

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

In the Matter of Claims for Award by:
Redacted ("Claimant"),
Redacted
CFTC Whistleblower Award
Determination No. 24-WB-10
In Connection With
Notice of Covered Action No. Redacted

ORDER DETERMINING WHISTLEBLOWER AWARD CLAIM

The Commodity Futures Trading Commission ("Commission") received a whistleblower award application from Redacted ("Claimant") in response to the above-referenced Notice of Covered Action regarding Redacted

(the "Order" or the "Covered Action").¹ The Order resulted in a total of Redacted in monetary sanctions assessed against Redacted.

The Claims Review Staff ("CRS") has evaluated the application 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 ("CEA" or "Act"), 7 U.S.C. § 26. 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's application met the requirements of Section 23 of the Act and the Rules. Claimant voluntarily provided the Commission with original information that led to the successful enforcement of a covered action. The information submitted by Claimant was sufficiently specific, credible, and timely to cause Division of Enforcement ("Division") staff to open an investigation. Claimant provided original information on a CFTC Form TCR, submitted a claim in response to a Notice of Covered Action, and provided explanations and assistance to Division staff. The Commission brought a successful covered action based in part on the conduct that was the subject of Claimant's original information. Further, Claimant does not fall into any of the categories of individuals ineligible for an award, as set forth in Rule 165.6(a), 17 C.F.R. § 165.6(a).

The amount of any whistleblower award is "in the discretion of the Commission." 7 U.S.C. § 26(c)(1)(A). The determination of the appropriate percentage of a whistleblower

¹ Redacted

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award involves a highly individualized review of the facts and circumstances. The analytical framework in the Rules provides general principles without mandating a particular result. The criteria for determining the amount of an award in Rule 165.9, 17 C.F.R. § 165.9(b) does not mean that the presence of negative factors will result in an award percentage lower than 30%, nor does the absence of negative factors in Rule 165.9(c) mean the award percentage will be higher than 10%. Not all factors may be relevant to a particular decision.

Claimant's information caused the Division to open its investigation. Without Claimant's information the Commission would not have uncovered ^{Redacted} as early as it did. Claimant's information was crucial to the success of the Order. Claimant's information not only included extensive evidence of some of the violations at issue but also led to additional evidence critical to the investigation, leading to additional charges of misconduct. The detailed information that Claimant provided in *** original complaint form and subsequent communications with the Commission enabled Division staff to build a case against ^{Redacted} ^{Redacted} highlighting the fraud outlined in Claimant's information. During the investigation, Claimant provided ongoing assistance, was forthcoming with *** information, and expressed a willingness to cooperate. *** information was deemed to be very helpful, and saved the Commission time and resources.

In light of these facts, the CRS considered the significance of Claimant's information, the degree of assistance Claimant provided to the Division staff during the course of the investigation, and the Commission's programmatic and law enforcement interests. The CRS preliminarily determined to award a percentage that appropriately recognized the significance of the information that Claimant provided the Commission. Furthermore, the CRS preliminarily determined that the award percentage would incentivize future whistleblowers to come forth with high quality information.

Having considered these factors and the others, the CRS recommended a whistleblower award of *** of the monetary sanctions collected in the Covered Action. The Commission agrees with this recommendation. Based on the total monetary sanctions collected under the Order to date, the award payment ^{Redacted}

. 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.



Robert Sidman
Deputy Secretary of the Commission
Commodity Futures Trading Commission

Dated: September 23, 2024