

# In re Penn West Petroleum Ltd. Securities Litigation

**COURT:** United States District Court, Southern District of New York  
**CASE NUMBER:** 14-cv-6046  
**JUDGE:** Hon. John Koeltl  
**CASE CONTACTS:** John Rizio-Hamilton, Abe Alexander

**Update: On June 28, 2016, the Court granted final approval of the settlement.**

## **Background**

On July 29, 2014, Penn West Petroleum Ltd. (“Penn West” or the “Company”) announced that its financial statements filed with the SEC for multiple years should no longer be relied upon and had to be restated. According to Penn West, the Company had materially misstated its financial results because its senior management had improperly reclassified hundreds of millions of dollars’ worth of operating expenses as capital expenditures, which had the effect of reducing the Company’s reported expenses and artificially inflating several other key financial metrics. On the trading day immediately following this disclosure, the Company’s stock price fell 15% on extremely high volume, causing substantial losses to investors.

On December 19, 2014, Lead Plaintiffs filed a Consolidated Amended Class Action Complaint (the “Complaint”) alleging that Penn West and its senior executives misled investors by issuing materially misstated financial results, and making numerous other false and/or misleading statements, throughout the Class Period. The action seeks to recover the damages caused by the Defendants’ misconduct.

On March 6, 2015, Defendants moved to dismiss the Complaint. On April 24, 2015, Lead Plaintiffs filed an opposition brief. The motions to dismiss were fully briefed on May 15, 2015, and were pending before the Court at the time the Parties reached an agreement to settle the case. Thereafter, the Court dismissed the motions to dismiss without prejudice to renewal if the proposed settlement does not become effective.

## **Settlement of the Action**

On June 28, 2016, the Court granted final approval of the settlement of the Action for Can\$26,500,000 in cash (the “Settlement”), which equated to US\$19,759,282 on the date of payment.

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

All persons or entities who or which (i) purchased or otherwise acquired Penn West common stock or trust units on an open market located within the United States, including but not limited to the New York Stock Exchange (“NYSE”) or another domestic exchange, or (ii) purchased or otherwise acquired Penn West call options, or sold or wrote Penn West put options, on an open market located within the United States, including but not limited to the NYSE or another domestic exchange, from February 18, 2010 through July 29, 2014, inclusive (the “Class Period”), and who were damaged thereby, except for certain persons and entities who are excluded from the Settlement Class by definition (see paragraph 24 of the [Settlement Notice](#)) or who request exclusion pursuant to the instructions set forth in the Notice.

Please read the [Settlement Notice](#) to fully understand your rights and options. Copies of the [Settlement Notice](#) and [Claim Form](#) can be found on the [Case Documents](#) page. You may also visit the Settlement website, <http://www.pennwestussecuritieslitigation.com>, for more information about the Settlement.

Payments to eligible claimants will be made 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 DEADLINE**

August 26, 2016	<b>Claim Filing Deadline.</b> Claim Forms must be <i>postmarked no later than August 26, 2016</i> to be eligible for a payment from the Settlement.
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**Please note:** There is a separate settlement for persons who acquired the securities of Penn West on the Toronto Stock Exchange, on an alternative trading market in Canada, or otherwise in Canada from March 17, 2011 through July 29, 2014, inclusive, and/or July 30, 2014 through September 18, 2014, inclusive, and held some or all of those securities at the close of trading on July 29, 2014 or September 18, 2014 (the "Canadian Class"). This website only discusses the rights and options of members of the Settlement Class in the U.S. Action. If you are a member of the Canadian Class, you can learn more about your rights and options at the website dedicated to the Canadian cases: [www.PennWestCanadianClassAction.com](http://www.PennWestCanadianClassAction.com).