

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 77322 / March 8, 2016

WHISTLEBLOWER AWARD PROCEEDING  
File No. 2016-4

In the Matter of the Claim for Award

in connection with

Redacted

Notice of Covered Action

Redacted

**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS**

On July 13, 2015, the Claims Review Staff (“CRS”) issued a Preliminary Determination for Notice of Covered Action <sup>Redacted</sup>, <sup>Redacted</sup> (the “Covered Action”).<sup>1</sup> The Preliminary Determination recommended that <sup>Redacted</sup> (“Claimant 1”) receive a whistleblower award in the amount of <sup>Redacted</sup> percent <sup>Redacted</sup> of the monetary sanctions collected or to be collected in the Covered Action, which should yield a payment exceeding \$1.8 million. The Preliminary Determination also recommended that <sup>Redacted</sup> (“Claimant 2”) and <sup>Redacted</sup> (“Claimant 3”) receive a joint whistleblower award in the amount of <sup>Redacted</sup> percent <sup>Redacted</sup> of the monetary sanctions collected or to be collected in the Covered Action, which should yield a payment of over \$130,000.<sup>2</sup>

On October 12, 2015, Claimants 2 and 3 jointly challenged the Preliminary Determination’s proposed award determinations asserting that a substantial increase in their award percentage is warranted based on their joint contribution to the success of the Covered Action. Claimant 1 did not contest the Preliminary Determination.

<sup>1</sup>

Redacted

<sup>2</sup> The CRS also recommended that the whistleblower award claim filed by a fourth claimant, <sup>Redacted</sup>, be denied. On August 5, 2015, the Commission issued a final order (available at <http://www.sec.gov/rules/other/2015/owb-order-final-080515-2.pdf>) determining that, pursuant to Rule 21F-8 of the Exchange Act, 17 C.F.R. § 240.21F-8(c)(7), this claimant is ineligible for an award in all of <sup>Redacted</sup> pending or future covered or related actions, because <sup>Redacted</sup> was found to have knowingly and willfully made false, fictitious, or fraudulent statements and representations to the Commission over a course of several years.

Based on our review of the underlying record (including the response filed by Claimants 2 and 3 to the award determinations), we have determined to adopt the award recommendations of the Preliminary Determination. Our assessment of the appropriate award amounts is based exclusively on the award factors that are specified in Rule 21F-6, 17 C.F.R. § 240.21F-6. In applying those factors, we have considered the relative contribution of the Claimants to the success of the Covered Action. In doing so, we were mindful of the fact that the record firmly demonstrates that the joint contribution of Claimants 2 and 3 was substantially less important than that of Claimant 1.<sup>3</sup>

Accordingly, upon due consideration under Rules 21F-10(f) and (h), 17 C.F.R. § 240.21F-10(f) and (h), it is hereby ORDERED that Claimant 1 shall receive an award of <sup>Redacted</sup> percent of the monetary sanctions collected in this Covered Action, including any monetary sanctions collected after the date of this Order. It is FURTHER ORDERED that Claimants 2 and 3 shall receive a joint award of <sup>Redacted Redacted</sup> of the monetary sanctions collected in this Covered Action, including any monetary sanctions collected after the date of this Order.<sup>4</sup>

By the Commission.

Brent J. Fields  
Secretary

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<sup>3</sup> For example, it was Claimant 1's tip that caused the investigative staff to open the investigation, and this occurred approximately eighteen months before Claimants 2 and 3 submitted their information. In addition, Claimant 1 met with the staff to provide useful information on several occasions after providing <sup>Redacted</sup> original tip; during these meetings, Claimant 1 <sup>Redacted</sup> and answered numerous questions posed by the staff. Most of this assistance occurred before Claimants 2 and 3 submitted their information.

<sup>4</sup> Unless Claimants 2 and 3 both advise the OWB to make a different allocation of the award within 10 days of the issuance of this order, the OWB is directed to pay each of them individually 50% of their joint award.