The SEC Whistleblower **Program: A Rewarding** Investor Protection Paradigm

The SEC whistleblower program empowers individuals to report securities law violations by providing major financial awards, employment protections, and the ability to report anonymously when working with an attorney.

The SEC has awarded whistleblowers more than \$2.2 billion. Many individuals qualified for additional awards for parallel proceedings launched by other federal agencies.

Top 10 Whistleblower Awards to Date

° \$279M

In May 2023, a whistleblower was awarded more than a quarter-billion dollars for assisting with an ongoing investigation.

⁰² \$114M

° \$114M

In October 2020, a whistleblower received a combined award of \$52 million from the SEC, and \$62 million in a parallel proceeding by another agency.

In September 2021, two whistleblowers received awards totaling \$114 million in

°4 \$98M

connection with their contributions to an SEC investigation and a related proceeding by another agency. In August 2024, two whistleblowers split this

blockbuster award for their assistance with an SEC enforcement action and a proceeding

by another agency.

\$83M

\$50 million award, and a third received more than \$33 million.

In March 2018, two whistleblowers shared a

° \$54M

awarded \$54 million to two whistleblowers whose critical information and continued assistance helped the agency bring an important enforcement action. In April 2021, joint whistleblowers alerted

the SEC to violations that involved highly

In September 2018, the Commission

°7 \$50M

complex transactions that might have gone undetected without their information and assistance. In June 2020, an individual provided detailed,

firsthand observations of corporate

° \$37M

°° \$50M

misconduct, which resulted in a successful enforcement action that returned significant monies to harmed investors. In December 2022, a whistleblower was awarded more than \$37 million for

10 \$37M

enforcement action and a related action by another agency. In July 2024, the SEC awarded more than \$37 million to a whistleblower whose

to investigate and eventually report to the

Commission. After opening its own

information that led to a successful SEC

persistent internal reporting led the employer

Whistleblower awards are paid from a replenishing investor

paid to the SEC by securities law violators.

investigation, the SEC noted it would not have learned the extent of the employer's misconduct without the whistleblower's ongoing and extensive assistance. The Money Trail

Whistleblowers may be eligible for an award when they voluntarily provide the SEC with original, timely, and credible information that leads to a successful enforcement action. Whistleblower awards can range from 10%-30% of the money collected when the sanctions exceed \$1 million.

protection fund that is financed entirely through monetary sanctions



200

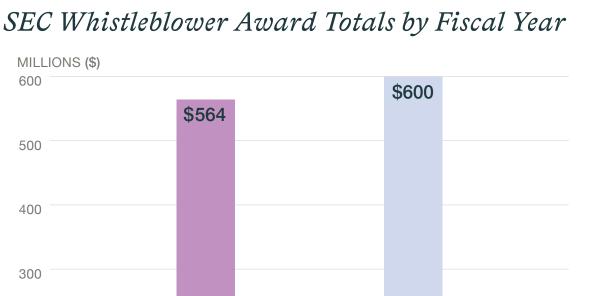
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\$175

2020

The Math



\$229

2022

2023

For more information on the SEC Whistleblower Program and its robust employment protections, please contact the Co-Chairs of our SEC Whistleblower & Retaliation

Practice, <u>Tammy Marzigliano</u> or <u>Dave Jochnowitz</u>.

2021

2024

\$255