

SEC Adopts Final Whistleblower Rules

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Earlier today, in a divided 3-2 vote, the SEC adopted final rules to implement the whistleblower provisions of the Dodd-Frank Act. Overall, the final rules appear more permissive and deferential to potential whistleblowers than the proposed rules even though they do provide additional incentives for whistleblowers to utilize corporate compliance systems. As expected, the final rules, like the proposed rules, do not require employees to first report allegations of wrongdoing through a company's corporate compliance system, despite numerous comments by members of the corporate community urging them to do so.

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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