

**COMMENTS ON PROPOSED AMENDMENTS TO THE COMMISSIONS  
WHISTLEBLOWER PROGRAM RULES**

Mr. Brent J. Fields  
Secretary  
Securities and Exchange Commission  
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**RE: File Number S7-16-18**

Dear Mr. Fields,

I appreciate the opportunity to comment on the above referenced proposed rule changes (the “Proposed Rule Changes”) by the Securities and Exchange Commission (the “Commission” or “SEC”).

Although as it stands, the management and staffing of the whistleblower program (“WP”) accounts for a fraction of the SEC’s annual budget, the administration of the WP can make or break confidence in our financial markets and save or fail victims of major financial frauds. While other rules or rule changes may only affect a sub-set of financial markets, the WP program is all-including and any changes to the program should only be made after extensive thought and consideration.

As a long time whistleblower myself, I feel that I am uniquely positioned to provide perspective and comment. Indeed, for over the past 3 years I have had routine interactions with the SEC’s Office of the Whistleblower (the “OWB”) and SEC enforcement staff. Given my experience I feel obligated to provide first hand comment on the areas of the program that are performing well as well as areas needing significant improvement.

As an individual who has made significant personal and professional sacrifices in the hopes of stopping fraud I believe the proposed rule changes will only detract from the WP and significantly disincentive would-be-whistleblowers from reporting fraud to the SEC.

It is my concern that the Proposed Rule Changes:

1. **Require significant additional consideration before being implemented;**
2. **Should be expanded in scope to tackle many other problems the OWB is facing - such as inadequate staffing and poor communication;**
3. **Should take into consideration the viewpoints, opinions, and discussion with actual whistleblowers to avoid the interjection of bias and personal opinions from those who have not personally been in the position of a whistleblower;**
4. **Should be put on hold pending the public release of objective operating metrics. Without factual data on how the OWB is using its time, resources, and budget, it is impossible for the public to submit useful comments for consideration; and**
5. **Should be subject to a costs and benefit analysis and consideration of alternate solutions by the Office of Information & Regulatory Affairs.**

The current Proposed Rule Changes appear to be very premature and the apparent rushed nature of these Proposed Rule Changes are very dangerous.

Put another way, as they are now, the Proposed Rule Changes will likely lead the SEC to make significant miscalculations as it did when it originally estimated 30,000 whistleblower tips per year.<sup>1</sup> Given the current status of the program and years of operating history it would be careless to make seemingly unsupported changes to the program without a full and complete discussions and analysis of the operating data. If the Proposed Rule Changes pass without an informative discussion it is likely that these Proposed Rule Changes will be off by a factor of 10,000% as the SEC's original estimation of 30,000 tips per year was compared to actual tips of 3,001 per year in 2012.<sup>2</sup>

It is my hope that the SEC will consider further consideration of rule changes and revisit the Congressional history of whistleblower rules before making drastic changes to a program that thousands of would be whistleblowers, billions of dollars in proceeds, and the entirety of the global financial markets.

I am happy to provide additional information or elaboration that is helpful to the SEC.

Sincerely Yours,  
Anonymous

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<sup>1</sup> <https://www.sec.gov/rules/final/2011/34-64545.pdf>

<sup>2</sup> Although the SEC estimated and constructed the OWB to intake 30,000 tips per year, it only received 3,001 tips. See <https://www.sec.gov/news/press-release/2012-2012-229htm>