Davis Polk

SEC Announces First Whistleblower Program Award

August 23, 2012 | Client Update

On August 21, 2012, the Securities and Exchange Commission ("SEC") announced its first "whistleblower" award under the Dodd-Frank Act. While the facts relating to the whistleblower and the related enforcement action were not identified, the particulars of the award were detailed in the SEC's press release. The award grants the whistleblower $50,000 immediately— a thirty percent stake in the total monetary sanctions the SEC has collected in the action and the maximum percentage allowed by law. The whistleblower's recovery will increase if the SEC collects additional sanctions. The award comes just over a year since the SEC issued the final whistleblower rules and signals the SEC's intent to encourage whistleblowers to come forward both by issuing the maximum allowable award and by maintaining the whistleblower's confidentiality.

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.

Greg D. Andres
+1 212 450 4724
greg.andres@davispolk.com

Martine M. Beamon
+1 212 450 4262
martine.beamon@davispolk.com

Lawrence Portnoy
+1 212 450 4874
lawrence.portnoy@davispolk.com

Linda Chatman Thomsen
+1 202 962 7125
linda.thomsen@davispolk.com

Related materials

Read the full update