

## [Securities Regulation Daily Wrap Up, TOP STORY—CFTC awards \\$200 million to whistleblower in largest award to single whistleblower, \(Oct. 21, 2021\)](#)

Securities Regulation Daily Wrap Up

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The CFTC awarded \$200 million to a whistleblower whose information led to a successful enforcement action, as well as to the success of two related actions, by a U.S. federal regulator and a foreign regulator.

The CFTC announced an award of nearly \$200 million to a whistleblower whose original information significantly contributed to an already open investigation and led to a successful enforcement action, as well as to the success of two related actions, by a U.S. federal regulator and a foreign regulator. The whistleblower's claim in connection with a third related action by a state regulator was denied because the whistleblower's information was never shared with the state regulator (*In the Matter of Claims for Award*, [No. 21-WB-07](#), October 15, 2021).

According to the CFTC's [press release](#), the whistleblower's information led the CFTC to direct evidence of wrongdoing. To qualify for an award, a whistleblower who significantly contributed to the success of an enforcement action must demonstrate that there is a "meaningful nexus" between the information provided and the CFTC's ability to successfully complete its investigation, and to either obtain a settlement or prevail in a litigated proceeding. The CFTC determined that the whistleblower met this standard. However, the whistleblower's claim in connection with a third related action by a state regulator was denied because the whistleblower's information was never shared with the state regulator.

CFTC Commissioner Dawn D. Stump issued a [public statement](#) expressing her disagreement with the CFTC's award to the whistleblower relating to the foreign regulator's action. Stump stressed that the CFTC should be particularly careful in making whistleblower awards based on monetary sanctions collected by a foreign futures authority because such awards come from funds that would otherwise be available to whistleblowers to the CFTC or other U.S. regulators, or to the U.S. Treasury. Stump pointed out that this is the first whistleblower award the CFTC has ever made relating to an action brought by a foreign futures authority. In her view, the record before the CFTC does not establish that the foreign regulator's action was based on the information that the whistleblower voluntarily submitted to the CFTC, and thus is insufficient to justify a whistleblower award on top of the awards the CFTC is approving based on the monetary sanctions collected in the CFTC's enforcement action plus the federal regulator's action.

The matter is [No. 8453-21](#).

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