

**UNITED STATES OF AMERICA**  
**Before the**  
**COMMODITY FUTURES TRADING COMMISSION**

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In the Matter of Claims for Award by:

Redacted (“Claimant”),  
Redacted

CFTC Whistleblower Award  
Determination No. 24-WB-04

In Connection with  
Notice of Covered Action No. Redacted

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**ORDER DETERMINING WHISTLEBLOWER AWARD CLAIMS**

The Commodity Futures Trading Commission (“Commission”) received whistleblower award applications on Forms WB-APP from Claimant in response to the above-referenced Notice of Covered Action regarding Redacted

(“Covered Action”). The Claims Review Staff (“CRS”) evaluated the applications in accordance with the Commission’s Whistleblower Rules (“Rules”), 17 C.F.R. pt. 165, promulgated pursuant to Section 23 of the Commodity Exchange Act (“Act”), 7 U.S.C. § 26, and issued a Preliminary Determination. The Preliminary Determination recommended an award of \*\*\* of the monetary sanctions collected in the Covered Action. The Commission hereby adopts this recommendation for the reasons that the CRS provided.

Claimant is a whistleblower who voluntarily provided the Commission original information that led to the successful enforcement of the Covered Action. *See* 17 C.F.R. § 165.5. Further, Claimant does not fall into any of the categories of individuals ineligible for an award listed in Rule 165.6(a), *id.* § 165.6(a).

Claimant’s information is original even though he/she obtained his/her information because he/she was “an employee whose principal duties involved compliance or internal audit responsibilities” at Redacted (“Respondent”). 17 C.F.R. § 165.2(g)(5). Normally, the Commission considers information that a whistleblower obtains as such an employee not to derive from his/her independent knowledge, and thus not to be original information. *See id.* § 165.2(g); 7 U.S.C. § 26(a)(4)(A). However, this exclusion from independent knowledge does not apply when “[a]t least 120 days have elapsed since the whistleblower provided the information to the relevant entity’s audit committee, chief legal officer, chief compliance officer (or their equivalents), or the whistleblower’s supervisor.” 17 C.F.R. § 165.2(g)(7)(iii). Here, Claimant provided his/her information on Redacted, to one or more of these senior officers at Respondent, and filed a Form TCR with the same information on Redacted, more than 120 days later.

Claimant's information was quite significant because it, and it alone, caused the Division of Enforcement ("Division") to open the investigation underlying the Covered Action and described the conduct that ultimately appeared in the Order. *See* 17 C.F.R. §§ 165.2(i)(1), 165.9(b)(1). Claimant observed that

likewise highlighted , and the Order

. Also, Claimant noted , and the Order similarly refers to

Claimant's information also proved significant because it was useful during the investigation. Division staff were able to use Claimant's information as a basis for

However, Claimant's assistance was limited to the information he/she provided in two duplicate TCR submissions to the Commission. Division staff did not have any contact with Claimant or receive additional information from Claimant in connection with the Covered Action. Nor does Claimant claim to have assisted the Commission in any way besides his/her TCR submissions.

The CRS considered all the factors, including whether Claimant participated in internal compliance systems. *See* 17 C.F.R. § 165.9(b)(4). However, as noted above, Claimant was an employee of the type described in Rule 165.2(g)(5), 17 C.F.R. § 165.2(g)(5). The Commission designed this award percentage factor to "provide whistleblowers who are otherwise pre-disposed to report internally ... with additional economic incentives to continue to report internally." Whistleblower Incentives and Protection, 76 Fed. Reg. 53,172, 53,194 (Aug. 25, 2011). Any "employee whose principal duties involved compliance or internal audit responsibilities" is not "pre-disposed" to report internally, but required and paid to do so. Thus, the CRS did not recommend increasing the award percentage based on this factor under these circumstances.

The Commission agrees with the CRS's recommended award percentage. As of the date of this Order Determining Whistleblower Award Claims, of the in monetary sanctions imposed in the Covered Action has been collected, so this award will yield a payment of for Claimant. Accordingly, it is hereby ORDERED that Claimant shall receive \*\*\* of the monetary sanctions collected, or to be collected, in the Covered Action.

By the Commission.

A handwritten signature in black ink, reading "Robert Sidman". The signature is written in a cursive style with a horizontal line underneath it.

Robert Sidman  
Deputy Secretary of the Commission  
Commodity Futures Trading Commission

Dated: March 14, 2024