

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING  
File No. 3-18843

In the Matter of  
  
PETRÓLEO BRASILEIRO S.A. –  
PETROBRAS  
  
Respondent.

**PETROBRAS FAIR FUND NOTICE TO CLASS ACTION DEFICIENT CLAIMANTS**

**TO:** Persons who purchased or otherwise acquired Petrobras common American Depository Shares (ADS) and/or preferred ADS (“Eligible Securities”) during the period from March 1, 2010 through April 22, 2015, inclusive (“Relevant Period”)<sup>1</sup> and who submitted a claim in the settlement of the related securities class action entitled *In re Petrobras Securities Litigation, No. 14-cv-9662 (S.D.N.Y. Dec. 8, 2014)* and such claim was determined to be deficient in the administration of the settlement.

You are receiving this Notice to Class Action Deficient Claimants because you submitted a Claim in connection with the Class Action and such claim was determined to be deficient and you failed to cure such deficiencies (a “Class Action Deficient Claimant”). Under the terms of the Distribution Plan for the Petrobras Fair Fund (the “Plan”), you are deemed a Class Action Deficient Claimant only with respect to the transactions that were deficient in the Class Actions (the “Deficient Transactions”). You do not need to submit another Proof of Claim Form to participate in the Fair Fund (as defined below) as to your Deficient Transactions, unless you wish to amend your claim. You must, however, provide the required information and/or documentation to cure the deficiencies identified in connection with your Class Action claim in order to be eligible to receive a distribution from the Fair Fund for those Deficient Transactions.

**I. Purpose of this Notice.**

The purpose of this Notice is to inform you that you may be entitled to share in the proceeds of the Fair Fund as described herein. Copies of this Notice and the Proof of Claim Form are available on the Fair Fund’s website at [www.PetrobrasFairFund.com](http://www.PetrobrasFairFund.com) and through the website of the United States Securities and Exchange Commission (the “SEC” or “Commission”) at [www.sec.gov](http://www.sec.gov). As explained in greater detail below, if you are a Class Action Deficient Claimant, and you do not have any additional purchases of Eligible Securities during the Relevant Period, you should **not** submit another Proof of Claim Form to participate in the Fair Fund. You must, however, provide the required information and/or documentation to cure the deficiencies identified in connection with your Class Action claim in order to be eligible to receive a Distribution Payment from the Fair Fund for those Deficient Transactions.

**NOTE TO INSTITUTIONAL FILERS.** Claims with 100 or more transactions or on behalf of 20 or more different accounts must be submitted electronically and in the required format specified by the Fund Administrator. To obtain the mandatory electronic filing requirements and file layout, you may visit the Fair Fund’s website at [www.PetrobrasFairFund.com](http://www.PetrobrasFairFund.com) or you may email Epiq Global (“Epiq” or the “Fund Administrator”) at [EClaim@epiqglobal.com](mailto:EClaim@epiqglobal.com). Any submission not in accordance with the required electronic filing format may be rejected. Proof of authority to submit a Proof of Claim Form on behalf of any managed accounts must be submitted with any Proof of Claim Forms for such accounts. If you intend to file electronically, you can submit and track the history of your claims by using our secure website, GCG ICE ([www.gcgice.com](http://www.gcgice.com)), which is available 24/7. GCG ICE allows institutional investors to upload electronic claims and documents, track the history and status of submissions, view claim rejections and how to fix them, update contact information, and receive important status alerts via email.

<sup>1</sup> Any capitalized terms used in this Notice that are not otherwise defined herein shall have the meaning ascribed to them in the Plan, which is available on the website established for the Fair Fund at [www.PetrobrasFairFund.com](http://www.PetrobrasFairFund.com).

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY BECAUSE YOU MAY BE ENTITLED TO A RECOVERY FROM THE FAIR FUND. THIS NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR ABILITY TO SHARE IN THE PETROBRAS FAIR FUND.**

## **II. Background.**

The Commission's Order arose out of substantially similar facts and occurred during substantially the same time period as the violations alleged in the related class action ("Class Action"). The Order found that, from at least 2003 to April 2012, Petrobras engaged in a large-scale expansion of its infrastructure for producing oil and gas, a matter of significant interest to investors. During the same period, certain former senior Petrobras executives (the "Corrupt Executives") worked with Petrobras's largest contractors and suppliers to inflate the cost of Petrobras's infrastructure projects by billions of dollars. In return, the companies executing those projects paid billions of dollars in kickbacks that typically amounted to 1% to 3% of the contract cost. The kickbacks were paid to the Corrupt Executives and conspiring politicians and political parties, including the Brazilian politicians to whom the Corrupt Executives owed their jobs at Petrobras. These same executives submitted misleading documents as part of Petrobras' internal process of preparing its filings with the Commission.

The overcharges caused by the kickbacks resulted in an inflation of property, plant and equipment ("PP&E") in Petrobras's financial statements, including its fiscal year 2009 financial statements that were included in its Form 20-F. The same executives also engaged in other bribery schemes with companies that sought to win contracts with Petrobras or to obtain better terms for those contracts. This scheme generated millions of dollars in bribes that the Corrupt Executives used for their own benefit and for the benefit of their political patrons. Petrobras failed to detect and disclose these corruption schemes. As a result of the Corrupt Executives' failure to implement Petrobras's internal controls, their exploitation of deficiencies in those controls, and their submission of false certifications in connection with Petrobras's internal process for preparing its Commission filings, Petrobras made material misstatements and omissions in filings made with the Commission and in documents relating to a \$69.9 billion global public offering of equity securities in 2010. The offering was intended to raise funds for Petrobras's ongoing expansion of its business, and included approximately \$10 billion in American Depositary Shares ("ADSs") in the United States.

The Commission ordered Petrobras to pay disgorgement of \$711,000,000 plus prejudgment interest of \$222,473,797, for a total payment of \$933,473,797. This amount was subject to reduction by any payment by Petrobras to the Class Action, up to and including the entire amount of the obligation. The Commission further ordered Petrobras to pay a civil money penalty of \$853,200,000, subject to reductions of up to \$682,560,000 and \$85,320,000 for monies paid to the Brazilian authorities and the United States Department of Justice respectively, resulting in a post-reduction minimum penalty of \$85,320,000 to be paid within one year. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, the Commission established the Fair Fund, so that the civil penalties could be distributed to harmed investors. The Fair Fund includes the \$85,320,000 paid by the Respondent. The Commission ordered Petrobras to pay all reasonable administrative costs and expenses of the distribution, including payments of taxes and the premium fee for the administrator bond. On March 25, 2019, Petrobras paid \$85,320,000, satisfying the reduced penalty in full, into the Fair Fund, pursuant to the Order.

The Commission appointed Miller Kaplan Arase LLC, as the tax administrator ("Tax Administrator") of the Fair Fund on November 20, 2020. The Commission issued an order appointing Epiq Systems, Inc. ("Epiq") as the fund plan administrator ("Fund Administrator") of the Fair Fund on January 6, 2020.

## **III. The Class Action.**

The Fair Fund is separate and independent from the settlement funds previously established in the Class Actions. However, the Fair Fund relates to allegations similar to those asserted in the Class Actions during the Relevant Period, which is subsumed in the Class Action period. Therefore, because you submitted a Claim to participate the Class Action, you do not need to submit another Proof of Claim Form for your deficient transactions in order to participate in the Fair Fund. **You must, however, provide the required information and/or documentation to cure the deficiencies identified in connection with your Class Action claim, in order to be eligible to receive a Distribution Payment from the Fair Fund for those Deficient Transactions.**

**If you had purchases of Eligible Securities during the Relevant Period, in addition to your Deficient Transactions, you must submit a Proof of Claim Form in order to recover for those additional purchases from the Fair Fund.**

**Please Note:** The Fund Administrator does not have information regarding your potentially eligible transactions, other than those filed in connection with your Claim(s) in the Class Action(s).

#### IV. Eligibility Criteria and Allocation of the Fair Fund.

**Overview of the Plan:** In total, \$85,320,000 was paid into the Petrobras Fair Fund. The Commission has jurisdiction of the Fair Fund and shall retain control of the assets of the Fair Fund. The Fair Fund is currently deposited in a Commission designated SEC interest-bearing account, where it will be held until a disbursement is ordered. It is not anticipated that the Fair Fund will receive additional funds, other than accumulated interest and earnings from investment. The Net Available Fair Fund shall be distributed to Claimants who either (a) already submitted a Claim that was approved in the Class Action; (b) submitted a Claim that was determined to be deficient in the Class Action who now cure such deficiencies, and/or (c) submit Proof of Claim Forms to the Fund Administrator on or before the Claims Bar Date, and also are finally determined by the Fund Administrator to be eligible for a distribution (“Eligible Claimants”). The Fund Administrator is responsible for determining the amount of each Eligible Claimant’s share of the distribution calculated pursuant to the methodology of the Plan of Allocation as set forth in Exhibit B of the Plan (“Recognized Claim”).

**To qualify for a Distribution Payment from the Fair Fund, Claimants must satisfy the criteria used to calculate a Recognized Claim as set forth in Exhibit B (Plan of Allocation) to the Plan, available on the Fair Fund website.**

**You are excluded from participation in the Fair Fund if you are:**

- a. Respondent;
- b. Any person who was an officer or director of Petrobras during the Relevant Period, including, but not limited to, the Corrupt Executives identified by the SEC and the Individual Defendants as defined in the Class Action;
- c. Any firm, trust, corporation, officer, or other entity in which Respondent has or had a controlling interest;
- d. The advisers, agents, affiliates, nominees, assigns, creditors, heirs, distributees, spouses, parents, children, or controlled entities of any Excluded Party; and/or
- e. Petrobras’s directors’ and officers’ liability insurance carriers, and any affiliates or subsidiaries thereof.

Should the total Recognized Claims of all Eligible Claimants exceed the Net Available Fair Fund, the Fund Administrator will distribute funds to the Eligible Claimants based upon a *pro rata* distribution formula. The Fund Administrator shall determine each Eligible Claimant’s *pro rata* share of the Fair Fund based upon each Eligible Claimant’s Recognized Claim divided by the total Recognized Claims of all Eligible Claimants, multiplied by the total amount in the Net Available Fair Fund (“*Pro Rata Share*”).<sup>2</sup>

#### V. Proof of Claim Forms and Required Documentation.

**IF YOU ARE A CLASS ACTION DEFICIENT CLAIMANT AND YOU DO NOT WISH TO AMEND THE CLAIM YOU FILED IN THE CLASS ACTION, DO NOT SUBMIT ANOTHER PROOF OF CLAIM FORM.**

**YOU MUST SUBMIT THE REQUIRED INFORMATION AND/OR DOCUMENTATION TO CURE THE EXISTING DEFICIENCIES IN YOUR CLASS ACTION CLAIM, AND, IF BASED ON THE PRECEDING PARAGRAPHS, YOU CHOOSE TO SUBMIT A PROOF OF CLAIM FORM WITH ADDITIONAL TRANSACTIONS, IT MUST BE SUBMITTED TO THE ADDRESS BELOW AND RECEIVED BY JANUARY 10, 2022. PROOF OF CLAIM FORMS ARE AVAILABLE ON THE FAIR FUND WEBSITE [WWW.PETROBRASFAIRFUND.COM](http://WWW.PETROBRASFAIRFUND.COM). YOU MAY ALSO REQUEST COPIES OF PROOF OF CLAIM FORMS BY CALLING THE FAIR FUND’S TOLL-FREE HOTLINE AT (800) 665-0329 OR BY EMAIL AT [QUESTIONS@PETROBRASFAIRFUND.COM](mailto:QUESTIONS@PETROBRASFAIRFUND.COM).**

PETROBRAS FAIR FUND  
c/o Epiq  
Fund Administrator  
P.O. BOX 10573  
DUBLIN, OH 43017

**IF YOU FAIL TO TIMELY SUBMIT THE REQUIRED INFORMATION OR DOCUMENTATION OR FAIL TO TIMELY SUBMIT A COMPLETED PROOF OF CLAIM FORM AND APPROPRIATE SUPPORTING DOCUMENTATION FOR EACH NEW TRANSACTION FOR WHICH YOU SUBMIT A CLAIM, YOU MAY BE BARRED FROM RECEIVING A PAYMENT FROM THE FAIR FUND.**

<sup>2</sup> No Claimant shall receive a Distribution Payment unless his, her or its Recognized Claim calculated pursuant to the Plan of Allocation, attached as Exhibit B, results in a payment that is equal to or greater than \$10.00.

If you submit a Proof of Claim Form that fails to provide all required information, or is otherwise deficient, you may receive a Claim Deficiency Notice advising you of the reason(s) why the claim is deficient and instructions concerning how to cure such deficiencies.

## **VI. Claims Determination.**

The Fund Administrator shall mail a notice advising each Claimant that submitted a Proof of Claim Form of the determination concerning such claim. If a claim is denied in whole or in part, the Fund Administrator will state the reason for such denial.

All determinations of the Fund Administrator that are made in accordance with the Plan shall be final and not subject to appeal.

## **VII. Other Claims.**

Upon receipt and acceptance of a distribution from the Fair Fund, you shall be deemed to have released any claims you may have against the Fund Administrator and its agents. By participating in the distribution of the Fair Fund, you will not be releasing any rights or claims you may have against any other party, including, but not limited to, Petrobras and Petrobras's past and present directors, officers, advisors and agents.

## **VIII. Additional Information.**

Additional information regarding the Fair Fund may be found at [www.PetrobrasFairFund.com](http://www.PetrobrasFairFund.com). Proof of Claim Forms may be downloaded from the website. You may obtain additional information or request copies of Proof of Claim Forms by calling the Fair Fund's toll-free hotline at (800) 665-0329 or by emailing [Questions@PetrobrasFairFund.com](mailto:Questions@PetrobrasFairFund.com).

**PLEASE CHECK THE WEBSITE**  
**WWW.PETROBRASFAIRFUND.COM**  
**FREQUENTLY FOR UPDATES**