

In re EQT Corporation Securities Litigation

COURT: United States District Court for the Western District of Pennsylvania
CASE NUMBER: 2:19-cv-00754-MPK
CLASS PERIOD: 06/19/2017 - 06/17/2019
CASE LEADERS: Salvatore J. Graziano, Hannah Ross, Adam H. Wierzbowski, Jesse L. Jensen
CASE TEAM: Thomas Sperber, Ryan McCurdy, Jared Hoffman, Megan Taggart

This securities class action lawsuit, which is pending in the United District Court for the Western District of Pennsylvania against EQT Corporation (“EQT” or the “Company”) (NYSE: EQT) and certain of the Company’s senior executives and directors (collectively, “Defendants”), asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) and SEC Rule 10b-5 on behalf of investors who purchased EQT’s common stock between June 19, 2017 and June 19, 2019, inclusive (the “Class Period”). The action also asserts claims under Section 14(a) of the Exchange Act and SEC Rule 14a-9 on behalf of shareholders of EQT and Rice Energy Inc. (“Rice”) who held EQT or Rice shares as of the record dates of September 25, 2017, and September 21, 2017, respectively, and were entitled to vote at an EQT or Rice special meeting on November 9, 2017 with respect to EQT’s acquisition of Rice, which closed on November 13, 2017. The action further asserts claims under Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (the “Securities Act”) on behalf of all persons who acquired EQT common stock in exchange for their shares of Rice common stock in the Acquisition.

Plaintiffs Have Reached a Proposed Settlement of the Action for \$167.5 Million

Lead Plaintiffs Government of Guam Retirement Fund, Eastern Atlantic States Carpenters Annuity Fund (f/k/a Northeast Carpenters Annuity Fund), and Eastern Atlantic States Carpenters Pension Fund (f/k/a Northeast Carpenters Pension Fund), and additional Plaintiff Cambridge Retirement System (collectively, “Plaintiffs”), on behalf of themselves and the Class, have reached a proposed settlement of the Action for **\$167,500,000** in cash that, if approved, will resolve the Action (the “Settlement”).

If you are a member of the Class, your rights will be affected and you may be eligible for a payment from the Settlement. The Class consists of:

all persons and entities who:

- (i) purchased the common stock of EQT during the period from June 19, 2017 through June 17, 2019 (the “Class Period”);**
 - (ii) held EQT shares as of the record date of September 25, 2017 and were entitled to vote with respect to the Acquisition at the November 9, 2017 special meeting of EQT shareholders;**
 - (iii) held Rice shares as of the record date of September 21, 2017 and were entitled to vote with respect to the Acquisition at the November 9, 2017 special meeting of Rice shareholders; and/or**
 - (iv) acquired the common stock of EQT in exchange for their shares of Rice common stock in connection with the Acquisition,**
- and were damaged thereby.**

Certain persons and entities are excluded from the Class by definition (see paragraph 23 of the Notice). Also excluded from the Class are the persons and entities who submitted a valid and timely request for exclusion from the Class in connection with the mailing of the Class Notice. A list of the persons and entities who requested exclusion is available at www.EQTSecuritiesLitigation.com.

Please read the Settlement Notice to fully understand your rights and options. Copies of the Settlement Notice and Claim Form can be found in the Case Documents list on the right of this page. You may also visit the case website, www.EQTSecuritiesLitigation.com, for more information about the Settlement.

To be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form postmarked (if mailed) or submitted on-line by no later than **December 10, 2025**.

Payments to eligible claimants will be made only if the Court approves the Settlement and a plan of allocation, and only after any appeals are resolved, and after the completion of all claims processing. Please be patient, as this process will take some time to complete.

IMPORTANT DATES AND DEADLINES

December 10, 2025

Claim Filing Deadline. Claim Forms must be *postmarked (if mailed) or submitted on-line no later than December 10, 2025*.

October 9, 2025

Objection Deadline. Any objections to the proposed Settlement, the proposed Plan of Allocation, or the motion for attorneys' fees and expenses, must be submitted so they are received *no later than October 9, 2025*, in accordance with the instructions in the Settlement Notice.

October 30,
at 10:00 a.m.

Settlement Hearing. The Settlement Hearing will be held on October 30, 2025 at 10:00 a.m., before the Honorable Robert J. Colville of the United States District Court for the Western District of Pennsylvania, either in person in Courtroom 8C of the Joseph F. Weis, Jr. U.S. Courthouse, 700 Grant Street, Pittsburgh, PA 15219, or by telephone or videoconference, in the discretion of the Court. The Settlement Hearing will be held to consider, among other things, whether the proposed Settlement is fair, reasonable, and adequate and should be approved; whether the proposed Plan of Allocation is fair and reasonable and should be approved; and whether Lead Counsel's motion for attorneys' fees and expenses should be approved.

Background and History of the Litigation

The Complaint alleges that during the Class Period, Defendants falsely stated that EQT's acquisition of Rice, a rival gas producer, would yield billions of dollars in synergies based on purported operational benefits. Specifically, on

June 19, 2017, Defendants announced that EQT had entered into an agreement to acquire Rice for \$6.7 billion. Defendants represented that because Rice had an acreage footprint largely contiguous to EQT's existing acreage, the acquisition would allow EQT to achieve "a 50% increase in average lateral [drilling] lengths" (as opposed to more traditional vertical well drilling). EQT claimed that as a result, the merger would result in \$2.5 billion in synergies, including \$100 million in cost savings in 2018 alone.

After the closing in November 2017, the Company continued to tout the "significant operational synergies" of the merger. The Complaint alleges that as a result of Defendants' alleged misrepresentations, EQT shares traded at artificially inflated prices throughout the Class Period. On March 15, 2018, just five months after the acquisition closed, EQT announced the sudden and unexpected resignation of its CEO. Then, on October 25, 2018, the Company reported poor third-quarter financial results caused by an increase in total costs, and disclosed that its estimated capital expenditures for well development in 2018 would increase by \$300 million. As a result, the Company reduced its full-year forecast for 2018. These disclosures caused EQT shares to decline by 13%, dropping from a close of \$40.46 per share on October 24, 2018 to \$35.34 on October 25, 2018. Thereafter, on February 5, 2019, intent on taking back control over EQT, former Rice executives released a presentation discussing their plan to transform EQT, which emphasized that EQT had been understating its actual well costs and that it had "erroneously adjusted" such costs. This disclosure caused EQT shares to decline by 3.5%. Finally, on June 17, 2019, the former Rice executives filed lengthy proxy materials that disclosed, among other things, that EQT ultimately failed to achieve the benefits of the Rice acquisition, that EQT terminated Rice executives following the acquisition despite its representations that it would retain Rice employees, and that EQT was excluding more than \$300 million in costs it capitalized from its well costs. As the market digested this information, EQT's stock price fell by 5%.

In September 2019, the Court appointed BLB&G's client the Government of Guam Retirement Fund as Co-Lead Plaintiff and BLB&G as Co-Lead Counsel. Per the schedule set by the Court, Lead Plaintiffs filed the Amended Complaint in December 2019, and Defendants filed their motion to dismiss the Complaint in January 2020. Lead Plaintiffs filed their Opposition to the motion to dismiss in March 2020, and Defendants filed their reply brief later in March. In December 2020, the Court denied Defendants' motion to dismiss in its entirety. The parties are now conducting fact discovery. We filed our motion for class certification in April 2021; Defendants' filed their opposition to the motion in June 2021; and we filed our reply in support of class certification in August 2021. The Court entered an order granting our motion for class certification in August 2022. Defendants filed a petition for leave to appeal the class-certification order to the Third Circuit, and the Third Circuit denied Defendants' petition in September 2022.

Discovery in the Action concluded in June 2024. Pursuant to detailed document requests and substantial negotiations, Defendants produced over 5 million pages of documents to Plaintiffs. Plaintiffs also produced more than 80,000 pages of documents to Defendants. Plaintiffs also served subpoenas on and negotiated document discovery with over 50 third parties, and Defendants subpoenaed and negotiated document discovery with 14 third parties. In addition, the Parties conducted depositions of 33 fact witnesses, including Individual Defendants and other senior EQT employees, and nine expert witnesses. The Parties also served and responded to interrogatories and requests for admission and exchanged numerous letters concerning disputes between the Parties and with nonparties on discovery issues and litigated multiple discovery disputes concerning the production of responsive documents and privilege disputes.

The parties participated in an initial Court-ordered mediation session on March 18, 2021, which did not result in a settlement. Subsequently, on June 27, 2024, the Parties participated in a mediation session by Zoom with mediator Jed Melnick of JAMS. In advance of the mediation, the Parties exchanged comprehensive mediation statements attaching documents produced in discovery. This mediation session did not result in settlement. However, the Parties agreed that they would continue settlement discussions in the future.

On August 29, 2024, Defendants moved for summary judgment and filed four *Daubert* motions, and Plaintiffs moved for partial summary judgment and filed five *Daubert* motions. The Parties filed over 1,100 exhibits, and thousands of pages of statements of fact, in connection with the summary judgment and *Daubert* motions. Briefing on these motions was completed in January 2025.

Defendants also filed a motion to strike portions of Plaintiffs' responses to Defendants' concise statement of undisputed material facts and supplemental statement of fact in connection with the motions for summary judgment. Briefing on these motions was completed in January of 2025. The Court has not issued a ruling on any of these motions.

On May 12, 2025, the Parties participated in an additional mediation session by Zoom with mediator Jed Melnick, and once again prepared and submitted mediation statements. The mediation resulted in the Parties agreeing in principle to settle the Action.

On May 12, 2025, the Parties entered into a Term Sheet reflecting their agreement in principle to settle and release all Released Plaintiffs' Claims against Defendants and the other Defendants' Releasees in return for a cash payment of \$167,500,000.

On June 25, 2025, the Parties entered into a Stipulation and Agreement of Settlement, which sets forth the full terms and conditions of the Settlement. On July 22, 2025, the Court preliminarily approved the Settlement, authorized the Settlement Notice to be disseminated to potential Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement for October 30, 2025.

Case Documents

- Notice of (I) Proposed Class Action Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys' Fees and Litigation Expenses ("Settlement Notice")
- Proof of Claim and Release Form ("Claim Form")
- July 22, 2025 - Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement
- June 25, 2025 - Stipulation and Agreement of Settlement
- August 18, 2023 - Notice of Pendency of Class Action
- August 11, 2022—Memorandum Opinion Granting Plaintiffs' Motion for Class Certification
- December 12, 2020 - Memorandum Opinion re: Motion to Dismiss
- December 6, 2019 - First Amended Complaint for Violations of the Federal Securities Laws