

Have you witnessed financial fraud at the fossil fuel company or auditing firm where you work?

Do you want to report the problem but fear endangering your job, collegial relationships or future career?

You're protected under law.

Under modern whistleblower award laws like the Dodd Frank Act, **anyone with original information about securities-related crimes can confidentially disclose such information** to U.S. law enforcement authorities and gain protection against retaliation.

You're covered as long as the company does business in the U.S., even if the wrongdoing didn't occur in the U.S., if the company isn't U.S.-based, and if you aren't a U.S. citizen. You could also be eligible for **awards of up to 30 percent of any penalties imposed** as a result of your reporting.

Here is some practical guidance to help you decide if what you're witnessing is fraud, and if so, how you can do the right thing while keeping yourself safe.

#1: Learn to recognize fraud

Much of the behavior prohibited by federal securities laws involves fraudulent disclosure of financial information in annual filings to investors and the government. Financial reporting in the fossil fuel industry can be complex and technical, and knowing what kinds of disclosures are required under law can be difficult to understand.

Signs of fraud

Some examples of potentially fraudulent actions include:

- *Companies intentionally inflating the value of oil and gas reserves, and/or external auditors confirming incorrect valuations*
- *Failing to disclose company analyses showing negative impact of climate change, low-carbon technologies or other market disruptions on the company's bottom line*
- *Intentionally overstating capital and profits based on overly optimistic commodity prices*
- *Failing to account for the costs of environmental remediation such as well closures, or selling such liabilities to companies that are in danger of bankruptcy*

#2: Avoid reporting internally

Turning to a supervisor, compliance department or company hotline may seem like the logical first step to reporting fraud, but **such channels can be dangerous for whistleblowers**. Though they may promise confidentiality, identities of employees are often easily identifiable. While publicly traded companies are required by law to have internal hotlines, they are not required to convey the complaint to the government. **Remember: internal reporting channels exist to benefit the company, not the whistleblower.**

#3: Contact an attorney

Whistleblowers reporting securities and commodities fraud can report confidentially, but the **advice of a legal professional is crucial to navigating the procedural requirements** of whistleblower laws. You should always seek out a qualified whistleblowers attorney. These attorneys will represent you with no upfront cost, and you will only be obligated to pay the attorney's fee if you receive a reward from the government.

The National Whistleblower Center is a nonpartisan, nonprofit organization dedicated to supporting whistleblowers in their efforts to expose and help prosecute corruption and other wrongdoing. We do this by educating whistleblowers about their rights under law, assisting in finding them legal aid, and providing support during high-impact whistleblower litigation. To learn more about NWC's Legal Assistance Program and how we assist whistleblowers, please visit our website at <https://www.whistleblowers.org/>.