



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D.C. 20551

DIVISION OF SUPERVISION
AND REGULATION
DIVISION OF CONSUMER AND
COMMUNITY AFFAIRS

SR 22-7

CA 22-7

September 8, 2022

**TO THE OFFICER IN CHARGE OF SUPERVISION
AT EACH FEDERAL RESERVE BANK**

SUBJECT: Policy Statement on Whistleblower Claims

Applicability: This letter applies to all banking organizations supervised by the Federal Reserve, including those with \$10 billion or less in consolidated assets.

The Board of Governors of the Federal Reserve System (Board) is issuing this policy statement to promote the submission of whistleblower claims regarding misconduct, unsafe or unsound practices, or violations of law or regulation occurring at any banking organization supervised by the Federal Reserve. The Federal Deposit Insurance Act protects employees of depository institutions from retaliation for providing whistleblower information to any federal banking agency or to the United States Department of Justice and provides rewards for whistleblowers in appropriate circumstances.¹

All persons are encouraged to report to Federal Reserve staff any information regarding any banking organization the Federal Reserve supervises or any director, officer, or employee of such banking organization that may have engaged in unsafe or unsound practices, violations of law or regulation, or violations of any orders or written agreements issued by the Federal Reserve (“whistleblower claims”). Whistleblower claims may be submitted by telephone, e-mail, or by form submission on the “contact us” page on the Board’s webpage, or to any Federal Reserve supervisory staff.² The Board’s Ombuds Office,³ which is independent of the Federal Reserve’s supervisory functions, will ensure the intake of whistleblower claims is conducted confidentially and assist in processing these claims.

¹ See 12 U.S.C. 1831j; 12 U.S.C. 1831k.

² Refer to: <https://www.federalreserve.gov/aboutthefed/whistleblower-reporting.htm>.

³ The Board’s Ombudsman Office is in the process of renaming to the Ombuds Office.

Whistleblowers may elect to report anonymously. If known, the Federal Reserve will protect the whistleblower's identity as confidential. The identity and information will generally not be disclosed, including in response to Freedom of Information Act requests. There are, however, certain circumstances where the identity or information could be disclosed, including as a referral to or in response to requests from other federal or state financial institution supervisory agencies, or law enforcement agencies, in response to federal or state grand jury, criminal trial, or government administrative subpoenas, a court order, or other legal process.⁴

By law, insured depository institutions may not discharge or otherwise discriminate against whistleblowers for providing information to the Federal Reserve.⁵ In addition, the Federal Reserve does not tolerate retaliation against any whistleblower. The Federal Reserve takes seriously claims of retaliation against whistleblowers, and any claim of retaliation should be reported to Federal Reserve staff.

If a whistleblower satisfies all the statutory requirements, and the Attorney General concurs, the Board, in its sound discretion and in appropriate circumstances, may reward the whistleblower with a sum of no more than the lesser of (i) 25 percent of the amount of the fine, penalty, restitution, or forfeiture collected; or (ii) \$100,000.⁶ While such rewards are possible, there is no assurance that a reward will be paid and no determination about a reward can be made until the conclusion of any action following an investigation.⁷

Consumers seeking assistance with or seeking to submit complaints regarding their consumer accounts, products, or services provided by banking organizations supervised by the Federal Reserve should contact the Federal Reserve Consumer Help Center.⁸ Persons wishing to report information relating to suspected fraud, waste, abuse, or mismanagement in the operations of the Federal Reserve System should contact the Office of Inspector General.⁹

Reserve Banks are asked to distribute this letter to the supervised banking organizations in their districts and to appropriate supervisory staff. In addition, questions from potential whistleblowers may be submitted to the Board's Ombuds Office, <https://www.federalreserve.gov/aboutthefed/ombuds.htm>.

Michael S. Gibson
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⁴ See generally Rules Regarding Availability of Information, 12 C.F.R. Part 261.

⁵ See 12 U.S.C. 1831j.

⁶ See 12 U.S.C. 1831k(b).

⁷ Whistleblowers who originally reported their information anonymously may also seek a reward; however, such persons must also provide information related to their original submission of information sufficient to corroborate their identity as the whistleblower. Once provided, the whistleblower's identity will be maintained as confidential.

⁸ Refer to: <https://www.federalreserveconsumerhelp.gov/>.

⁹ Refer to: <https://oig.federalreserve.gov/hotline.htm>.