

Weatherford SEC Fair Fund  
c/o Epiq  
P.O. Box 10574  
Dublin, OH 43017

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING  
File No. 3- 17582

In the Matter of

Weatherford International PLC, f/k/a  
Weatherford International LTD., James  
Hudgins, CPA, and Darryl Kitay, CPA

Respondents.

ADMINISTRATIVE PROCEEDING  
File No. 3- 17628

In the Matter of

Ernst & Young LLP, Craig R.  
Fronckiewicz, CPA, and Sarah E. Adams, CPA

Respondents.

**WEATHERFORD SEC FAIR FUND NOTICE TO POTENTIALLY ELIGIBLE CLAIMANTS**

**TO: Persons who purchased or otherwise acquired Weatherford common stock (“Eligible Securities”) during the period from February 25, 2009, through November 12, 2012, inclusive (“Relevant Period”).<sup>1</sup>**

**If you purchased or acquired Eligible Securities during the Relevant Period, you may be entitled to a recovery from the Fair Fund (as defined below) (hereinafter a “Potentially Eligible Claimant”). Under the terms of the Distribution Plan for the Weatherford Fair Fund (the “Plan”), you must submit a Proof of Claim Form to Epiq Class Action & Claims Solutions, Inc. (“Epiq” or the “Fund Administrator”) with the necessary documentation so that it is received by September 26, 2024 (the “Claims Bar Date”) to be eligible to recover from the Weatherford SEC Fair Fund (“Fair Fund”).**

<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.WeatherfordSECFairFund.com](http://www.WeatherfordSECFairFund.com).

## **I. Purpose of this Notice.**

The purpose of this Potentially Eligible Claimant Notice (“Notice”) is to inform you that you may be entitled to share in the proceeds of the Fair Fund described herein. Copies of this Notice are being mailed to all Potentially Eligible Claimants who purchased or acquired Eligible Securities during the Relevant Period and whose names and addresses are in Epiq’s database, but did not file a claim in the Class Actions. Copies of this Notice and the claim form approved for the filing of a claim in connection with the Fair Fund (“Proof of Claim Form”) are available on the Fair Fund’s website at [www.WeatherfordSECFairFund.com](http://www.WeatherfordSECFairFund.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 Potentially Eligible Claimant, you must submit a Proof of Claim Form in accordance with the steps set forth in this Notice and in the Plan, to be eligible to share in the Fair Fund.

Please Note: Receipt of this Notice does not mean you are eligible to receive a Distribution Payment. In addition, the Fund Administrator does not have information regarding your potentially eligible 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. To obtain the mandatory electronic filing requirements and file layout, you may visit the Fair Fund’s website at [www.WeatherfordSECFairFund.com](http://www.WeatherfordSECFairFund.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.

**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 WEATHERFORD SEC FAIR FUND.**

## **II. Background.**

On September 27, 2016, the Commission issued the Weatherford Order against the Weatherford Respondents. In the Weatherford Order, the Commission found that, between 2007 and 2012, Weatherford, a large multinational provider of oil and natural gas equipment and services, issued false financial statements that inflated its earnings by over \$900 million in violation of Generally Accepted Accounting Principles (“GAAP”). As a result, Weatherford was forced to restate its financial statements on March 8, 2011, and again in February and July 2012. As a result of the conduct described in the Weatherford Order, the Commission ordered the Weatherford Respondents to pay a total of \$140,364,067 in disgorgement, prejudgment interest, and civil money penalties. All the amounts ordered have been paid. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 (“Sarbanes-Oxley”), the Weatherford Order created a Fair Fund for distribution of the amounts ordered to harmed investors.

On October 18, 2016, the Commission issued the E&Y Order against the E&Y Respondents. According to the E&Y Order, the E&Y Respondents violated the federal securities laws and engaged in improper professional conduct while serving as the external auditor, coordinating (i.e., signing) partner, and tax partner, respectively for Weatherford in connection with its 2007-2010 financial statements. As a result of this conduct, the Commission ordered the E&Y Respondents to pay a total of \$11,840,107 in disgorgement, prejudgment interest, and civil money penalties to the Commission, and created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley of 2002.

On November 30, 2017, the Commission issued an Order consolidating the Weatherford and Ernst & Young Fair Funds into a single Fair Fund for distribution to harmed investors, for a total Fair Fund in the amount of \$152,204,174 (the “Fair Fund”).

The Fair Fund is currently deposited in a Commission designated interest-bearing account at the United States Department of the Treasury’s Bureau of the Fiscal Service, 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.

### III. The Class Actions<sup>2</sup>.

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.

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

Overview of the Plan: In total, \$152,204,174 was paid into the Weatherford SEC 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 interest-bearing account at the United States Department of the Treasury's Bureau of the Fiscal Service, 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 Eligible Claimants who either (a) already submitted a Claim that was approved in the Class Action(s); (b) submitted a Claim that was determined to be deficient in the Class Action(s) 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 A of the Plan ("Recognized Loss").

**To qualify for a Distribution Payment from the Fair Fund, Claimants must satisfy the criteria used to calculate a Recognized Loss as set forth in Exhibit A (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. A Respondent or any Defendant named in the Complaints in the Class Actions;
- b. Any employee or former employee of the Respondent or any of its affiliates who has been terminated for cause or has otherwise resigned in connection with the conduct described in the Orders;
- c. Any Person who, as of the Claims Bar Date, has been the subject of criminal charges related to the conduct described in the Orders or any related Commission action;
- d. Members of the immediate family of the individual Respondents or any Defendant named in the Class Actions;
- e. Any firm, trust, partnership, corporation, present or former officer, director or other individual or entity in which any of the Respondents or Defendants named in the Complaint or in the Class Action(s) have a controlling interest or which is related to or affiliated with any of the Respondents or Defendants named in the Class Actions;
- f. The legal representatives, heirs, successors-in-interest or assigns of any such excluded persons or entities;
- g. Persons whose only acquisition of the Security during the Relevant Period was via gift or inheritance if the Person from which the Security were received did not themselves acquire the Security during the Relevant Period;
- h. Any purchaser or assignee of another Persons' right to obtain a recovery from the Fair Fund for value; provided however, this provision shall not be construed to exclude those Persons who obtained such a right by gift, inheritance, or devise;
- i. The Fund Administrator, its employees and those persons assisting the Fund Administrator in its role as Fund Administrator.

Should the total Recognized Loss 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 Loss divided by the total Recognized Loss of all Eligible Claimants, multiplied by the total amount in the Net Available Fair Fund ("*Pro Rata Share*").<sup>3</sup>

<sup>2</sup> *In re Weatherford Int'l Sec. Litig.*, 11 Civ. 1646 (LAK) (JCF), (S.D.N.Y. Oct. 28, 2013), and *Freedman v. Weatherford Int'l*, No. 12 Civ. 2121, 2013 WL 5299137 (S.D.N.Y. Sept. 20, 2013)

<sup>3</sup> No Claimant shall receive a Distribution Payment unless his, her or its Recognized Loss calculated pursuant to the Plan of Allocation, attached as Exhibit A, results in a payment that is equal to or greater than \$10.00.

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

**PROOF OF CLAIM FORMS ARE AVAILABLE ON THE FAIR FUND'S WEBSITE AT [WWW.WEATHERFORDSECFAIRFUND.COM](http://WWW.WEATHERFORDSECFAIRFUND.COM). YOU MAY ALSO REQUEST COPIES OF PROOF OF CLAIM FORM BY CALLING THE FAIR FUND'S TOLL-FREE HOTLINE AT (800) 581-1152 OR BY EMAIL AT [INFO@WEATHERFORDSECFAIRFUND.COM](mailto:INFO@WEATHERFORDSECFAIRFUND.COM). PROOF OF CLAIM FORMS MUST BE SUBMITTED TO THE ADDRESS BELOW AND RECEIVED BY SEPTEMBER 26, 2024.**

**WEATHERFORD SEC FAIR FUND  
c/o Epiq  
Fund Administrator  
P.O. BOX 10574  
DUBLIN, OH 43017**

**IF YOU FAIL TO TIMELY SUBMIT A COMPLETED PROOF OF CLAIM FORM, YOU MAY BE BARRED FROM RECEIVING A PAYMENT FROM THE FAIR FUND. THE PROOF OF CLAIM FORM MUST BE ACCOMPANIED BY APPROPRIATE SUPPORTING DOCUMENTS FOR EACH TRANSACTION FOR WHICH YOU SUBMIT A CLAIM.**

If you submit a Proof of Claim Form that fails to provide all required information, or is otherwise deficient, you may receive a Claim Status 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, Weatherford and Weatherford's past and present directors, officers, advisors and agents.

**VIII. Additional Information.**

Additional information regarding the Fair Fund may be found at [www.WeatherfordSECFairFund.com](http://www.WeatherfordSECFairFund.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) 581-1152 or by emailing [Info@WeatherfordSECFairFund.com](mailto:Info@WeatherfordSECFairFund.com).

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