

SEC Issues \$4.1 Million Award to Overseas Whistleblower

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On December 5, 2017, the SEC [announced](#) a whistleblower award of more than \$4.1 million to an overseas former company insider. The SEC declined to disclose the identity of the whistleblower or the company at issue.

The [order](#) noted that the tipster voluntarily reported original information that prompted an SEC investigation which uncovered an extensive securities law violation spanning multiple years. In determining the award amount, the SEC also took into account that the individual provided continued assistance and information to the Commission throughout its investigation.

Although the SEC reduced the whistleblower's bounty award due to "unreasonable delay in reporting the misconduct," the reduction was tempered by the presence of two mitigating factors. First, the SEC's whistleblower award program had not yet been established when the delay occurred. And second, the SEC acknowledged that the whistleblower likely could not assert a retaliation claim because the whistleblower is a foreign national working beyond United States borders. See [Liu v. Siemens A.G.](#), No. 13-cv-4385, 2014 WL 3953672 (2d Cir. Aug. 14, 2014) (holding that Dodd-Frank's anti-retaliation provisions do not apply extraterritorially).

In the SEC's press release, Jane Norberg, Chief of the SEC's Office of the Whistleblower, stated the case demonstrated "[t]he breadth of the SEC's whistleblower program." The award was the third among over \$20 million issued to whistleblowers within the last week. On November 30th, the SEC [awarded](#) two whistleblowers over \$16 million.

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