

Two SEC Announcements Today ? First Whistleblower Award and Deferral of Open Meeting Topic

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A year after opening its new whistleblower office, the SEC announced today that it had paid out \$50,000 to an unidentified whistleblower, the first such award under Dodd-Frank. In its [press release](#), the SEC indicated that the award represents the maximum percentage allowed, or 30%, of the amount collected in an enforcement action. The whistleblower reportedly provided documents and other information that led to a court ordering more than \$1 million in sanctions. Additional sanctions will increase the payout to the whistleblower. A second individual seeking an award for the same matter was denied since the information provided did not lead to or significantly contribute to the enforcement action.

The release and orders did not provide any detail regarding the type of information the whistleblower provided, or whether the whistleblower made any internal reports prior to approaching the SEC. The SEC indicated that the whistleblower office is receiving about 8 tips a day.

In another [announcement](#), the SEC has moved the consideration of proposed rules to eliminate the prohibition against general solicitation and general advertising in securities offerings conducted under Securities Acts Rules 506 and 144A, as mandated under the JOBS Act, from the agenda for tomorrow's open meeting to a new open meeting to be held next Wednesday, August 29th. The rulemaking has been the subject of some controversy. Rules on conflict minerals and resource extraction remain on the agenda for tomorrow's open meeting.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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