

FINAL ORDER – THIS PRELIMINARY DETERMINATION BECAME THE FINAL ORDER OF THE COMMISSION ON OCTOBER 21, 2019 PURSUANT TO SECTION 165.7(h) OF THE WHISTLEBLOWER RULES, 17 C.F.R. PART 165, ADOPTED PURSUANT TO SECTION 23 OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 26.

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In the Matter of Claims for Award by:

Redacted (“Claimant 1”),  
Withdrawn pursuant to Section 165.7(d)

Redacted (“Claimant 2”),  
Redacted

In Connection With  
Notice of Covered Action No. Redacted  
\_\_\_\_\_

**PRELIMINARY DETERMINATION OF THE CLAIMS REVIEW STAFF**

The Commodity Futures Trading Commission (“Commission”) received whistleblower award applications from Claimant 1 and Claimant 2, submitted on Redacted and Redacted, regarding: Redacted.

. The Claims Review Staff (“CRS”) has evaluated the applications in accordance with the Commission’s Whistleblower Rules (“Rules”), 17 C.F.R. pt. 165 (2018), promulgated pursuant to Section 23 of the Commodity Exchange Act (“CEA” or “Act”), 7 U.S.C. § 26 (2018).<sup>1</sup> The CRS sets forth its Preliminary Determination for Claimant 1 and Claimant 2 as follows:

<sup>1</sup> The determination of the appropriate percentage of a whistleblower 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) (2018) 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.



1. The CRS has determined to recommend that the Commission deny Claimant 1's and Claimant 2's applications because each application fails to meet the requirements of Section 23 of the Act and the Rules. Although Claimant 1 and Claimant 2 voluntarily provided the Commission with original information in the manner required by the Commission, neither Claimant 1's nor Claimant 2's information led to the successful enforcement of a judicial or administrative action or a related action.

- Claimant 1 first contacted the Commission [Redacted] after the Commission began its investigation of [Redacted].
  - . Division staff opened the Commission's investigation based on the information Division staff learned from staff of another regulator. Accordingly, the Commission did not commence its investigation as a direct or indirect result of Claimant 1's TCR submission;
- [Redacted], none of the information in any of Claimant 2's TCRs was used in connection with the Commission's investigation of [Redacted]. Accordingly, the Commission did not commence its investigation as a direct or indirect result of Claimant 2's TCR submissions;
- Neither Claimant 1's nor Claimant 2's information significantly contributed to the [Redacted] because none of Claimant 1's or Claimant 2's information was used in connection with the [Redacted]; and



- Claimant 1's information also did not lead to the successful enforcement of a related action.<sup>2</sup> Because Claimant 1's information did not lead to the Commission's successful enforcement action against the defendants in the Redacted,  
Claimant 1's information also did not lead to the successful enforcement of a related action.

Dated: August 21, 2019

Whistleblower Claims Review Staff  
Commodity Futures Trading Commission  
1155 21<sup>st</sup> Street, N.W.  
Washington, DC 20581

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<sup>2</sup> Under the Rules, a related action is a judicial or administrative action brought by any of the following non-Commission entities: Department of Justice; an agency or department of the U.S. government; a registered entity, registered futures association, or self-regulatory organization; or a State criminal or civil agency. *See* 17 C.F.R. § 165.11 (2018). A related action must be "based on the original information that the whistleblower voluntarily submitted to the Commission *and led to a successful resolution of the Commission judicial or administrative action.*" *Id.* (emphasis added); *see* 17 C.F.R. § 165.11(a)(2) (2018); *see also* 17 C.F.R. § 165.2(m) (2018). In other words, for an action to qualify as a related action under the CEA and the Rules there must be a corresponding successful enforcement of a Commission action based on the same original information voluntarily submitted by the whistleblower to the Commission. Here, as referenced above, Claimant 1's information did not provide any meaningful assistance to Commission staff assigned to the investigation that led to the Redacted.