

## CEP Magazine – April 2018 Courage and its quiet revolution: Seven years of whistleblowers and change

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By Jordan A. Thomas

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In November, the Securities and Exchange Commission (SEC) released its 2017 annual report to Congress chronicling the activities of the SEC Whistleblower Program.<sup>[1]</sup> Because I live and breathe the securities laws and spend my days (and most nights) counseling SEC whistleblowers, I read the annual report with tremendous pride.

During my tenure at the Commission, we developed the program from the belief that emboldened whistleblowers were the answer to the fundamental challenge of detecting and deterring corporate fraud. And still, the success of the program brings a kind of gratification that's typically reserved for parents marveling at their kids' accomplishments.

In this case, the accomplishments—backed by hard numbers—are credible. The SEC program already has awarded more than \$162 million to whistleblowers whose tips fueled enforcement actions that resulted in approximately \$1 billion in monetary sanctions.<sup>[2]</sup> These significant milestones are likely to be surpassed in the coming years, with the SEC's financial report recognizing a \$221 million liability for likely future award payments.<sup>[3]</sup> Among the many award applications pending are those associated with the Commission's \$415 million settlement with Merrill Lynch<sup>[4]</sup> and a \$267 million settlement with JP Morgan,<sup>[5]</sup> cases initiated by our whistleblower clients.

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