

Office of the Whistleblower

Whistleblower Protections

- [Protections Against Retaliation](#)
 - [Protections Against Actions Taken to Impede Reporting](#)
 - [Frequently Asked Questions](#)
 - [SEC Enforcement Actions](#)
 - [Whistleblower Protection News](#)
 - [Internal Reporting Amicus Briefs](#)
-

Protections Against Retaliation

The Dodd-Frank Wall Street Reform and Consumer Protection Act expanded the protections for whistleblowers and broadened the prohibitions against retaliation. Following the passage of Dodd-Frank, the SEC implemented rules that enabled the SEC to take legal action against employers who have retaliated against whistleblowers. This generally means that employers may not discharge, demote, suspend, harass, or in any way discriminate against an employee in the terms and conditions of employment who has reported conduct to the Commission that the employee reasonably believed violated the federal securities laws.

Recent amendments to the whistleblower program's rules also require individuals to report information about possible securities laws violations to the Commission "in writing" before experiencing retaliation to qualify for the retaliation protection under Section 21F.

Dodd-Frank also created a private right of action that gives whistleblowers the right to file a retaliation complaint in federal court. This means that if you are a whistleblower who has reported a possible securities law violation to the Commission in writing and believe you have been retaliated against because of your report, you may be able to sue your employer in federal court and seek double back pay (with interest), reinstatement, reasonable attorneys' fees, and reimbursement for certain costs in connection with the litigation.

You can find more information about the Dodd-Frank whistleblower protections, including the time period by which a whistleblower must file a private action in federal court, in [Section 922 of the Dodd-Frank Act](#).

Protections Against Actions Taken to Impede Reporting

In addition to protecting whistleblowers who have reported possible securities law violations from retaliation, [Commission Rule 21F-17\(a\)](#) prohibits any person from taking any action to prevent you from contacting the SEC directly to report a possible securities law violation. The Rule states "[n]o person may take action to impede an individual from communicating directly with the Commission staff about a possible securities law violation, including enforcing, or threatening to enforce, a confidentiality agreement...with respect to such communications."

Unlike the anti-retaliation protections, the protections against actions taken to impede reporting possible securities law violations are not limited to the employee-employer context. Only the SEC, however, may file an enforcement action for a violation of Rule 21F-17(a).

Please let us know by [submitting a tip](#) if you believe that someone has taken any action to prevent you from communicating with the SEC concerning a possible securities law violation.

Frequently Asked Questions

The answers to these frequently asked questions represent the views of the staff of the Office of the Whistleblower. They are not rules, regulations or statements of the Securities and Exchange Commission. Further, the Commission has neither approved nor disapproved them. These FAQs provide short general summaries of certain key features of the SEC Whistleblower Program and do not purport to be a complete or comprehensive discussion of all of its provisions. For detailed information about the program, including eligibility requirements and certain limitations that apply, please see [Section 922](#) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the [Amended Rules](#) implementing the program.

1. What rights do I have if my employer fires me or retaliates against me for submitting information to the SEC?

You may bring an action in federal court within a certain time period if your employer violates the anti-retaliation provisions of Dodd-Frank. If you are successful in court, you may be entitled to reinstatement, double back pay, litigation costs, expert witness fees, and attorneys' fees.

The anti-retaliation protections generally apply to employees who report information regarding possible violations of the federal securities laws. Among other things, these protections provide that an employer may not discharge, demote, suspend, threaten, harass, or in any way discriminate against a whistleblower in the terms or conditions of employment for:

- Providing information to the SEC under the whistleblower program, or
- Initiating, testifying in, or assisting the SEC in any investigation or proceeding

In addition, the SEC may also bring an enforcement action against a company that violates the anti-retaliation provisions of Dodd-Frank.

You may also be able to file a retaliation complaint in federal court under Section 806 of the Sarbanes-Oxley Act of 2002 ("SOX"). You can find information about your rights and protections under SOX on the [Department of Labor's whistleblower website](#).

2. I'm considering reporting internally to my company. Will I still be eligible for the anti-retaliation protections under Dodd-Frank?

With the passage of Dodd-Frank, Congress amended the Exchange Act to add Section 21F, which established a series of new incentives and protections for individuals to report possible violations of the federal securities laws, including enhanced employment retaliation protections.

On February 21, 2018, the United States Supreme Court issued an opinion in [Digital Realty Trust, Inc. v. Somers](#) stating that the Dodd-Frank anti-retaliation provisions only extend to those persons who provide information relating to a violation of the securities laws to the SEC. In September 2020, the Commission adopted amendments to the rule governing the whistleblower program that included a new definition of "whistleblower" to conform to the Supreme Court's holding in Digital Realty. For purposes of retaliation protection, an individual is required to have reported information about possible securities laws violations to the Commission "in writing" before experiencing the retaliation. To understand how this may affect you, we encourage you to consult with an attorney.

If you choose to report a possible securities law violation internally to your company, you also can report that information directly to the SEC either before or at the same time as reporting internally. If you have already reported to the company, you can still report to the Commission now.

Regardless of whether the anti-retaliation protections extend to you, you may remain eligible for an award under our whistleblower award program. We encourage you to provide information about potential securities law violations to the SEC by [submitting a tip](#). To be eligible for an award, you must file a Form TCR within 30 days of submitting your

information or within 30 days of learning of the TCR filing requirement. If you are represented by counsel, you are on constructive notice of the TCR filing requirement.

3. What if I am asked to sign an agreement that prevents me from reporting my concerns directly to the SEC?

Such an agreement may violate the federal securities laws. [Rule 21F-17\(a\)](#) provides that “[n]o person may take any action to impede an individual from communicating directly with the Commission staff about a possible securities law violation, including enforcing or threatening to enforce a confidentiality agreement...with respect to such communications.”

If you have been asked to sign such an agreement, or have already signed such an agreement, and want to understand how the rules may apply to you, we encourage you to consult with an attorney. You may also send us a copy of your agreement, if you so choose, by [submitting it as a tip](#) either through our online portal or by mail or fax.

4. Do the anti-retaliation protections apply overseas?

Dodd-Frank does not specifically state whether, or to what extent, the anti-retaliation protections apply to individuals or conduct outside of the United States. To understand if the anti-retaliation protections may apply to you, we encourage you to consult with an attorney. We encourage you to [submit a tip](#) to the SEC if you believe you have been retaliated against for reporting potential securities law violations even if the retaliation occurred outside of the United States.

Regardless of whether the Dodd-Frank anti-retaliation protections extend to you, you may remain eligible for an award under our whistleblower award program. You do not need to reside or work in the United States to be eligible for an award under our whistleblower award program.

SEC Enforcement Actions

The SEC has brought a number of actions based on both retaliatory conduct, as well as actions taken to impede reporting.

Enforcement Actions Based on Retaliatory Conduct

[SEC v. GPB Capital Holdings, LLC, et al.](#), 21-cv-00583 (E.D.N.Y., filed February 4, 2021)

[In the Matter of SandRidge Energy, Inc.](#), File No. 3-17739 (December 20, 2016)

[In the Matter of International Game Technology](#), File No. 3-17596 (September 29, 2016)

[In the Matter of Paradigm Capital Management, Inc. and Candace King Weir](#), File No. 3-15930 (June 16, 2014)

Enforcement Actions Based on Actions Taken to Impede Reporting

[In the Matter of David Hansen](#), File No. 3-20820 (April 12, 2022)

[In the Matter of Guggenheim Securities, LLC](#), File No. 3-20370 (June 23, 2021)

[SEC v. GPB Capital Holdings, LLC, et al.](#), 21-cv-00583 (E.D.N.Y., filed February 4, 2021)

[SEC v. Leon Vaccarelli, et al.](#), 17-cv-01471 (D. Conn., filed Aug. 31, 2017)

[SEC v. Collector's Coffee, Inc. \(d/b/a Collectors Cafe\), and Mykalai Kontilai](#), 19-cv-04355 (November 4, 2019)

[SEC v. Kenneth W. Crumbley](#), 16-cv-00172 (N.D. Tex.) (September 13, 2018)

[In the Matter of Homestreet, Inc. and Darrell Van Amen](#), File No. 3-17801 (January 19, 2017)

[In the Matter of Blackrock, Inc.](#), File No. 3-17786 (January 17, 2017)

[In the Matter of SandRidge Energy, Inc.](#), File No. 3-17739 (December 20, 2016)

[In the Matter of NeuStar, Inc., File No. 3-17736 \(December 19, 2016\)](#)

[In the Matter of Anheuser-Busch InBev SA/NV, File No. 3-17586 \(September 28, 2016\)](#)

[In the Matter of Health Net, Inc., File No. 3-17396 \(August 16, 2016\)](#)

[In the Matter of BlueLinx Holdings Inc., File No. 3-17371 \(August 10, 2016\)](#)

[In the Matter of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Professional Clearing Corp., File No. 3-17312 \(June 23, 2016\)](#)

[In the Matter of KBR, Inc., File No. 3-16466 \(April 1, 2015\)](#)

Retaliation News

[SEC Charges Broker-Dealer for Violating Whistleblower Protection Rule \(6/23/21\)](#)

[SEC Charges Investment Adviser and Others With Defrauding Over 17,000 Retail Investors \(2/4/2021\)](#)

[SEC Charges Issuer and CEO with Violating Whistleblower Protection Laws to Silence Investor Complaints \(11/4/2019\)](#)

[Financial Company Charged with Improper Accounting and Impeding Whistleblowers \(1/19/17\)](#)

[Blackrock Charged with Removing Whistleblower Incentives in Separation Agreements \(1/17/17\)](#)

[Company Settles Charges in Whistleblower Retaliation Case \(12/20/16\)](#)

[Company Violated Rule Aimed at Protecting Potential Whistleblowers \(12/19/16\)](#)

[Risk Alert: Examining Whistleblower Rule Compliance \(10/24/2016\)](#)

[SEC: Casino-Gaming Company Retaliated Against Whistleblower \(9/29/16\)](#)

[SEC Charges Anheuser-Busch InBev With Violating FCPA and Whistleblower Protection Laws \(9/28/16\)](#)

[Company Punished for Severance Agreements That Removed Financial Incentives for Whistleblowing \(8/16/16\)](#)

[Company Paying Penalty for Violating Key Whistleblower Protection Rule \(8/10/16\)](#)

[Merrill Lynch to Pay \\$415 Million for Misusing Customer Cash and Putting Customer Securities at Risk \(6/23/16\)](#)

[SEC Announces Award to Whistleblower in First Retaliation Case \(4/28/15\)](#)

[SEC: Companies Cannot Stifle Whistleblowers in Confidentiality Agreements \(4/1/15\)](#)

[SEC Charges Hedge Fund Adviser With Conducting Conflicted Transactions and Retaliating Against Whistleblower \(6/16/14\)](#)

[Statement on Court Filing by SEC to Protect Whistleblowers From Retaliation \(2/20/14\)](#)

Have Questions?

OWB Hotline

202-551-4790

We are here to answer your questions.

Resources

[Dodd-Frank Act](#)

[Whistleblower Amended Rules](#)

[OCIE Risk Alert](#)



Submit a Tip

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