Claimants' information was significant as it would have been unlikely for Commission staff to have learned of the misconduct absent the Claimants' initial tip; (ii) each of the Claimants provided assistance to Commission staff by providing an interview early in the investigation; (iii) Claimants' information helped the Commission further significant law enforcement interests by enabling the Commission to shut down a fraudulent scheme in which investors in a <sup>Redacted</sup> company were preyed upon by recidivist violators; (iv) Claimants were harmed investors who lost their retirement savings; and (v) current collections from the defendants of the monetary sanctions ordered were low.

Accordingly, it is hereby ORDERED that Claimants shall receive an award of <sup>Redacted</sup> percent ( <sup>\*\*\*</sup> %) of the monetary sanctions collected, or to be collected, in the Covered Action.

By the Commission.

Vanessa A. Countryman  
Secretary

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<sup>2</sup> 15 U.S.C. § 78u-6(b)(1).

<sup>3</sup> 17 C.F.R. § 240.21F-3(a).

<sup>4</sup> In assessing the appropriate award amount, 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.