

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

THE ERICA P. JOHN FUND, INC., et al., *On Behalf  
of Itself and All Others Similarly Situated,*

Plaintiff,

vs.

HALLIBURTON COMPANY and DAVID J. LESAR,

Defendants.

CIVIL ACTION NO.: 3:02-CV-1152-M

CLASS ACTION

NOTICE OF PENDENCY

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT, MOTION FOR  
ATTORNEYS' FEES AND SETTLEMENT FAIRNESS HEARING**

If you purchased or otherwise acquired the publicly-traded common stock of Halliburton Company ("Halliburton") (trading symbol NASDAQ: HAL) between August 16, 1999 and December 7, 2001, inclusive, you could get a payment from a class action settlement.

***A federal court authorized this Notice. This is not a solicitation from a lawyer.***

- The Settlement<sup>1</sup> resolves a federal class action lawsuit alleging that Halliburton and its Chief Executive Officer David Lesar ("Lesar") (collectively, "Defendants") violated the Securities Exchange Act of 1934 (the "Exchange Act"), and Rule 10b-5 promulgated thereunder, by making materially false and misleading statements and omissions regarding, *inter alia*, Halliburton's exposure to asbestos liabilities.
- The Court-appointed Lead Plaintiff is The Erica P. John Fund, Inc.
- Defendants deny Lead Plaintiff's allegations. The parties disagree on, among other things, whether Defendants violated any federal securities laws and whether the alleged violations actually caused any damages to the Class Members.
- The federal court has certified a class consisting of all Persons or entities who purchased or otherwise acquired the common stock of Halliburton between August 16, 1999 and December 7, 2001, inclusive. Excluded from the Class are the Defendants; any officers or directors of Halliburton during or after the Class Period; any corporation, trust or other entity in which any Defendant has a controlling interest; and the members of the immediate family of Lesar and their successors, heirs, assigns, and legal

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<sup>1</sup> All capitalized terms herein have the meaning set forth in the Stipulation of Settlement filed with the Court on February 21, 2017 (the "Stipulation").

representatives. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action.

- The Settlement will provide a one hundred million (\$100,000,000) all cash Settlement Fund for the benefit of Class Members who purchased or otherwise acquired Halliburton common stock between August 16, 1999 and December 7, 2001, inclusive.
- This hard-fought litigation spans more than a decade and involves two arguments before the Supreme Court and multiple appeals to the Fifth Circuit. Class Counsel (defined below) obtained a certified Class, completed discovery, and fully briefed summary judgment before achieving the \$100,000,000 all cash result. These legal services were performed on a wholly contingent basis, and therefore Class Counsel have not received any payment for their services, nor have they been reimbursed for their litigation expenses. Before final approval of the Settlement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed one-third (33⅓%) of the gross Settlement Fund, and apply for reimbursement of litigation expenses in an amount not to exceed \$7,500,000.
- Your legal rights are affected whether you act or do not act. Read this Notice carefully.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM BY AUGUST 12, 2017</b>	The only way to get a payment in this Settlement.
<b>EXCLUDE YOURSELF FROM THE LAWSUIT BY SUBMITTING A SIGNED LETTER BY JULY 10, 2017</b>	Get no payment pursuant to this Settlement. This is the <b>only</b> option that allows you to be a part of any other lawsuit against the Defendants and their affiliates involving the claims released by this Settlement.
<b>OBJECT BY JULY 10, 2017</b>	Write a letter to the Court objecting to the Settlement. You must still file a claim if you want to receive payment from the Settlement.
<b>GO TO A HEARING ON JULY 31, 2017, at 9:00 A.M.</b>	Ask to speak in Court about the Settlement.
<b>DO NOTHING</b>	Get no payment from this Settlement. You will also be giving up your rights regarding all claims released by this Settlement.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after any appeals by Class Members are resolved.

## **SUMMARY OF THIS NOTICE**

### **Statement of Class Recovery Under the Settlement**

Pursuant to the Settlement described herein, a one hundred million dollar (\$100,000,000) all cash Settlement Fund has been established. Lead Plaintiff estimates that there were approximately 267.3 million shares of Halliburton common stock traded during the Class Period that may have been damaged. Lead Plaintiff estimates that the “average recovery per damaged share” of Halliburton common stock under the Settlement is \$0.37 before deduction of fees and expenses. A Class Member’s actual recovery will be a proportion of the Net Settlement Fund (defined below), determined by that Claimant’s recognized loss (*i.e.*, a claim proved by timely submission of a valid Proof of Claim and Release form) as compared to the total recognized losses of all Class Members. This proportional allocation is called “proration.” See the Plan of Allocation beginning on Page 11 for more information.

### **Statement of Claims, Issues, Defenses, and Potential Outcome of Case**

Lead Plaintiff alleges that Defendants violated Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder, by making materially false and misleading statements and omissions regarding, *inter alia*, Halliburton’s exposure to asbestos liabilities.

The original complaint in this matter was filed on June 3, 2002. On September 9, 2004, the Court rejected a proposed settlement of \$6,000,000 by certain appointed lead plaintiffs, prior to the initiation of formal discovery. Another of the appointed lead plaintiffs, The Erica P. John Fund, Inc. (then named AMSF), vigorously objected to the proposed settlement. On May 3, 2005, the Court appointed The Erica P. John Fund, Inc. as sole Lead Plaintiff. On February 23, 2007, the Court granted Lead Plaintiff’s motion to substitute lead counsel. On March 28, 2007, the Court denied motions to dismiss the Fourth Amended Complaint with respect to Defendants Halliburton and Lesar, and the Parties proceeded with formal discovery.

As discovery was underway, Lead Plaintiff moved to certify a class consisting of all investors who bought Halliburton common stock between June 3, 1999 and December 7, 2001. The Court found that, although the proposed class met all of the Fed. R. Civ. P. 23(a) prerequisites, prevailing Fifth Circuit precedent required Plaintiff to prove “loss causation” at the certification stage, and that Lead Plaintiff had not met its burden to do so. While the Fifth Circuit affirmed on that ground, in *Halliburton I*, the Supreme Court subsequently reversed and vacated the judgment, holding that loss causation need not be shown at the class certification stage. On remand, Defendants argued that the evidence demonstrated a lack of “price impact,” such that Lead Plaintiff and the Class would be required to prove reliance on an individual basis, causing individual issues to predominate and defeating certification. The District Court rejected Defendants’ argument and the Fifth Circuit affirmed, holding that evidence of the absence of price impact is not relevant to predominance, but can nevertheless be admitted at trial.

In *Halliburton II*, the Supreme Court vacated the Fifth Circuit’s judgment, holding that Defendants could introduce evidence of a lack of price impact at the class certification stage in order to show the absence of predominance. On remand, the District Court ordered additional briefing on price impact and held an evidentiary hearing during which the Parties introduced expert testimony. On July 25, 2015, the Court granted in part Lead Plaintiff’s renewed motion for class certification solely with respect to the December 7, 2001 corrective disclosure, certifying a class of purchasers from August 16, 1999 to December 7, 2001. Defendants again appealed the Court’s certification ruling, which is currently pending before the Fifth Circuit.

Following the Court’s July 25, 2015 certification order, the Parties resumed intensive discovery efforts.

Ultimately, discovery involved the production and analysis of over 1.3 million pages of documents and depositions of approximately 28 fact witnesses. After the completion of fact discovery, expert reports were exchanged and the parties' experts were deposed. The Parties then filed their motions for partial or full summary judgment and motions to exclude certain expert testimony under *Daubert*, all of which are currently pending before the Court. On December 16, 2016, the Parties participated in a full-day mediation session in New York, NY before retired U.S. District Judge Layne R. Phillips. In connection with that mediation, on December 23, 2016, the Parties agreed to settle the Action for the sum of \$100,000,000.00, subject to Court approval.

At the time the settlement was reached, Lead Plaintiff faced the possibility that the District Court's class certification order would be reversed by the Fifth Circuit or that the action would not survive Defendants' pending summary judgment motion. Had the case gone to trial, Defendants would have asserted myriad factual and legal defenses, including that Halliburton and Lesar fully complied with the federal securities laws and did not make any materially untrue or misleading statements or omissions, that in any event, any such statement was not made with scienter, and that any alleged misrepresentation did not cause investors losses. Defendants would also contest: (1) the measure and amount of recoverable damages, if any; (2) the extent to which the statements that Lead Plaintiff alleged as materially false or misleading influenced (if at all) the trading prices of Halliburton common stock at various times during the relevant time period; and (3) whether Lead Plaintiff has standing to assert all of the claims in the complaint.

Furthermore, to the extent Lead Plaintiff succeeded on any claims, Defendants could take those issues on appeal, which could result in additional years of litigation with no certainty as to outcome for either side. Thus, had this Action continued, Lead Plaintiff and the Class could face the possibility of obtaining no recovery. This Settlement enables the Class to recover a percentage of the alleged damages as calculated by Class Counsel in conjunction with their economic consultant, without incurring any additional risk. As a result, Lead Plaintiff and Class Counsel believe this settlement is a fair and reasonable recovery.

The Parties disagree on the amount of damages, if any, which would have been recoverable had Lead Plaintiff prevailed on all claims in this litigation. Lead Plaintiff contends that the misrepresentations and omissions alleged in the Complaint were the direct cause of the artificial elevation and eventual drop in Halliburton's stock price and caused Lead Plaintiff and the Class to be damaged. Lead Plaintiff further contends that the alleged drop in the stock price is fully attributable to the alleged misrepresentations and omissions set forth in the Complaint. Defendants contend that they made no misrepresentations or omissions, but in all events the alleged misrepresentations and/or omissions set forth in the Complaint did not cause any inflation in the price of Halliburton's common stock and that Lead Plaintiff and the Class have not been damaged.

### **Statement of Attorneys' Fees and Costs Sought, Lead Plaintiff's Compensation, and Notice Costs and Expenses**

Class Counsel, the law firms of Boies, Schiller & Flexner, LLP, which served as Lead Counsel, and Kahn Swick & Foti, LLC, which served as Special Counsel, will move the Court to award attorneys' fees in an amount up to and including one-third (33 $\frac{1}{3}$ %) of the gross Settlement Fund and reimbursement of expenses incurred in connection with the prosecution of this action not to exceed \$7,500,000. Other plaintiffs' firms who previously represented plaintiffs but have since withdrawn or been substituted out of the case may submit motions to the Court for attorneys' fees and/or expenses; however, any such firm seeking fees and/or expenses from the Settlement Fund must provide their contemporaneous time records and detailed expense records to Class Counsel at least fourteen (14) calendar days prior to July 3, 2017, which is the deadline for filing papers in support of final approval of the Settlement, Plan of Allocation, and application for attorneys' fees and reimbursement of expenses. Lead Plaintiff and Class Counsel may oppose such applications, if any, in whole or in part. All plaintiffs' attorneys' fees will be paid from the amount awarded by the Court. Class Counsel also

will move the Court to award compensation to Lead Plaintiff for time, costs, and expenses directly related to representation of the Class, in an amount up to \$100,000. The total requested fees and expenses would amount to an average of not more than \$0.15 per damaged share. Class Counsel are authorized by the Court to pay to the Claims Administrator its reasonable and necessary fees and expenses incurred in connection with providing Notice to the Class, administering the Settlement, and distributing the Settlement proceeds to the Class Members to be paid out of a Class Notice and Administration Fund established with funds from the Settlement Fund.

See Questions 8-10 below for more information. Class Members are not personally liable for any such fees, expenses, or compensation.

### **Further Information**

Further information regarding the Action and this Notice of Pendency of Class Action and Proposed Settlement With All Defendants, Motion for Attorneys' Fees and Settlement Fairness Hearing (the "Notice") may be obtained by contacting Class Counsel: Lewis Kahn, Kahn Swick & Foti, LLC, 260 Covington St., Madisonville, LA 70447, Tel. (504) 455-1400; or Carl Goldfarb, Boies, Schiller & Flexner LLP, 401 E. Las Olas Blvd., Ft. Lauderdale, FL 33301-2211, Tel. (954) 356-0011.

### **Reasons for the Settlement**

For Lead Plaintiff, the principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future. Lead Plaintiff further considered, after conducting a substantial investigation into the facts of this case, the risks to proving liability and damages. For Defendants, who deny all allegations of wrongdoing or liability, the principal reason for the Settlement is to eliminate the expense, risks, and uncertain outcome of the litigation.

## **HOW YOU GET A PAYMENT—SUBMITTING A PROOF OF CLAIM FORM**

### **1. How can I get a payment?**

To qualify for a payment, you must send in a Proof of Claim and Release form ("Claim Form"). A Claim Form is being circulated with this Notice. You may also get a Claim Form on the Internet at [www.halliburtonepjfundsecuritieslitigation.com](http://www.halliburtonepjfundsecuritieslitigation.com). Read the instructions carefully, fill out the Claim Form, include all the documents the form asks for, sign it, and mail it **postmarked no later than August 12, 2017**.

### **2. When would I get my payment?**

The Court will hold a hearing on July 31, 2017, at 9:00 A.M., to decide whether to approve the settlement. If the Court approves the settlement, after that, there may be appeals by Class Members. Resolving appeals can take time, perhaps more than a year. It also takes time for all the Claim Forms to be processed.

### **3. What am I giving up to get a payment?**

Unless you specifically exclude yourself, you will be treated as a Class Member in this class action. This means that upon the Effective Date, you will relinquish all Released Claims against the Released Persons. These terms are defined below:

“Released Claims” shall mean any and all complaints, claims, third-party claims, cross-claims, counterclaims, demands, liabilities, obligations, promises, agreements, controversies, actions, causes of action, suits, rights, damages, costs, losses, debts, charges, and expenses (including Unknown Claims and attorneys’ fees, expert fees, and disbursements of counsel and other professionals) of any and every nature whatsoever, whether in law or in equity, whether arising under federal, state, local, or foreign statutory or common law or any other law, rule, or regulation (whether foreign or domestic), whether currently known or unknown, suspected or unsuspected, foreseen or unforeseen, ripened or unripened, accrued or unaccrued, or matured or not matured, whether arising in equity or under the law of contract, tort, malpractice, statutory breach, or any other legal right or duty, whether direct, derivative, individual, representative, or in any other capacity, and to the fullest extent that the law permits their release in this Action, that Lead Plaintiff, or any other member of the Certified Class (a) asserted in the operative Complaint or any other pleadings or briefs filed in this Action, or (b) could have asserted from the beginning of time to the end of time in any forum that arise out of, relate to, are connected with, or are in any way based upon (i) the allegations, transactions, facts, matters, occurrences, representations, or omissions involved, set forth, or referred to in the operative Complaint or any other pleadings or briefs filed by any party in this Action (including but not limited to all claims that arise out of, relate to, are connected with, or are in any way based upon any disclosures, public filings, registration statements, or other statements by Halliburton or its officers, directors, employees, or agents) during the Class Period, or (ii) the purchase or acquisition of Halliburton securities during the Class Period. Only claims based on purchase or acquisition of common stock during the Class Period are being released. For the avoidance of doubt, to the extent that Class Members purchased or acquired shares of Halliburton common stock between and including August 16, 1999 and December 7, 2001 (regardless of whether those shares were held after December 7, 2001 or not), those claims are released. By contrast, claims stemming from purchase or acquisition of Halliburton common stock between December 8, 2001 and July 22, 2002 are expressly not released and instead are part of the pending putative class action styled, *Magruder v. Halliburton Co.*, CA No. 3:05-CV-1156-M.

“Claims” means any and all manner of claims, demands, rights, actions, potential actions, causes of action, liabilities, duties, damages, losses, diminutions in value, obligations, judgments, decrees, matters, issues, suits and controversies of any kind or nature whatsoever, whether known or unknown, contingent or absolute, liquidated or not liquidated, accrued or unaccrued, suspected or unsuspected, disclosed or undisclosed, apparent or not apparent, foreseen or unforeseen, matured or not matured, which now exist, or heretofore or previously existed, or may hereafter exist, including, but not limited to, any claims arising under federal, state or foreign law, common law, bankruptcy law, statute, rule or regulation, or agreement, whether individual, class, direct, derivative, representative, on behalf of others, legal, equitable, regulatory, governmental or of any other type or in any other capacity.

“Released Persons” means each and all of the Defendants and each and all of the Halliburton Related Parties and Lesar’s Related Parties.

“Halliburton Related Parties” means Halliburton’s past or present predecessors, successors, parent entities, affiliates, and subsidiaries, and, in the case of Halliburton’s respective predecessors, successors, parent entities, affiliates, and subsidiaries, each of Halliburton’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, agents, controlling shareholders, attorneys, accountants, auditors, advisors, investment advisors, personal or legal representatives, predecessors, successors, parent entities, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, and any person, firm, trust, corporation, partnership, limited liability company, officer, director, or other individual or entity in which Halliburton or its past or present predecessors, successors, parent entities, affiliates and subsidiaries has or had a controlling interest or which has or had a controlling interest in Halliburton or its past or present predecessors, successors, parent entities, affiliates and subsidiaries.

“Lesar’s Related Parties” means David Lesar’s immediate family, and any trust of which David Lesar is the settlor or which is for the benefit of Lesar’s immediate family, and the legal representatives, heirs, successors or assigns of each of the foregoing.

The “Effective Date” will occur when an order entered by the Court approving the settlement becomes final and not subject to appeal according to the terms of the Stipulation.

If you remain a Member of the Class, all of the Court’s orders will apply to you and legally bind you.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue the Defendants and the other Related Persons in some other lawsuit as to the Released Claims in this lawsuit, then you must take steps to remove yourself from this lawsuit. This is called excluding yourself from or “opting out” of the Class. If more than a certain percentage of Class Members opt out or exclude themselves from the Class, Defendants may withdraw from and terminate the Settlement.

### **4. How do I exclude myself from the proposed settlement?**

To exclude yourself from the Class, you must send a signed letter by mail stating that you “request exclusion from the Class in *The Erica P. John Fund, Inc. v. Halliburton*, Civil Action No. 3:02-CV-1152-M.” Your letter should state the date(s), price(s), and number of shares of all your purchases and sales of Halliburton common stock during the Class Period. In addition, be sure to include your name, address, telephone number, and signature. You must mail your exclusion request **postmarked no later than July 10, 2017** to:

Halliburton EPJ Fund Securities Litigation  
c/o JND Class Action Administration  
P.O. Box 6847  
Broomfield, CO 80021

You cannot exclude yourself by telephone or by email. If you ask to be excluded, you will not get any settlement payment and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue (or continue to sue) the Defendants and the other Related Persons in the future. If you exclude yourself, do not send in a Claim Form to ask for any money.

### **5. If I do not exclude myself from the settlement, can I sue the Defendants and the other Released Persons later for the same alleged conduct?**

No. Unless you exclude yourself from the Class, you give up any rights to sue the Defendants and the other Related Persons for any and all Released Claims. You must exclude yourself from *this* Class to continue your own lawsuit for the same conduct alleged in this Action, styled *The Erica P. John Fund, Inc., et al v. Halliburton Co. and David Lesar*. Remember, the exclusion deadline is July 10, 2017.

**6. If I exclude myself from the settlement, can I get money from the proposed settlement?**

No, but you may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against the Defendants and the other Related Persons.

**IF YOU DO NOTHING**

**7. What happens if I do nothing at all?**

The judgment of the Court will be binding upon you if you do nothing. You will get no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Related Persons about the Released Claims in this case, ever again. To share in the Net Settlement Fund, you must submit a Claim Form (see Question 1). To start, continue, or be a part of any other lawsuit against the Defendants and the other Related Persons about the Released Claims in this case, you must exclude yourself from this Class (see Question 4).

**THE LAWYERS REPRESENTING CLASS MEMBERS**

**8. Do I have a lawyer in this case?**

Class Counsel, the law firms of Boies, Schiller & Flexner, LLP and Kahn Swick & Foti, LLC, represent all Class Members. You will not be separately charged for these lawyers. The Court will determine the amount of Class Counsel's fees and expenses, which will be paid from the gross Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

**9. How will Class Counsel be paid?**

Class Counsel will move the Court to award plaintiff's counsel's attorneys' fees from the gross Settlement Fund in a total amount not greater than one-third (33⅓%) of the gross Settlement Fund and reimbursement of their expenses in an amount no greater than \$7,500,000, plus interest on such expenses may be sought.

**10. How will the notice costs and expenses be paid?**

Class Counsel is authorized by the Stipulation to pay the Claims Administrator's fees and expenses incurred in connection with giving notice, administering the settlement, and distributing the settlement proceeds to the members of the Class. The Claims Administrator's fees and expenses will be paid out of the gross Settlement Fund. The Claims Administrator was selected through a competitive bidding process and multiple bids were reviewed and considered.

**OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the Settlement or some part of it.

**11. How do I object to the Settlement?**

If you are a Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation, and/or the application for an award of fees and expenses by Class Counsel or any other counsel who may seek an award of fees and expenses. Lead Plaintiff reserves the right to object to any fee and expense application submitted by any lawyers other than Class Counsel. You may write to the Court setting out your objection(s). You should state reasons why you think the Court should not approve any or all of the settlement terms or arrangements.

You must object in writing by sending a signed letter stating that you object to the proposed settlement in *The Erica P. John Fund, Inc. v. Halliburton*, Civil Action No. 3:02-CV-1152-M. Your objection must include a cover page identifying this case name and number and naming the hearing date of July 31, 2017, at 9:00 a.m. at the Earle Cabell Federal Building, 1100 Commerce St., Dallas TX 75242. Be sure to include your name, address, telephone number, and signature; identify the date(s), price(s), and number of shares of all purchases and sales of Halliburton common stock you made during the Class Period, and state the reasons why you object to the settlement. Your objection must be **postmarked on or before July 10, 2017** to each of the following (1) the Court; (2) Boies, Schiller & Flexner LLP and Kahn Swick & Foti, LLC, on behalf of the Lead Plaintiff; and (3) Counsel for the Defendants at the following addresses:

<b>COURT:</b>
Clerk of the Court Earle Cabell Federal Building 1100 Commerce Street Dallas, Texas 75242
<b>FOR LEAD PLAINTIFF:</b>
Lewis S. Kahn KAHN SWICK & FOTI, LLC 206 Covington Street Madisonville, LA 70447  Carl E. Goldfarb BOIES, SCHILLER & FLEXNER LLP 401 E. Las Olas Boulevard Ft. Lauderdale, Florida 33301-2211  <i>Class Counsel for Lead Plaintiff The Erica P. John Fund, Inc. and the Class</i>
<b>FOR DEFENDANTS:</b>
Jessica B. Pulliam BAKER BOTTS L.L.P. 2001 Ross Avenue Dallas, Texas 75201-2980  <i>Counsel for Defendants Halliburton Co. and David Lesar</i>

You do not need to go to the Settlement Hearing to have your written objection considered by the Court.

At the Settlement Hearing, any Class Member who has not previously submitted a request for exclusion from the Class may appear and be heard, to the extent allowed by the Court, to state any objection to the

settlement, the Plan of Allocation, or any motion for an award of attorneys' fees and reimbursement of expenses. Any such objector may appear in person or arrange, at that objector's expense, for a lawyer to represent the objector at the Settlement Hearing. If you or your representative intend to appear in person but have not submitted a written objection **postmarked by July 10, 2017**, it is recommended that you give advance notice to Counsel for the Class and/or counsel for Defendants of your intention to attend the hearing in order to object and the basis for your objection. You may contact them at the addresses provided above.

## **12. What is the difference between objecting to the Settlement and excluding myself from the Settlement?**

Objecting is simply telling the Court that you do not like something about the proposed settlement. You can object only if you remain in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

### **THE COURT'S SETTLEMENT FAIRNESS HEARING**

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend and you may ask to speak, but you do not have to.

## **13. When and where will the Court decide whether to approve the proposed settlement?**

The Court will hold a **Settlement Fairness Hearing at 9:00 A.M. on July 31, 2017, at the Earle Cabell Federal Building, 1100 Commerce St., Courtroom 1570, Dallas TX 75242**. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court also will consider the proposed Plan of Allocation for Settlement proceeds and Class Counsel's attorneys' fees and expenses application, and, if necessary, the attorneys' fees and expenses application of any other counsel. The Court will take into consideration any written objections mailed in accordance with the instructions in the answer to Question 12. The Court also will listen to people who seek to speak at the hearing, but decisions regarding the conduct of the hearing will be made by the Court. See Question 12 for more information about speaking at the hearing. The Court will decide how much to pay to Class Counsel, and may also decide how much, if any, to pay any other counsel. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

You should be aware that the Court may change the date and time of the Settlement Fairness Hearing. Thus, if you want to come to the hearing, you should check with Class Counsel before coming to be sure that the date and/or time has not changed.

### **GETTING MORE INFORMATION**

## **14. Are there more details about the proposed settlement?**

This Notice summarizes the proposed settlement. More details are contained in a Stipulation.

To receive more information regarding the Settlement, you can call the Claims Administrator toll-free at 1 (844) 864-9032; write to the Claims Administrator at Halliburton EPJ Fund Securities Litigation, c/o JND Class Action Administration, P.O. Box 6847, Broomfield, CO 80021; or visit the website at [www.halliburtonepjfundsecuritieslitigation.com](http://www.halliburtonepjfundsecuritieslitigation.com), where you will find the Stipulation, Notice, a Claim Form, answers to common questions about the Settlement, and other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

## 15. How do I get more information?

For more detailed information concerning the matters involved in this Action, you can inspect the pleadings, the Stipulation, the Orders entered by the Court, and the other papers filed in the Action at the office of the Clerk of the United States District Court for the Northern District of Texas, Dallas Division, at Earle Cabell Federal Building, 1100 Commerce St, Dallas TX 75242, during regular business hours. You may also contact Class Counsel.

### **PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS**

This Plan of Allocation has been prepared by Lead Plaintiff and Class Counsel with the assistance of their economics consultant. Defendants do not agree with the characterization that any damages were suffered by any Members of the Class.

The one hundred million dollar (\$100,000,000) all cash Settlement Amount and the interest earned thereon shall be the gross Settlement Fund. The gross Settlement Fund, less all taxes and approved costs, fees, and expenses (the "Net Settlement Fund") shall be distributed to Members of the Class who submit acceptable Claim Forms ("Authorized Claimants").

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's recognized loss. The recognized loss formula is not intended to be an estimate of the amount a Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the settlement. The recognized loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

The following proposed Plan of Allocation reflects the allegations in the Fourth Consolidated Amended Complaint for Violations of the Securities Exchange Act of 1934 (the "Complaint") that Defendants made materially untrue and misleading statements and omissions regarding, *inter alia*, Halliburton's exposure to asbestos liabilities, resulting in violations of Sections 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. The Complaint alleges that these misrepresentations resulted in the artificial inflation of the prices of the Company's common stock during the Class Period from August 16, 1999 to December 7, 2001, inclusive. Defendants deny that they did anything wrong.

Each Authorized Claimant shall be paid based on the percentage of the Net Settlement Fund that each Authorized Claimant's recognized loss bears to the total of the recognized losses of all Authorized Claimants (the "Pro Rata Share")

Shares eligible for recognizable losses are those shares of Halliburton common stock purchased from August 16, 1999 to December 7, 2001, inclusive.

### **PLAN OF ALLOCATION**

1. The objective of the Plan of Allocation is to equitably distribute the Settlement proceeds to those Class Members who suffered economic losses as a result of the alleged violations of the federal securities laws as opposed to losses caused by market or industry factors or company-specific factors unrelated to the alleged violations of law. The Plan of Allocation reflects Lead Plaintiff's damages expert's analysis undertaken to that

end, including a review of publicly available information regarding Halliburton and statistical analysis of the price movements of Halliburton common stock and the price performance of relevant market and peer indices during the Class Period. The Plan of Allocation, however, is not a formal damages analysis.

2. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

3. The Plan of Allocation generally measures the amount of loss that a Class Member can claim for purposes of making *pro rata* allocations of the cash in the Net Settlement Fund to Authorized Claimants. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the security. In this case, Lead Plaintiff alleges that Defendants made false statements and omitted material facts from August 16, 1999 to December 7, 2001 that inflated the price of Halliburton's common stock. It is alleged that a corrective disclosure on December 7, 2001, impacted the market price of Halliburton common stock and removed the alleged artificial inflation from the stock price.

#### CALCULATION OF RECOGNIZED LOSS AMOUNTS

4. A Recognized Loss Amount will be calculated for each share of Halliburton common stock purchased or acquired during the Class Period from August 16, 1999 through December 7, 2001, inclusive. If the calculation of a Recognized Loss Amount for any particular share purchased or acquired during the Class Period results in a negative number, that number shall be set to zero.

5. For each share of Halliburton common stock purchased or acquired during the Class Period, and

- a) sold before the market opened on December 7, 2001, the Recognized Loss Amount for each share shall be zero;
- b) sold after the market opened for trading on December 7, 2001, through the close of market trading on March 6, 2002,<sup>2</sup> the Recognized Loss Amount for each share is **the least of** (i) \$8.88; (ii) the purchase/acquisition price minus the sale price; or (iii) the purchase/acquisition price **minus** the average closing price of Halliburton common stock between December 7, 2001, and the date of sale, as shown in Column [2] of Table 1 attached to this Notice;
- c) held as of the close of market trading on March 6, 2002, the Recognized Loss Amount for each share is **the lesser of** (i) \$8.88; or (ii) the purchase/acquisition price **minus** \$13.49, the average closing price of Halliburton common stock between December 7, 2001, and March 6, 2002, as shown on the last line of Column [2] of Table 1 attached to this Notice.

<sup>2</sup> Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, entitled "Limitation on Damages": "[i]n any private action arising under this chapter in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." The mean (average) daily closing trading price for Halliburton common stock during the 90-day look-back period (i.e., December 7, 2001 through March 6, 2002) is \$13.49.

## ADDITIONAL PROVISIONS

6. If a Class Member has more than one purchase/acquisition or sale of Halliburton common stock during the Class Period, all purchases/acquisitions and sales of Halliburton common stock shall be matched on a First In, First Out (“FIFO”) basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

7. Purchases or acquisitions and sales of Halliburton common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of Halliburton common stock during the Class Period shall not be deemed a purchase, acquisition or sale of these shares of Halliburton common stock for the calculation of an Authorized Claimant’s Recognized Claim nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of Halliburton common stock unless (i) the donor or decedent purchased or otherwise acquired such shares of Halliburton common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of Halliburton common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

8. The date of covering a “short sale” is deemed to be the date of purchase or acquisition of the Halliburton shares. The date of a “short sale” is deemed to be the date of sale of Halliburton common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a Claimant has an opening short position in Halliburton common stock, the earliest Class Period purchases or acquisitions shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

9. The sum of a Claimant’s Recognized Loss Amounts will be the Claimant’s “Recognized Claim.”

10. With respect to all shares of Halliburton common stock purchased or acquired by a Claimant during the Class Period, the Claims Administrator will determine if the Claimant had a market gain or loss with respect to his, her or its overall transactions during the Class Period in those shares. For purposes of making this calculation, the Claims Administrator shall determine the difference between (i) the Total Purchase Amount<sup>3</sup> and (ii) the sum of the Sales Proceeds<sup>4</sup> and the Holding Value.<sup>5</sup> This difference will be deemed a Claimant’s market gain or loss with respect to his, her or its overall transactions in Halliburton common stock. If a Claimant has a market gain, the value of that Claimant’s Recognized Claim, and thus that Claimant’s actual recovery, will be zero. If the Claimant has a Recognized Claim **and** a market loss, the value of the Claimant’s Recognized Claim will be the lesser of the two.

11. An Authorized Claimant’s Recognized Claim shall be the amount used to calculate the Authorized Claimant’s *pro rata* share of the Net Settlement Fund. If the sum total of Recognized Claims of all Authorized

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<sup>3</sup> The “Total Purchase Amount” is the total amount the Claimant paid (excluding all fees, taxes and commissions) for Halliburton common stock purchased or acquired during the Class Period.

<sup>4</sup> The Claims Administrator shall match any sales of Halliburton common stock during the Class Period first against the Claimant’s opening position in Halliburton common stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received for sales of the remaining Halliburton common stock sold during the Class Period is the “Sales Proceeds.”

<sup>5</sup> For each share of Halliburton common stock purchased or acquired during the Class Period that was still held as of the close of trading on December 7, 2001, the Claims Administrator shall ascribe a “Holding Value” of \$12.00.

Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

12. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

13. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

**TABLE 1**

**Halliburton Common Stock Price and Average 90-Day Look-back Price  
December 7, 2001 – March 6, 2002**

<b>Date</b>	<b>Halliburton Closing Price (\$) [1]</b>	<b>Average Halliburton Closing Price Between December 7, 2001 and Date Shown [2]</b>
12/7/2001	\$12.00	\$12.00
12/10/2001	\$14.00	\$13.00
12/11/2001	\$14.00	\$13.33
12/12/2001	\$13.27	\$13.32
12/13/2001	\$13.36	\$13.33
12/14/2001	\$12.99	\$13.27
12/17/2001	\$12.83	\$13.21
12/18/2001	\$12.83	\$13.16
12/19/2001	\$12.93	\$13.13
12/20/2001	\$12.82	\$13.10
12/21/2001	\$13.00	\$13.09
12/24/2001	\$13.34	\$13.11
12/26/2001	\$12.95	\$13.10
12/27/2001	\$12.98	\$13.09
12/28/2001	\$13.19	\$13.10
12/31/2001	\$13.10	\$13.10
1/2/2002	\$12.27	\$13.05
1/3/2002	\$10.91	\$12.93
1/4/2002	\$10.22	\$12.79
1/7/2002	\$11.03	\$12.70
1/8/2002	\$10.99	\$12.62
1/9/2002	\$12.13	\$12.60
1/10/2002	\$11.55	\$12.55

<b>Date</b>	<b>Halliburton Closing Price (\$) [1]</b>	<b>Average Halliburton Closing Price Between December 7, 2001 and Date Shown [2]</b>
1/11/2002	\$10.95	\$12.49
1/14/2002	\$10.77	\$12.42
1/15/2002	\$10.67	\$12.35
1/16/2002	\$10.25	\$12.27
1/17/2002	\$10.22	\$12.20
1/18/2002	\$10.06	\$12.12
1/22/2002	\$10.25	\$12.06
1/23/2002	\$10.80	\$12.02
1/24/2002	\$13.43	\$12.07
1/25/2002	\$14.34	\$12.13
1/28/2002	\$13.49	\$12.17
1/29/2002	\$14.04	\$12.23
1/30/2002	\$13.39	\$12.26
1/31/2002	\$13.75	\$12.30
2/1/2002	\$13.90	\$12.34
2/4/2002	\$13.56	\$12.37
2/5/2002	\$13.44	\$12.40
2/6/2002	\$13.01	\$12.41
2/7/2002	\$13.09	\$12.43
2/8/2002	\$13.95	\$12.47
2/11/2002	\$15.03	\$12.52
2/12/2002	\$14.56	\$12.57
2/13/2002	\$14.96	\$12.62
2/14/2002	\$14.66	\$12.67
2/15/2002	\$16.27	\$12.74
2/19/2002	\$15.90	\$12.80
2/20/2002	\$15.70	\$12.86
2/21/2002	\$15.79	\$12.92
2/22/2002	\$16.49	\$12.99
2/25/2002	\$16.48	\$13.05
2/26/2002	\$16.42	\$13.12
2/27/2002	\$16.49	\$13.18
2/28/2002	\$16.50	\$13.24
3/1/2002	\$16.90	\$13.30
3/4/2002	\$17.28	\$13.37
3/5/2002	\$17.11	\$13.43
3/6/2002	\$17.08	\$13.49

**SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you purchased Halliburton common stock from August 16, 1999 through December 7, 2001, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that WITHIN TEN DAYS

OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased Halliburton common stock during such time period or (b) request additional copies of this Notice and the Claim Form, which will be provided to you free of charge, and within ten days mail the Notice and Claim Form directly to the beneficial owners of that Halliburton stock. If you choose to follow alternative procedure (b), the Court has directed that upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

Halliburton EPJ Fund Securities Litigation  
c/o JND Class Action Administration  
P.O. Box 6847  
Broomfield, CO 80021

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Claim Form and which would not have been incurred but for the obligation to forward the Notice and Claim Form, upon submission of appropriate documentation to the Claims Administrator.

DATED: April 14, 2017

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS