



# Workplace Whistleblower

## SEC Announces Third-Largest Dodd-Frank Bounty Award

*By Ada W. Dolph and Craig B. Simonsen*

Whistleblowers continue to reap extraordinary awards under Dodd-Frank's "bounty" program in exchange for bringing the Securities and Exchange Commission (SEC) "original" information that leads to a successful enforcement action. Most recently, the SEC [announced](#) its third-highest award since Dodd-Frank was enacted -- an award of "more than \$3,000,000" -- to one such whistleblower. (See the SEC Order announcing the award [here](#)).

Careful to adhere to its statutory mandate to keep the identity of whistleblowers confidential, the SEC revealed only that the award was being made to an undisclosed "company insider" whose information helped the Commission "crack a complex fraud" "which otherwise would have been very difficult for investigators to detect."

In a press release, Sean McKessy, Chief of the SEC's Office of the Whistleblower, reminded would-be whistleblowers that if they provide the SEC with "unique and useful information" that contributes to a successful enforcement action, they too, may be eligible to "receive significant financial rewards."

While \$3 million is certainly nothing to sneeze at, the SEC previously issued a [\\$30 million award](#) in 2014, and a [\\$14 million award](#) in 2013.

At this rate, we can expect insiders to continue to provide information to the SEC. Publicly-traded companies and private companies that contract with those companies should continue to maintain robust (and [SEC-compliant](#)) compliance, reporting and investigative whistleblowing programs and policies to encourage employees to report alleged violations internally.

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