

International Coalition Announces the Formation of Stichting Petrobras Compensation Foundation, a Dutch Foundation Representing Investors Damaged by Petrobras et al

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- Stichting Petrobras Compensation Foundation, a Netherlands-based claim foundation (the "Foundation"); International Securities
- Associations and Foundations Management Company for Damaged Petrobras Investors (Bovespa) Ltd. ("ISAF Petrobras"); and a coalition
- of international law firms, including Lemstra Van der Korst N.V., Motley Rice, Withers LLP, and Lowey Dannenberg Cohen & Hart,
- announce the incorporation of a Dutch foundation and appointment to the Foundation's board of Benk Korthals, former justice secretary and
- defense secretary of the Netherlands, and Dick Bouma a retired partner at Pels Rijcken Droogleevers Fortuijn N.V., expert on Dutch style class actions and experienced board member of claim foundations.

The Foundation has written to Petrobras Brasileiro SA, certain Petrobras group entities and (formerly) high ranking Petrobras officers (collectively, "Petrobras et al") to encourage them to discuss avenues for a potential settlement relating to alleged fraud-related losses of its shares and bonds traded outside of the United States, whether on BOVESPA and various European stock exchanges directly or via linked exchange market systems, such as the European-based LATIBEX on Bolsa Madrid.

Should Petrobras et al not respond within the term set in the Foundation's letter and/or is not willing to enter into settlement negotiations, the Foundation is committed to commence litigation before the district court in Rotterdam, the Netherlands.

Any settlement discussions, or the complaint filed in the absence thereof, will be for the benefit of investors who suffered losses as a result of the allegedly long-running fraud perpetrated by Petrobras et al. Petrobras is majority-owned by the Brazilian government.

The Foundation alleges that when years of complex fraud and bribery schemes orchestrated by management and officials of Petrobras were finally revealed to the public in 2014, investors lost billions of dollars, euros and Brazilian reals, resulting from significant asset write-downs and precipitous declines in Petrobras share prices.

Petrobras has significant operations in the Netherlands, and several Petrobras entities allegedly involved in the bribery schemes are also headquartered in Rotterdam. European investors were damaged as a result of Petrobras' alleged fraud and bribery activity.

Petrobras shares are listed on the BOVESPA in Sao Paulo and became subject to compliance with European regulatory standards when Petrobras made its shares available for trading and clearing via LATIBEX on Bolsa Madrid and Iberclear, respectively, and subjected itself to compliance with the Comision Nacional del Mercado de Valores ("CNMV"), the regulatory body of Spanish financial markets. The CNMV is a member of and subject to the regulations of the European Securities and Markets Authority. Some of the bonds issued by Petrobras Global Finance B.V. are listed and traded on various European stock exchanges and are cleared and settled through European clearing corporations like Clearstream, Luxembourg and/or Euroclear.

Petrobras specifically desired access to investors in European and other international capital markets and promoted itself to them. To increase investors' confidence, it declared its expected compliance with a well-developed European market regulation system and its willingness to be governed by it.

Whether the Petrobras shares are trading in Brazil or Europe, the security identifiers for both the common and preferred shares are in fact the same in each jurisdiction. Shares can be transferred back and forth for custody between Brazil and Europe as a result of the CNMV regulatory framework and the arrangement via Iberclear in Spain.

Efforts are underway to recover investor losses related to the revelations of allegations of rampant corruption, money laundering, bribery and violations of securities laws in multiple jurisdictions. The first investor lawsuit was filed as a class action in the United States on behalf of investors who purchased American Depository Shares on the New York Stock Exchange, but is limited to only cover losses in those ADS shares and certain US dollar denominated bonds. Importantly, this US class action does not cover investor losses that stem from the largest class of shares, which traded on the BOVESPA or LATIBEX, and it will not cover losses on certain other bonds, including Euro denominated bonds.

Goals of the Legal Action & How to Recover Losses

The Foundation provides a vehicle to litigate on behalf of Petrobras investors and/or to establish a binding settlement that, together with the US class action, provides for a truly global settlement. Additional goals of the collective litigation include increasing the level of influence of independent directors and safeguarding the interest of all stakeholders through improvement in compliance standards and control measures, to a level normally expected by international institutional investors. It is important that investors (a) who purchased common and preferred shares of Petrobras and/or bonds issued by Petrobras Global Finance B.V. or Petrobras International Finance Company S.A. anytime before July 28, 2015 and (b) suffered and/or are in danger of suffering (further) damages as a consequence of the alleged fraud, contact ISAF Petrobras so that it can determine eligibility to pursue claims in the Dutch court system. Eligible damaged investors can join the Foundation with no upfront cost or risk.

About the Shareholder Foundation

Foundation Organizers. Stichting Petrobras Compensation Foundation, a Netherlands-based foundation that acts on behalf of damaged Petrobras investors, has appointed ISAF Petrobras to interact with investors, law firms, service providers, and media and to undertake all administrative tasks, including the collection of client trading data, loss calculations, loss certification, and all aspects of documentation handling. In addition, ISAF Petrobras will finance all litigation costs, including legal fees, experts' fees, processing, data collection, administration, and claims administration, including potential payout administration. Apart from this Dutch foundation, an affiliate of ISAF Petrobras – International Securities Associations & Foundations Management Company for Damaged Petrobras Investors (Bolsa Madrid) Ltd. – is fully funding all efforts by the Asociacion de Afectados de Petrobras, a Madrid-based shareholder association, to pursue restitution for damaged investors.

Law Firms. Lemstra Van der Korst N.V., a leading Dutch litigation and class action law firm, is cooperating with securities litigation firms Withers LLP, Motley Rice and Lowey Dannenberg Cohen & Hart.

Withers LLP is a leading international litigation and arbitration law firm. Motley Rice is one of the largest plaintiffs' litigation firms in the United States, with a tradition of representing those whose rights have been violated. Lowey Dannenberg Cohen & Hart focuses its practice on complex litigation, including securities and commodities litigation, antitrust litigation and healthcare litigation.

Claims Analysis and Processing. Battea Class Action Services, LLC, an international leader in the class action securities claims filing space, has been retained to collect client data and process and validate investor loss calculations.

Damaged investors are offered a "success only" contingency fee cost structure. By accepting the contingency fees, the damaged investors are offered a no-risk and upfront cost-free participation ("no cure - no pay").

For more information, please visit www.isafpetrobras.com

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