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FINAL ORDER – THIS PRELIMINARY DETERMINATION BECAME THE FINAL ORDER OF THE COMMISSION ON JUNE 2, 2020 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.

In the Matter of Claims for Award by:)
Redacted)
Redacted)
In Connection with)
Noticed 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 (collectively, “Claimants”) in response to Notice of Covered Action No. Redacted . The corresponding enforcement action is ***

Redacted

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 (2019), promulgated pursuant

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to Section 23 of the Commodity Exchange Act (“CEA” or “Act”), 7 U.S.C. § 26 (2018). The CRS sets forth its Preliminary Determination for Claimants as follows:

1. The CRS has determined to recommend that the Commission deny both applications because they did not meet the requirements of Section 23 of the CEA and the Rules. Claimant 1’s award claim should be denied because Claimant 1 is not a whistleblower within the meaning of the Rules, and staff in the Division of Enforcement (“Division”) that brought the ^{Redacted} did not find Claimant 1’s information helpful. Although Claimant 1 provided information to Division staff during the investigation by email and phone, Claimant 1 never submitted a Form TCR (Tip, Complaint or Referral). To become a whistleblower under the CFTC’s Whistleblower Program, an individual must submit a Form TCR to the Commission. *See* 17 C.F.R. §§ 165.2(p), 165.3. However, even if Claimant 1 had filled out and submitted a Form TCR, the Division did not rely on the information Claimant 1 provided.

2. The Division opened an investigation in this matter not because of either Claimant, but because it received an online complaint from ^{Redacted}

3. The Division’s case was brought based on the results of the Division’s investigation, ^{Redacted}. The Division obtained documents from various sources, ^{Redacted}

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4. Claimant 1's information did not significantly contribute to
Claimant 1

Redacted

Redacted

. The Division

did not receive Claimant 1's first production of documents until

Redacted

5. Redacted

. Ultimately, Division staff did not rely on Claimant 1's information. As
previously stated, the Division opened the matter because of Redacted, and the Division
brought the case based on Redacted

. Thus, Claimant 1's information did not lead to the successful enforcement of the
Redacted

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6. Claimant 2's information also did not lead to Redacted . Claimant 2's information regarding Redacted appears to have no factual nexus to Redacted . Division staff did not contact Claimant 2 in connection with Redacted . Division staff also did not use any information provided by Claimant 2 to investigate or bring the matter. Accordingly, Claimant 2 did not lead to the successful enforcement of Redacted .

7. Because Claimants did not lead to the successful enforcement action against Defendants, any claims on purported related actions should be denied. Under the CEA, in order to be eligible for awards on Related Actions, a whistleblower must have provided information that led the Commission to a successful enforcement action. *See* 17 C.F.R. §§ 165.2(m), 165.11. A Related Action is a judicial or administrative action brought by the Department of Justice; an agency or department of the U.S. government; a registered entity, registered futures association, or self-regulatory organization; a State criminal or civil agency; or a foreign futures authority. *See* 17 C.F.R. § 165.11(a)(1). 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.* § 165.11(a)(2) (emphasis added).

8. As applied, because Claimants did not lead to the Commission's enforcement action against Defendants, they do not qualify for awards on any related actions. Accordingly, any claims on related actions should be denied.

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Dated: April 1, 2020

Whistleblower Claims Review Staff
Commodity Futures Trading Commission
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