United States Senate
COMMITTEE ON THE JUDICIARY
WASHINGTON, DC 20510–6275

May 10, 2011

Via Electronic Communication

The Honorable Mary L. Schapiro
Chairman
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Dear Chairman Schapiro:

During my time as a U.S. Senator, I have authored many different whistleblower protection statutes, including the 1986 and 2009 amendments to the False Claims Act,[1] the 2006 amendments to the Internal Revenue Service (IRS) whistleblower program,[2] the Sarbanes-Oxley whistleblower protections for employees of publicly traded companies,[3] among many others. Based upon this experience, I routinely provide assistance to other Members of Congress in drafting whistleblower protection legislation. Last year, I assisted with harmonizing the various whistleblower provisions that were included in the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank).[4] As a result, I write today to express my serious concerns with the Security and Exchange Commission's (SEC) proposed rules for implementing the whistleblower provisions as amended by the Dodd-Frank legislation (Proposed Rule).

The SEC does not have a distinguished record of utilizing information from whistleblowers to correct wrongdoing in the public markets. In fact, the Inspector General for the SEC noted in a March 29, 2010 report:

> Although the SEC has had a bounty program in-place for more than 20 years for rewarding whistleblowers for insider trading tips and complaints, our review found that there have been very few payments made under this program. Likewise, the Commission has not received a large number of applications from individuals seeking a bounty over this 20-year period. We also found that the program is not widely recognized inside or outside the Commission. Additionally, while the Commission recently asked for expanded authority from Congress to reward whistleblowers who bring forward substantial evidence about other significant federal securities law violations, we found that the current

[1] *See* Pub. L. No. 99-562, 100 Stat. 3153, Oct. 27, 1986; Pub. L. No. 111-21, 123 Stat. 1617, May 20, 2009, (both codified at 31 U.S.C. §3729 et seq. (2006) (as amended)).
[2] Pub. L. No. 109-432, 120 Stat. 2958, Dec. 20, 2006, codified at 26 U.S.C. §7623 (2006).
[3] Pub. L. No. 107-201, 116 Stat. 802, July 30, 2002, codified at 18 U.S.C. §1514 (2006).
[4] Pub. L. No. 111-203, 124 Stat. 1376, July 21, 2010.

SEC bounty program is not fundamentally well-designed to be successful.[5]

The SEC Inspector General's review was a stinging indictment of the shortcomings of the SEC's bounty program that was created in 1988 as part of the Insider Trading and Securities Fraud Enforcement Act of 1988.[6] The Inspector General found, "Since the inception of the SEC bounty program in 1989, the SEC has paid a total of $159,537 to five claimants."[7] While the fact that the SEC paid out only 5 claims under its whistleblower program over 20 years is an embarrassment in and of itself, the Inspector General further found that there were "varying degrees of knowledge regarding the SEC bounty program" including some staff that had received bounty applications from whistleblowers who "knew nothing about the bounty program."[8]

While the SEC agreed with many of the Inspector General's findings, it only did so after its spectacular failures in preventing the Ponzi scheme perpetrated by Bernie Madoff came to light – a scheme that repeatedly was brought to the SEC's attention by a whistleblower with no success. At a hearing held by the Senate Banking Committee in September 2009, Chairman Dodd stated, "Bernie Madoff stole $50 billion, and maybe more…And the very agency charged with the responsibility of policing Mr. Madoff, the Securities and Exchange Commission, did not stop him."[9] Chairman Dodd added, "the SEC staff had received multiple complaints over a period of 16 years… Bernie Madoff's business was not legitimate, but had not taken any effective action."[10] Specifically discussing the SEC's failures to recognize complaints about Mr. Madoff brought forward by a whistleblower, Ranking Member Shelby added, "Mr. Madoff, despite his persistent misrepresentations to the [SEC], received greater deference by the staff at the SEC than the tippers who spotted this fraud."[11] In fact, with respect to the tipster in the Madoff matter, Mr. Markopolos, the SEC Inspector General testified that "the enforcement investigators felt that he wasn't an insider and immediately discounted his complaint."[12] Inspector General Kotz added, "they had concerns about Harry Markopolos because he made reference to a bounty, that he is only out for money."[13] Inspector General Kotz later concluded, "I think something has to be done to look at how to encourage more people to file complaints, because the folks out in private industry, they have a good sense of what is going on."[14]

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[5] OFFICE OF THE INSPECTOR GENERAL, U.S. SECURITIES AND EXCHANGE COMMISSION, ASSESSMENT OF THE SEC'S BOUNTY PROGRAM, REPORT NO. 474 ii (March 29, 2010).
[6] Pub. L. No. 100-704, 102 Stat. 4677 (Nov. 19, 1988).
[7] OFFICE OF THE INSPECTOR GENERAL, *supra* note 5 at 5.
[8] *Id.* at 7.
[9] *Oversight of the SEC's Failure to Identify the Bernard L. Madoff Ponzi Scheme and How to Improve SEC Performance: Hearing Before the Senate Comm. on Banking, Housing, and Urban Affairs*, 111th Congress, 1st session, p. 2 (Sept. 10, 2009).
[10] *Id.*
[11] *Id.* at 4.
[12] *Id.* at 12.
[13] *Id.*
[14] *Id.* at 17.

It was against this backdrop that Congress began considering ways to reform the SEC whistleblower reward program as part of the Dodd-Frank legislation. Specifically, Section 922 of that legislation made significant modifications to the existing whistleblower program. The new whistleblower program is designed to "provide monetary rewards to those who contribute "original information" that lead to recoveries of monetary sanctions of $1,000,000 or more in criminal and civil proceedings."[15]

Section 922 was also designed to "motivate those with inside knowledge to come forward and assist the Government to identify and prosecute persons who have violated securities laws and recover money for victims of financial fraud."[16] The Banking Committee also noted that the whistleblower program "is modeled after a successful IRS Whistleblower Program enacted into law in 2006." As the author of the 2006 IRS law, I strongly believe the reformed whistleblower program at the SEC will increase the enforcement power of the Commission. However, I am concerned that the Proposed Rules for implementing the whistleblower Provisions of Section 21F of the Securities Exchange Act of 1934 would hinder successful implementation of the program and threatens to weaken impact this program could have.

Problems with SEC Proposed Regulation

The Proposed Rule was released by the SEC on November 3, 2010, and public comments were solicited through December 17, 2010. I believe that a number of provisions in the Proposed Rule are contrary to the spirit and intent of Section 922 and threaten to limit the effectiveness of the program. Specifically, I want to highlight the following concerns.

(1) Complexity

First and foremost, the Proposed Rule creates procedures for submitting information eligible for an award and claiming an award that are overly complex, unduly burdensome, and include undefined terms that are often vague or overbroad. Whistleblowers often put their physical and financial well-being at risk by coming forward. In fact, the Banking Committee noted in the committee report accompanying Dodd-Frank that "Recognizing that whistleblowers often face the difficult choice between telling the truth and the risk of committing "career suicide", the program provides for amply rewarding whistleblower(s), with between 10% and 30% of any monetary sanctions that are collected."[17] I wholeheartedly agree with this statement because I have firsthand experience working with so many whistleblowers that have been blacklisted by Government agencies, hospitals, pharmaceutical companies, and other businesses after they came forward and blew the whistle.

It seems that once a whistleblower has provided information to the SEC, the whistleblower shouldn't be further burdened by having to monitor SEC actions related to that information. For example, an informant should not have to file a separate claim for

[15] S. REP. NO. 111-176, at 110 (2010).
[16] *Id.*
[17] *Id.*

an award after the SEC issues a final order on a related action. The IRS is significantly bound by taxpayer privacy laws when engaging in communications with whistleblowers. The SEC is not similarly bound and should be maximizing outreach to whistleblowers, especially when it comes to payment of awards.

(2) Original Information

Section 922 provides a statutory definition of "original information" as information that (A) is derived from the independent knowledge or analysis of a whistleblower, (B) is not known to the Commission from any other source, unless the whistleblower is the original source of the information, and (C) is not exclusively derived from an allegation made in a judicial or administrative hearing, in a governmental report, hearing, audit, or investigation, or from the news media, unless the whistleblower is a source of the information. Despite this definition, the Proposed Rule seeks to further define "constituent terms."[18] While some of the proposed definitions are welcomed, including the clarification that "independent knowledge" does not require that a whistleblower have direct, first-hand knowledge of potential violation and that knowledge may be obtained from whistleblower experiences, observations, or communications,[19] other definitions and exceptions clearly limit the Congressional intent of the provision.

The most troubling aspect is the discussion of original information in section (b)(4) of the Proposed Rule. Section (b)(4) proscribes that the SEC will "not consider information to be derived from independent knowledge or independent analysis if the knowledge was obtained or was based upon" seven different exemptions. The proposed seven exemptions unnecessarily constrain the applicability of the Dodd-Frank whistleblower reforms and create a non-statutory basis for denying a whistleblower award. However, while each of these exemptions is problematic for various reasons, my comments are focused on the most troubling.

(a) *Section (b)(4)(i) and (ii) regarding attorney-client privilege and legal representation*

These two provisions would preclude a whistleblower from eligibility for an award if the information provided is derived from communications subject to the attorney client privilege or information learned from legal representation. These two sections of the Proposed Rule effectively exclude attorneys from acting as whistleblower unless the information is independently obtained outside of their employment. While these exemptions may seem appropriate, they are overbroad and will significantly limit the information the SEC will receive from an entire class of prospective whistleblowers—attorneys.

First, the exemption of any information that is derived from independent knowledge that is based upon a communication subject to the attorney-client privilege may lead to an

[18] SEC Proposed Rule at 17.
[19] *Id.* at 18.

increase in the amount of communications that are copied to in-house attorneys just for the purposes of preserving an argument that they could be protected by the attorney-client privilege. This could unnecessarily limit the information that the SEC could receive as a source to cut off fraud. Both the Justice Department—in the False Claims Act context—and the IRS exclude the use of attorney client information in many circumstances, but they do not include a blanket provision that excludes these communications as the basis for an award. As a result, the Proposed Rule is overbroad and could preclude valuable information from being considered by the SEC if a prospective whistleblower is afraid he or she will be left without recourse should one document included in the information submitted turn out to be privileged. Instead, the SEC should adopt a more limited proposal that would exclude individual evidence that is privileged and not simply preclude recovery should part of the submission incorporate a privileged document.

Second, the exemption of information that arises as a result of legal representation is also overbroad. While the goal to exclude information that is based upon a legal relationship may be valid in a more limited manner (e.g. attorney-client privileged information that could be exempted as evidence without disqualification of the whistleblower) simply exempting an entire class of attorneys because of an employer relationship is problematic. This exemption precludes a whistleblower from recovering a reward for information derived as the result of legal representation, either between a client that has retained an individual attorney, or any other member of the retained law firm. To exclude all other attorneys of a retained firm that may not have individual knowledge of the represented client unnecessarily limits potential sources of information. This limitation could hinder the willingness of many qualified individuals to bring forward information they know, even if it is not derived from a client his or her law firm represents simply because of his or her affiliation with an employing law firm.

Further, it is worth noting that federal courts have dealt with the issue of attorneys serving as whistleblowers under the False Claims Act. In *United States ex rel. John Doe v. X. Corp.*, the court held that the in-house attorney was not *per se* excluded from qualifying as a relator (whistleblower) in a *qui tam* action against a former client.[20] The court noted, "[t]he Congressional purpose underlying the *qui tam* provisions is 'to enhance the Government's ability to recover losses sustained as a result of fraud against the Government.' And this purpose is undeniably served by allowing attorneys…to report their clients' ongoing or planned fraudulent practices against the government."[21] However, the court did caution that attorney whistleblowers were still bound by their ethical obligations as an attorney with respect to a current or former client.[22] Based upon this precedent under the False Claims Act, the SEC should consider whether the blanket restriction on attorneys participating as whistleblowers under the SEC program is consistent with the Congressional intent behind Section 922 of Dodd-Frank, which was designed to encourage and expand the whistleblower program.

(b) *Section (b)(4)(iii) regarding public accountants*

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[20] *United States ex rel. John Doe v. X. Corp.*, 862 F. Supp. 1502, 1506 (E.D. Va. 1994).
[21] *Id.* at 1508 (citing S. Rep. No. 345, 99th Cong., 2d Sess. (1986), reprinted in 1986 U.S.C.C.A.N. 5266).
[22] *Id.* at 1507 n.12.

This section of the Proposed Rule provides that information would not qualify under the definition of independent knowledge or independent analysis if it was obtained through an audit required under the securities laws to be completed by an independent public accountant and if it relates to a violation of the securities laws by the client, client's directors, officers, or employees. While this section of the Proposed Rule attempts to expand upon the restriction on accountants that work on audits required by the securities laws, it goes further than the law requires. Section 922(c)(2)(C) denies a whistleblower an award to individuals who gain information through the performance of an audit of financial statements required by the securities laws and for whom the submission would be contrary to the requirements of section 10A of the SEC Act of 1934.

Section 10A of the SEC Act requires auditors to notify an audit committee or board of directors about any illegal acts of a corporation. If the audit committee or board does not take remedial action, Section 10A requires the auditor to make an official report to the board of directors. Section 10A requires the board of directors to notify the SEC within one business day and simultaneously provide a copy of such notice to the accounting firm. If the board fails to provide the accounting firm with such notice in the allotted timeframe, the auditor is required to resign or provide the SEC with a copy of the report provided to the board of directors. Thus, under Section 922(c)(2)(C), a whistleblower employed as accountant at a firm conducting an audit as required under Section 10A who gains information is precluded from filing as a whistleblower.

While it appears that the Proposed Rule and Section 922(c)(2)(C) are similar, section (b)(4)(iii) of the Proposed Rule further restricts any information obtained by an auditor acting under the securities laws. Under a fair reading of Section 922(c)(2)(C), if the accounting firm in question failed to meet the requirements of Section 10A of the SEC, such as failing to report violations to the SEC after no remedial action was taken by the board of directors, it would seem fair to allow an employee of such an accounting firm to be recognized as a whistleblower and recover. Such a submission should no longer be contrary to the requirements of Section 10A. The Proposed Rule does not contemplate an accounting firm's lack of compliance with Section 10A. Therefore, the SEC should contemplate such situations and allow recovery by whistleblowers in accounting firms in this extreme situation. This is exactly the type of situation in which we want information from a whistleblower—where an accounting firm is working with a corporation to hide violations of law or rule—and one in which whistleblowers should be rewarded. Such recoveries should be limited to extreme circumstances and should not open the flood gates for all auditors to come forward.

(c) *Section (b)(4)(iv) and (v) regarding individuals involved in legal, compliance, audit, supervisory, or governance responsibilities or otherwise from or through such sources*

Sections (b)(4)(iv) and (v) would disqualify a broad swath of individuals from filing for a whistleblower reward. Section (iv) would disqualify an individual simply because

the individual is a person with "legal, compliance, audit, supervisory, or governance responsibility for an entity" and the information was communicated to the individual so they could respond appropriately to the violation. However, the disqualification would not apply if the entity did not disclose the violation to the SEC within a reasonable amount of time or acted in bad faith. Section (v) would go further and disqualify anyone who "otherwise from or through" contacts with an entity's "legal, compliance, audit or other similar functions or processes" deals with potential violations unless the entity failed to report the violation to the Commission within a reasonable time or acted in bad faith.

These two provisions are problematic for a number of reasons. First, they are both overbroad and include vague undefined terms that provide uncertainty to potential whistleblowers. For example, section (iv) fails to define what qualifies as a "supervisory" responsibility. Does this include any individual that has a supervisory responsibility regardless of whether it deals with a core governance function or other core regulatory or legal function?

Further, both sections (iv) and (v) fail to define what constitutes a "reasonable time" for an entity to fail to disclose a violation or potential violation to the Commission. They also fail to define what types of activity constitute "bad faith." By failing to define these terms, the Proposed Rule injects unnecessary uncertainty into an already complex and difficult regulation.

Finally, I would note that Section (v) further muddies the water by acting as an overbroad category designed to catch any individual who may have tangentially learned of a fraud through one of the functions described in Section (iv). This sort of catch-all provision will simply serve to disqualify good faith whistleblowers who happen to have a contact with a legal, compliance, audit or other similar function. In attempting to defend this section of the Proposed Rule, the Commission states that it is designed to exclude "those retained to assist in such processes, e.g. forensic accountants retained by outside counsel responsible for conducting an internal investigation." If this is the stated goal of Section (v), the Commission should simply add this into the exemptions and not include broad language which could serve to disqualify a whole host of other possible whistleblowers. However, I would add that this provision in the regulation is unnecessary and is not supported by Section 922 of the Dodd-Frank legislation. Instead, the Commission should simply rely upon the expressly stated categories of individuals Congress exempted from whistleblower awards Section 922. By going above and beyond and exempting more classes of individuals than the law requires, the Proposed Rule appears to serve as little more than a means for the Commission to disqualify individuals who come forward and risk their necks to help the Commission better do its job.

(3) Over-Emphasis on Internal Compliance

The SEC's emphasis on ensuring that insiders first report violations to internal compliance officials is another area of concern. While it is important to foster strong internal compliance functions, the SEC should not throw whistleblowers to the wolves by

forcing them to take this first step. The SEC's primary purpose is to protect investors–not internal compliance programs–from potential harm caused by fraud and misconduct. Yet, the Proposed Rule makes a number of statements favoring internal compliance and corporations over investors.

Most notably, the Proposed Rule states, "We emphasize, however, that our proposal not to require a whistleblower to utilize internal compliance processes does not mean that our receipt of a whistleblower complaint will lead to internal processes being bypassed." The Proposed Rule further adds, "we expect that in appropriate cases…our staff will, upon receiving a whistleblower complaint, contact the company, describe the nature of the allegations, and give the company an opportunity to investigate the matter and report back…This has been the approach of the Enforcement staff in the past, and the Commission expects that it will continue in the future." This statement is problematic for a number of reasons, including the fact that the SEC seems to think the business as usual approach will help it catch more criminals and cheats while also admitting they will essentially sell whistleblowers out to the company in question at the first opportunity.

It is this deference to the internal compliance programs that is very disconcerting to me. Clearly, internal compliance programs have their place in helping to prevent fraud and abuse of securities laws. However, how can we have any trust in the compliance process of a corporation that sees no problem with breaking the law? Such a provision would violate the spirit and intent of Section 922.

If whistleblowers are required to go through such a process, it would effectively render the whistleblower program null and void. This requirement is not found in the law and was never contemplated by Congress. As such, requiring whistleblowers to first go through internal compliance programs would be at odds with the law Congress wrote. It would effectively chill good faith whistleblowers from coming forward for fear they would be terminated at the internal compliance stage before whistleblower protections attached.

Based on my experience with working with whistleblowers, this requirement is unnecessary and counterproductive. Many of the whistleblowers I have worked with over the years have expressed to me that the only reason they are coming forward to Congress is that they have tried and tried again to alert supervisors, senior managers, and even the board of directors at major corporations and yet their complaints went unheard. To require whistleblowers to jump through this hoop, in addition to the many other hoops created by the Proposed Rule that are not authorized or required by law, would simply slow down the process. This further delays any potential remedy to the shareholders the SEC is supposed to protect. Such a requirement is a bad idea in the abstract, but would be an even worse idea if it materialized into the final rule. If the SEC is serious about improving its abysmal performance in utilizing whistleblowers, it would put this idea to rest and leave it out of the final rule.

(4) Anti-Retaliation Provision

Section 922 of Dodd-Frank not only protects individuals who come forward and provide information to the SEC. It goes further and protects any individual that also

initiates, testifies in, or assists in any investigation, judicial or administrative action, or makes disclosures under Sarbanes-Oxley, the SEC Act of 1934, section 1513(e) of title 18, U.S. code regarding witness retaliation, or any other law, rule or regulation under the jurisdiction of the Commission. However, the Proposed Rule does not include any guidance related to the anti-retaliation provision. Instead the SEC has simply asked for comments as to whether the anti-retaliation provision should be applied broadly to any person who provides information to the Commission or should be limited to the many procedural and substantive limitations set on the whistleblower reward portion of the statute.

I would state that any attempt to limit the reach of the anti-retaliation provisions would be outside the scope of the SEC's authority in promulgating regulations. The anti-retaliation provision includes a private right of action to the appropriate district court of the United States and does not require the individual to consult with the SEC. Further, the rulemaking provision in section 922 limits the SEC's authority to issue rules and regulations as may be necessary or appropriate to implement the provisions of the Dodd-Frank act. Significantly limiting whistleblower rights via a regulation would not be consistent with the purpose of the Dodd-Frank Act and would be contrary to the spirit and intent of the law.

The Proposed Rule also does not discuss how the SEC will handle submissions from whistleblowers that may qualify for anti-retaliation protection under subsection (h) of Dodd-Frank and 18 U.S.C. § 1514A, commonly referred to as the Sarbanes-Oxley whistleblower protections. Potentially, a whistleblower could file for a recovery under section 922 and come from inside a publicly traded company—despite the Proposed Rule's best attempt to limit them from doing so. As such, if the individual was retaliated against, he or she could file an action under both the Sarbanes-Oxley anti-retaliation provision with the Department of Labor, or in federal court under the Dodd-Frank provision. The SEC should consider outlining what steps it will take to assist whistleblowers who have been retaliated against and steer them to the proper venue.

Lack of Independence of Whistleblower Office

The potential operation and possible lack of independence of the new whistleblower office at the SEC also raises a host of concerns. The SEC has a long and troubling history of coziness with the industry it regulates. The revolving door between Wall Street and the SEC is a contributing factor to this relationship. Robert Khuzami, the SEC's current Director of Enforcement, who was himself plucked from Wall Street, said at the November 2010, PLI conference: "I don't really see a reason to believe that these [whistleblower claims] will be handled differently than traditionally the way we have handled other tips and complaints and referrals that have come into the Commission. We'll have a separate office of the whistleblower, which will, in all likelihood sit in our Office of Market Intelligence, the group that currently handles tips, complaints, and referrals."

The IRS, like the SEC, had a long history of hostility to whistleblowers. As a result, I wrote the statute that created a separate, independent whistleblower office at the IRS. This office now serves as the central repository of all whistleblower claims, and the director, who reports to the IRS Commissioner, serves as the traffic cop for the agency. He has consolidated the intake of all claims and is responsible for disposition of each claim. This is intended to ensure independent review of whistleblower claims by preventing enforcement personnel from invalidating whistleblower claim. Given the IRS's apparent success with this arrangement, the SEC should follow suit and ensure the independence of the new whistleblower director, possibly by having him report directly to you. The SEC whistleblower director should also be consolidating all tips – regardless of whether they are received through the new procedures, website or hotline. The SEC should consult with the IRS on how to best ensure the independence of the SEC's whistleblower office.

General Hostility to Whistleblowers

The Proposed Rule states, in Section V. of the Supplementary Information to the Proposed Rules, titled Cost-Benefit Analysis, that "the incentives created by the statute also present some significant challenges" and then lists these concerns:

> "First, the statute could provide financial incentives for attorneys and others to breach the attorney-client privilege in order to seek an award. This would interfere with the ability of companies and individuals to share information with an attorney while seeking legal advice. Second, the statute could provide financial incentives for employees to report violations to the Commission rather than follow their employers' internal compliance procedures. This could undermine the effectiveness of internal compliance programs. Third, the statute could result in an increase in spurious allegations, forcing innocent companies and individuals to incur substantial cost to investigate into and defend against false allegations. Finally, the statute could result in award payments to individuals who have violated the federal securities laws. This could result in perverse incentives by potentially encouraging violations of the law."

It is important to note, however, that these concerns are not unique to whistleblowers within the SEC. The Department of Justice (DOJ) and the IRS faced similar challenges in the context of false claims violations and tax cheats. The SEC shouldn't be recreating the wheel in addressing these challenges. I would strongly encourage you to speak with the IRS and DOJ before finalizing the SEC whistleblower rules. This is especially important given the comments of Preet Bharara, U.S. Attorney for the Southern District of New York, at the PLI conference where he stated that there is concern that whistleblowers will "run amuck." This statement contains a presumption that the SEC will be flooded with filings of "spurious allegations" but does not provide any basis for this damaging assumption. Both the DOJ and IRS should be able to provide information about their experience with frivolous filings and how they were able to curtail this problem without eviscerating whistleblower protections.

The Proposed Rule, combined with public statements made by Mr. Khuzami and Mr. Bharara, reinforce the attitude of hostility towards and skepticism of whistleblowers. Congress reformed the SEC whistleblower provisions specifically because of these attitudes. It is extremely important that these revised provisions are not undermined by high level government officials.

I understand from recent press reports that the SEC has announced a further delay in releasing the final rule. It is my hope that this delay is to further study the many concerns with the Proposed Rule I have outlined in this letter and to ensure that the whistleblower program is as strong as possible. The intent of Congress is clear. The SEC should have a successful whistleblower program similar to the federal False Claims Act and IRS whistleblower program. Accordingly, I ask that you provide a written response addressing the concerns I raised in this letter.

Sincerely,

Chuck Grassley

Charles E. Grassley
Ranking Member