



## FOR IMMEDIATE RELEASE

### **Dutch court allows class action against oil giant Petrobras to move forward.**

On May 26, 2021, the District Court in Rotterdam ruled that [Stichting Petrobras Compensation Foundation \(SPCF or Foundation\)](#) has standing to pursue declaratory relief in the Netherlands on behalf of global investors who purchased shares on the Brasil Bolsa Balcão S.A. or B3 - Brazil (formerly BM&FBOVESPA) and linked markets in the European Union as well as certain bonds prior to July 28, 2015.

The May 26 ruling effectively denies the Defendants' attempt to dismiss the litigation before having to argue the merits of the case. The litigation will now focus on the merits of the case and whether Petrobras violated applicable laws, thus causing damage to shareholders. In 2014 and 2015 it was revealed that, for many years, Petrobras made fraudulent and misleading statements to investors regarding (i) the company's books and records, (ii) the valuation of company assets, and (iii) the associated bribery and kickback schemes uncovered by Brazilian Federal law enforcement agencies in 2014 – the widely reported Lava Jato scandal.

The key takeaways from the May 26 ruling in Rotterdam are:

- 1) The Court rejects Petrobras Defendants' argument that Petrobras investors cannot seek relief in the Netherlands due to an arbitration clause in Petrobras' articles of association.
- 2) The Court in Rotterdam takes particular issue with the disingenuous attempts by Petrobras to argue in the Netherlands that investors should pursue their rights through arbitration in Brazil whilst arguing in Brazilian arbitration that the same arbitration clause does not permit investors to seek relief through arbitration.
- 3) The Court noted how a broad interpretation of the arbitration clause would result in the shareholders being denied access to an independent national court.
- 4) The Court ruled that Petrobras investors who are currently actively engaged in arbitration proceedings or separate litigation for the same facts in Brazil or elsewhere are excluded from the global class of investors for whom the Foundation in the Netherlands litigates.
- 5) The Court has set a date of September 1, 2021 for the Foundation to submit its further arguments and facts regarding the merits of the case and specifically the arguments that support the Foundation's allegations that Petrobras violated investors' rights under applicable securities laws.

For more information on the May 26 ruling, please visit [www.pbcompensation.com](http://www.pbcompensation.com) or send an e-mail to [board@pbcompensation.com](mailto:board@pbcompensation.com)