

CFTC Issues \$10M Whistleblower Award

April 6, 2016

The U.S. Commodity Futures Trading Commission (CFTC) Whistleblower Office [announced](#) on April 4, 2016, that it would issue an award of more than \$10 million to a whistleblower whose information led to a successful CFTC enforcement action. The award was the largest the agency has ever issued. The recipient of the award and the company penalized were not disclosed—steps purposefully taken by the CFTC to protect the confidentiality of whistleblowers who are concerned about the effect that blowing the whistle may have on their career.

Christopher Ehrman, the Director of the CFTC's Whistleblower Office, asserted that "[t]he Whistleblower Program is working. My hope is that this multimillion dollar award will encourage others to come forward with information that will assist the Commission in protecting our markets." Aitan Goelman, Director of the CFTC's Division of Enforcement, added that "[b]y providing robust financial incentives and enhanced protections to whistleblowers, the Commission incentivizes people to come forward with high quality information about serious violations of the law that we might not otherwise uncover. An award this size shows the importance that the Commission places on incentivizing future whistleblowers."

The [CFTC Whistleblower Program](#) was created by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Under the CFTC Whistleblower Program, an individual who provides the CFTC with original information leading to an enforcement action that results in over \$1 million in monetary sanctions is eligible to receive an award of 10 to 30 percent of the amount collected. The statute also provides whistleblowers with protections to help ensure that insiders can approach the CFTC with information without fear of reprisal.

According to [Lisa J. Banks](#), a partner with Katz, Marshall & Banks, LLP, who represents individuals in submitting whistleblower tips to the CFTC, "This award represents a huge step forward for the CFTC. When a whistleblower program is just getting started, whistleblowers need to see clear signals that the enforcing agency is serious—both in terms of holding violators accountable and providing meaningful awards to whistleblowers. Awards like this one show whistleblowers that blowing the whistle is worth the risk, and will go a long way toward solidifying the CFTC Whistleblower Program." In February 2016, Ms. Banks published a [CFTC Whistleblower Practice Guide](#), which provides a comprehensive and up-to-date explanation of the law and valuable practice tips for CFTC whistleblowers and their counsel, and also explains the legal protections that CFTC whistleblowers have against retaliation.