Anonymous SEC Whistleblower Plays Key Role in Fraud Investigation, Receives $1 Million Award

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Today, the Securities and Exchange Commission (SEC) announced a whistleblower award of over $1 million issued to an anonymous individual whose tip was the underlying source for an investigation into fraud.

According to the award order, the SEC whistleblower suffered personal and professional hardships because of their reporting.

This anonymous SEC whistleblower provided information to enforcement staff that would have otherwise been not accessible to the SEC, and helped identify key players in the fraud.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010,
whistleblowers who report original information of fraud in a timely manner can become eligible for a share in the monies recovered from any successful enforcement actions that may follow. If the SEC brings forth successful actions based on the whistleblower’s reporting that results in $1 million or more in sanctions, that individual can receive an award of 10-30% of the monies recovered.

Whistleblowers who report fraud to the SEC using an experienced whistleblower attorney can remain fully anonymous and confidential throughout the entire process. Using a whistleblower attorney to file the necessary forms on your behalf will ensure your identity is hidden from your employer.

Since issuing its first award in 2012, the SEC Whistleblower Office has awarded approximately $938 million to 179 individuals.

“Today’s whistleblower played a critical role in the SEC bringing these important enforcement actions,” said Emily Pasquinelli, Acting Chief of the SEC’s Office of the Whistleblower. “The whistleblower’s information prompted the opening of the investigation, and their continued cooperation saved significant SEC staff time and resources.”

Ben Kostyack also contributed to this article.

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