

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
MIDLAND/ODESSA DIVISION**

NYKREDIT PORTEFØLJE ADMINISTRATION	§	
A/S, OKLAHOMA FIREFIGHTERS PENSION AND	§	
RETIREMENT SYSTEM, OKLAHOMA LAW	§	
ENFORCEMENT RETIREMENT SYSTEM,	§	
OKLAHOMA POLICE PENSION AND	§	
RETIREMENT SYSTEM, OKLAHOMA CITY	§	
EMPLOYEE RETIREMENT SYSTEM, POLICE	§	
AND FIRE RETIREMENT SYSTEM OF THE CITY	§	
OF DETROIT, Individually and on behalf of all others	§	No. MO:19-CV-217-DC
similarly situated,	§	
	§	
<i>Plaintiffs,</i>	§	
	§	
v.	§	
	§	
PROPETRO HOLDING CORP., DALE REDMAN,	§	
JEFFREY SMITH, IAN DENHOLM, and SPENCER	§	
D. ARMOUR III,	§	
	§	
<i>Defendants.</i>	§	
	§	

**NOTICE OF (I) PENDENCY OF CLASS ACTION  
AND PROPOSED SETTLEMENT; (II) SETTLEMENT HEARING; AND  
(III) MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES**

**TO: All persons who purchased or otherwise acquired common stock of ProPetro Holdings Corp. (“ProPetro”) on the open market during the period from March 17, 2017 to March 13, 2020, inclusive, and all persons who purchased ProPetro common stock in or traceable to ProPetro’s Initial Public Offering on March 17, 2017**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION.

PLEASE NOTE THAT IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE FEBRUARY 23, 2023.**

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Western District of Texas (the “Court”). The purpose of this Notice is to inform you of the pendency of this class action (the “Action”) between Lead Plaintiffs Nykredit Portefølje Administration A/S, Oklahoma Firefighters Pension and

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Retirement System, Oklahoma Law Enforcement Retirement System, Oklahoma Police Pension and Retirement System, and Oklahoma City Employee Retirement System (together, “Lead Plaintiffs”), and additional named plaintiff Police and Fire Retirement System of the City of Detroit (together, with Lead Plaintiffs, “Plaintiffs”) and Defendants ProPetro Holding Corp. (“ProPetro”), Dale Redman, Jeffrey Smith, Ian Denholm, and Spencer D. Armour III (“Defendants”) and the proposed \$30,000,000 settlement reached therein (the “Settlement”) and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement as well as counsel’s application for fees and expenses. This Notice describes what steps you may take in relation to the Settlement and this class action.<sup>1</sup>

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action as to any of the Defendants or the merits of the claims or defenses asserted by or against the Defendants. This Notice is solely to advise you of the proposed Settlement of the Action and of your rights in connection therewith.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A PROOF OF CLAIM FORM</b>	The only way to be eligible to receive a payment from the Settlement. <b>Proof of Claim forms must be postmarked or submitted online on or before February 23, 2023.</b>
<b>EXCLUDE YOURSELF</b>	Get no payment. This is the only option that <i>potentially</i> allows you to ever be part of any other lawsuit against the Defendants about the legal claims being resolved by this Settlement. Should you elect to exclude yourself from the Settlement Class you should understand that Defendants will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including, without limitation, the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose. <b>Exclusions must be <i>postmarked</i> on or before March 21, 2023.</b>
<b>OBJECT</b>	Write to the Court about why you do not like the Settlement, the Plan of Allocation, and/or the request for attorneys’ fees and expenses. You will still be a Settlement Class Member. <b>Objections must be <i>received</i> by the Court and counsel on or before March 21, 2023. If you submit a written objection, you may (but do not have to) attend the hearing.</b>
<b>GO TO THE HEARING ON APRIL 11, 2023</b>	Ask to speak in Court about the fairness of the Settlement. <b>Requests to speak must be <i>received</i> by the Court and counsel on or before March 21, 2023.</b>
<b>DO NOTHING</b>	Receive no payment. You will, however, still be a Settlement Class Member, which means that you give up your right to ever be part of any other lawsuit against the Defendants about the legal claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated September 22, 2022 (the “Settlement Agreement” or “Stipulation”), which is available on the website [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com).

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## **SUMMARY OF THIS NOTICE**

### **Statement of Class Recovery**

Pursuant to the Settlement described herein, a \$30 million Settlement Fund has been established. Based on Plaintiffs' estimate of the number of affected shares of ProPetro common stock eligible to recover under the Settlement, the average distribution per share under the Plan of Allocation is approximately \$0.17 per share, before deduction of any taxes on the income earned on the Settlement Amount, Notice and Administration Costs, and attorneys' fees and Litigation Expenses as determined by the Court. **Settlement Class Members should note, however, that this only an estimate.** A Settlement Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's claims as compared to the total claims of all Settlement Class Members who submit acceptable Proof of Claim Forms. An individual Settlement Class Member may receive more or less than this estimated average amount. See Plan of Allocation set forth and discussed at pages 16-21 below for more information on the calculation of your claim.

### **Statement of Potential Outcome of Case**

The Parties disagree on both liability and damages and do not agree on the amount of damages that would be recoverable even if the Settlement Class prevailed on each claim alleged. Defendants have denied and continue to deny that they violated the federal securities laws. Defendants deny that they are liable to the Settlement Class and deny that the Settlement Class has suffered any damages. The issues on which the parties disagree are many, but include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Settlement Class under the federal securities laws, or any other laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the prices of ProPetro shares were allegedly artificially inflated (if at all); (4) the amount, if any, by which the price of ProPetro shares were allegedly artificially inflated (if at all); (4) the effect of various market forces on the price of ProPetro shares; (5) the extent to which external factors influenced the prices of ProPetro shares at various times; (5) whether the various matters that Plaintiffs alleged were materially false or misleading were, in fact, false or misleading; (6) the extent to which the various matters that Plaintiffs alleged were materially false or misleading influenced (if at all) the price of ProPetro shares at various times; and (7) the extent to which the various allegedly adverse material facts that Plaintiffs alleged were omitted influenced (if at all) the price of ProPetro shares at various times.

### **Statement of Attorneys' Fees and Expenses Sought**

Since the Action's inception, Lead Counsel have expended considerable time and effort in the prosecution of this Action on a wholly contingent basis and have advanced the expenses of the Action in the expectation that if they were successful in obtaining a recovery for the Settlement Class, they would be paid from such recovery. Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 20% of the Settlement Amount plus interest earned on that amount at the same rate as earned by the Settlement Fund. Lead Counsel will also apply for payment or reimbursement of costs and expenses incurred in prosecuting the Action in an amount not to exceed \$750,000, which may include payments to Plaintiffs to reimburse them for their time and expenses incurred in representing the Settlement Class. If the amounts requested are approved by the Court, the average cost per affected share of ProPetro common stock will be approximately \$0.04.

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## **Further Information**

For further information regarding the Action, this Notice, or to review the Settlement Agreement, please contact JND Legal Administration who is the Claims Administrator, toll-free at (877) 917-0135 or visit the website, [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com).

You may also contact a representative of counsel for the Settlement Class: James A. Harrod, Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, New York, NY 10020, 1-800-380-8496, [settlements@blbglaw.com](mailto:settlements@blbglaw.com); or Daniel L. Berger, Grant & Eisenhofer P.A., 485 Lexington Avenue, New York, NY 10017, 1-646-722-8500, [www.gelaw.com](http://www.gelaw.com).

**Please Do Not Call the Court or Defendants with Questions About the Settlement.**

## **Reasons for the Settlement**

Plaintiffs' principal reason for entering into the Settlement is that it provides substantial benefits to the Settlement Class now, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial, and likely appeals, a process that could last several years into the future. For the Defendants, who have denied and continue to deny all allegations, liability, fault, or wrongdoing whatsoever, the principal reason for entering into the Settlement is to eliminate the uncertainty, risk, costs, and distraction inherent in any litigation, especially in complex cases such as this Action. Defendants have concluded that further proceedings in this Action could be protracted, costly, and distracting.

## **BASIC INFORMATION**

### **1. Why did I get this Notice package?**

This Notice was sent to you pursuant to an Order of a U.S. District Court because you or someone in your family or an account for which you serve as custodian may have: (a) purchased or otherwise acquired ProPetro common stock during the period from March 17, 2017 to March 13, 2020, both dates inclusive (“Class Period”); or (b) purchased ProPetro common stock in or traceable to ProPetro’s Initial Public Offering on March 17, 2017.

This Notice explains the class action lawsuit, the Settlement, Settlement Class Members’ legal rights in connection with the Settlement, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the Action is the United States District Court for the Western District of Texas, Midland/Odessa Division, and the case is known as *Nykredit Portefølje Administration A/S et al. v. ProPetro Holding Corp. et al.*, No. MO:19-CV-217-DC. The case has been assigned to the Honorable Walter David Counts III. The entities representing the Settlement Class are Nykredit Portefølje Administration A/S (“Nykredit”), Oklahoma Firefighters Pension and Retirement System, Oklahoma Law Enforcement Retirement System, Oklahoma Police Pension and Retirement System, Oklahoma City Employee Retirement System (the “Oklahoma Funds”), and Police and Fire Retirement System of the City of Detroit (“Detroit Police & Fire”), also called the “Plaintiffs,” and the companies and individuals it sued are called the Defendants.

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## 2. What is this lawsuit about?

This Action was brought on behalf of all persons and entities who (a) purchased or otherwise acquired ProPetro common stock on the open market during the period from March 17, 2017 to March 13, 2020, both dates inclusive; or (b) purchased ProPetro common stock in or traceable to ProPetro's Initial Public Offering on March 17, 2017.

On September 16, 2019, a class action complaint was filed in the United States District Court for the Western District of Texas, styled *Logan v. ProPetro Holding Corp., et al.*, Case No. 7:19-CV-217. On December 16, 2019, the Court appointed Nykredit and the Oklahoma Funds as Lead Plaintiffs and approved Lead Plaintiffs' selection of Bernstein Litowitz Berger & Grossmann LLP and Grant & Eisenhofer P.A. as Lead Counsel. On February 13, 2020, Lead Plaintiffs and Detroit Police & Fire filed the Amended Class Action Complaint for Violations of the Federal Securities Laws. On April 14, 2020, Plaintiffs filed the Second Amended Class Action Complaint for Violations of the Federal Securities Laws. On July 30, 2020, Plaintiffs filed the Third Amended Class Action Complaint for Violations of the Federal Securities Laws (the "Complaint"), which alleges that Defendants made materially false and misleading statements during the Class Period and in connection with ProPetro's Initial Public Offering on March 17, 2017 (the "IPO"), in violation of Sections 10(a) and 20(a) of the Securities Exchange Act of 1934 and Sections 11 and 15 of the Securities Act of 1933.

From the outset of the Action, Defendants have denied any wrongdoing or liability and consistently maintained that they never intentionally made any statement that was false or misleading, and that they made no false or misleading statements in the documents that comprised ProPetro's registration statement for the IPO (the "Registration Statement"). Defendants believed at the time that ProPetro's public statements made during the Class Period were truthful, accurate, and not misleading, and contained no material misstatements or omissions of fact. Defendants also believed, and continue to believe, that the Registration Statement was truthful, accurate, and not misleading, and contained no material misstatements or omissions of fact. Defendants believe that Plaintiffs cannot prove any element of their claims.

On August 31, 2020, Defendants filed motions to dismiss the Complaint. On September 30, 2020, Plaintiffs filed their omnibus memorandum of law in opposition to those motions and, on October 30, 2020, Defendants filed their reply papers.

On September 13, 2021, the Court entered an order granting in part and denying in part Defendants' motions to dismiss the Complaint.

On October 22, 2021, Defendants filed a motion to strike portions of the Complaint under Federal Rule of Civil Procedure 12(f) contending that these portions were rendered "immaterial" and "impertinent" by the Court's order dated September 13, 2021 granting in part and denying in part Defendants' motions to dismiss the Complaint (the "Motion to Strike"). On November 5, 2021, Plaintiffs filed an opposition to the Motion to Strike.

On March 18, 2022, the Court granted the Motion to Strike.

On April 1, 2022, Defendants filed their Answers and Affirmative Defenses to the Complaint.

On May 27, 2022, Plaintiffs filed their motion for class certification (the "Class Certification Motion") and supporting papers, including a report from an expert on market efficiency.

On July 1, 2022, Plaintiffs filed four supplemental declarations in support of the Class Certification Motion. On July 5, 2022, Defendants filed a motion to strike the supplemental declarations dated July 1, 2022 contending that they were untimely and improper declarations. On July 19, 2022, Plaintiffs filed an opposition to Defendants' July 5, 2022 motion to strike the supplemental declarations.

On July 22, 2022 Defendants filed their opposition to Plaintiffs' Class Certification Motion and a motion to exclude Plaintiffs' market efficiency expert.

Discovery in this Action commenced in October 2021 and continued up until the parties agreed to stay all discovery on August 22, 2022. Plaintiffs prepared and served initial disclosures and a set of document requests on the Defendants. Additionally, Plaintiffs prepared and served document subpoenas on twenty non-parties. Plaintiffs also served interrogatories on ProPetro and Defendant Redman. Plaintiffs exchanged numerous letters and held numerous meet and confers with Defendants concerning discovery issues. Defendants and third parties produced a total of over 350,000 pages of documents to Plaintiffs, and Plaintiffs produced over 30,000 pages of documents to Defendants in response to their requests. A total of eight depositions of representatives for each of the Plaintiffs and of Plaintiffs' expert on market efficiency were taken in connection with Plaintiffs' motion for class certification, and eight additional depositions of Defendants and related witnesses were noticed.

On August 22, 2022, Lead Counsel for Plaintiffs and Counsel for Defendants informed the Court that a settlement had been reached.

### **3. Why is there a settlement?**

The Court has not decided in favor of Defendants or Plaintiffs. Instead, both sides agreed to the Settlement to avoid the distraction, costs, and risks of further litigation, and Plaintiffs agreed to the Settlement in order to ensure that Settlement Class Members will receive compensation.

Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the significant expense and length of the continued proceedings that would be necessary to pursue their claims against Defendants through the completion of discovery, certification of the class, summary judgment, trial, and appeals, as well as the substantial risks they would face in establishing liability and damages.

Defendants have argued, and would continue to argue, that they did not violate the federal securities laws. More specifically, Defendants have argued, and would continue to argue, that they did not make any misleading statements or omissions and that any alleged misstatements were immaterial. In addition, with respect to the Exchange Act claims, Defendants would contend that any alleged misstatements were not made with "scienter," or fraudulent intent; and that Plaintiffs would not be able to prove that the alleged misleading statements or omissions caused Plaintiffs' losses, or the amount of damages. Overcoming these arguments would have presented significant challenges to Plaintiffs.

In light of these risks, the amount of the Settlement, and the immediacy of recovery to the Settlement Class, Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class. Plaintiffs and Lead Counsel believe that the Settlement provides a favorable result for the Settlement Class, namely \$30,000,000 in cash (less the various deductions described in this Notice), as compared to the risk

that the claims in the Action would produce a smaller, or no, recovery after full discovery, a class certification motion, summary judgment, trial, and appeals, possibly years in the future.

Defendants are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation. Each of the Defendants denies any wrongdoing, and denies that Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever.

## **WHO IS IN THE SETTLEMENT**

### **4. How do I know if I am a Settlement Class Member?**

The Settlement Class is comprised of all persons or entities who (a) purchased or otherwise acquired ProPetro common stock on the open market during the period from March 17, 2017 to March 13, 2020, both dates inclusive, and were damaged thereby; or (b) purchased ProPetro common stock in or traceable to ProPetro's Initial Public Offering on March 17, 2017.

Excluded from the Settlement Class are: (i) Defendants; (ii) ProPetro's affiliates and subsidiaries; (iii) the Officers and directors of ProPetro and its subsidiaries and affiliates at all relevant times; (iv) members of the Immediate Family of any excluded person; (v) heirs, successors and assigns of any excluded person or entity; and (vi) any entity in which any excluded person has or had a controlling interest. Also excluded from the Settlement Class are any persons and entities that submit a request for exclusion that is accepted by the Court.

**Please Note:** Receipt of this Notice does not mean that you are a Settlement Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Settlement Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim Form that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before February 23, 2023.

### **5. What if I am still not sure if I am included?**

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at (877) 917-0135, contact Lead Counsel, or you can fill out and return the Proof of Claim Form enclosed with this Notice package, to see if you qualify.

## **THE SETTLEMENT BENEFITS – WHAT YOU GET**

### **6. What does the Settlement provide?**

The Settlement provides that, in exchange for the release of the Released Claims (defined below) and dismissal of the Action, Defendants have agreed to cause to be paid by their insurers \$30 million in cash to be distributed after any Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys' fees awarded by the Court, and any other costs and fees approved by the Court, *pro rata*, to Settlement Class Members who send in a valid Proof of Claim Form pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

**7. How much will my payment be?**

Your share of the Net Settlement Fund will depend on several things, including the total amount of claims represented by the valid Proof of Claim Forms that Settlement Class Members send in, compared to the amount of your claim, all as calculated under the Plan of Allocation discussed below.

**HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM**

**8. How can I get a payment?**

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim Form. A Proof of Claim Form is enclosed with this Notice or it may be downloaded at [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com). Read the instructions carefully, fill out the Proof of Claim Form, include all the documents the form asks for, sign it, and **mail or submit it online so that it is postmarked or received no later than February 23, 2023**. The Proof of Claim Form may be submitted online at [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com).

**9. When would I get my payment?**

**The Court will hold a Settlement Hearing on April 11, 2023 at 1:30 p.m.**, to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proof of Claim Forms to be processed. Please be patient. As of the date of this Notice, the Court has preliminarily approved the Settlement Agreement and the Settlement set forth therein, and found that the Settlement has resulted from arms-length bargaining between the parties and as such may be submitted to the Settlement Class for consideration pursuant to Rule 23(e)(1)(B)(i) of the Federal Rules of Civil Procedure. Those matters will be addressed by the Court at the Settlement Hearing.

**10. What am I giving up to get a payment or to stay in the Settlement Class?**

Unless you timely and validly exclude yourself, you are staying in the Settlement Class, and that means you and your respective heirs, executors, administrators, predecessors, successors, and assigns, in their capacities as such, cannot sue, continue to sue, or be part of any other lawsuit against the “Defendants’ Releasees” (as defined below) about “Released Plaintiffs’ Claims” (as defined below) in this case. It also means that all of the Court’s orders will apply to you and legally bind you. If you remain a Settlement Class Member, and if the Settlement is approved, you will give up all “Released Plaintiffs’ Claims” (as defined below), including “Unknown Claims” (as defined below), against the “Defendants’ Releasees” (as defined below):

- “Class Period” means the period from March 17, 2017 to March 13, 2020, both dates inclusive.
- “Complaint” means the Third Amended Class Action Complaint filed in the Action on July 30, 2020.
- “Defendants” means ProPetro and the Individual Defendants.
- “Defendants’ Releasees” means Defendants and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors,



assigns, assignees, partnerships, partners, trustees, trusts, employees, Immediate Family members, insurers, reinsurers, and attorneys, in their capacities as such.

- “Detroit Police & Fire” means plaintiff Police and Fire Retirement System of the City of Detroit.
- “Effective Date” means the first date by which all the events and conditions specified in paragraph 33 of the Stipulation have been met and have occurred or have been waived.
- “Immediate Family” means children, stepchildren, parents, stepparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, and sisters-in-law. As used in this paragraph, “spouse” shall mean a husband, a wife, or a partner in a state-recognized domestic relationship or civil union.
- “Individual Defendants” means Dale Redman, Jeffrey Smith, Ian Denholm, and Spencer D. Armour III.
- “Judgment” means the final judgment to be entered by the Court approving the Settlement.
- “Lead Counsel” means the law firms of Bernstein Litowitz Berger & Grossmann LLP and Grant & Eisenhofer P.A.
- “Lead Plaintiffs” means Nykredit Portefølje Administration A/S, Oklahoma Firefighters Pension and Retirement System, Oklahoma Law Enforcement Retirement System, Oklahoma Police Pension and Retirement System, and Oklahoma City Employee Retirement System.
- “Officer” means any officer as that term is defined in Securities and Exchange Act Rule 16a-1(f).
- “Parties” means Defendants and Plaintiffs, on behalf of themselves and the Settlement Class.
- “Plaintiffs” means Lead Plaintiffs and Detroit Police & Fire.
- “Plaintiffs’ Counsel” means Lead Counsel; Martin & Drought, P.C., liaison counsel for Plaintiffs and the Settlement Class; and Clark Hill PLC, counsel for Detroit Police & Fire.
- “Plaintiffs’ Releasees” means Plaintiffs, Plaintiffs’ Counsel, Settlement Class Members, and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, Immediate Family members, insurers, reinsurers, and attorneys, in their capacities as such.
- “Released Claims” means all Released Defendants’ Claims and all Released Plaintiffs’ Claims.
- “Released Defendants’ Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate to the prosecution or settlement of the claims asserted against Defendants in the Action. Released Defendants’ Claims do not include: (i) any claims relating to the

enforcement of the Settlement; (ii) any claims against any person or entity that submits a request for exclusion from the Settlement Class that is accepted by the Court; or (iii) any claims that any Defendant may have under or relating to any policy of liability, any other insurance policy, or any contractual or statutory right to indemnification. For the avoidance of doubt, the Stipulation shall not release any insurer, co-insurer, excess insurer, or re-insurer from any obligation owed to any Defendant in the Action for indemnity or coverage under or relating to any policy of liability or other insurance policy.

- “Released Plaintiffs’ Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that Plaintiffs or any other member of the Settlement Class (i) asserted in any complaint filed in the Action, including the Complaint (the “Complaints”), (ii) could have asserted in any forum that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaints and that relate to the purchase or acquisition of ProPetro common stock during the Class Period or in or traceable to the Company’s March 17, 2017 Initial Public Offering; or (iii) that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants. Released Plaintiffs’ Claims do not include: (i) the claims asserted in any shareholder derivative action and (ii) any claims relating to the enforcement of the Settlement.
- “Releasee(s)” means each and any of the Defendants’ Releasees and each and any of the Plaintiffs’ Releasees.
- “Settlement” means the settlement between Plaintiffs, on behalf of the Settlement Class, and Defendants on the terms and conditions set forth in the Settlement Agreement.
- “Settlement Class” means all persons and entities who (a) purchased or otherwise acquired ProPetro common stock on the open market during the Class Period, and were damaged thereby, or (b) purchased ProPetro common stock in or traceable to the Company’s March 17, 2017 Initial Public Offering. Excluded from the Settlement Class are Defendants; ProPetro’s affiliates and subsidiaries; the Officers and directors of ProPetro and its subsidiaries and affiliates at all relevant times; members of the Immediate Family of any excluded person; heirs, successors and assigns of any excluded person or entity; and any entity in which any excluded person has or had a controlling interest. Also excluded from the Settlement Class are any persons and entities that submit a request for exclusion that is accepted by the Court.
- “Settlement Class Member” means each person and entity who or which is a member of the Settlement Class.
- “Unknown Claims” means any Released Plaintiffs’ Claims that Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants’ Claims that any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims, and that, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With

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respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or principle of common law or foreign law that is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

### **EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS**

If you do not want to participate in this Settlement, and you want to keep the right to potentially sue Defendants' Releasees, on your own, about the claims being released by the Settlement, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself – or is sometimes referred to as “opting out.” If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this Action, you may want to consult an attorney and discuss whether any claim that you may wish to pursue would be barred, including by the applicable statutes of limitation or repose or on other grounds.

#### **11. How do I get out of the Settlement Class and the proposed Settlement?**

To exclude yourself from the Settlement Class and the Settlement, you must send a letter by First-Class Mail stating that you “request exclusion from the Settlement Class in the ‘*ProPetro Securities Settlement*.’” Your letter must identify your purchases or acquisitions of ProPetro common stock during the Class Period, including the dates, the number of ProPetro shares purchased or acquired, and price paid for each such purchase or acquisition, and whether the shares were purchased in or traceable to the ProPetro Initial Public Offering. In addition, you must include your name, address, telephone number, and your signature. Alternatively, you may email your application to the address below.

You must submit your exclusion request so that it is **postmarked no later than March 21, 2023** to:

**EXCLUSIONS**  
*ProPetro Securities Litigation*  
c/o JND Legal Administration  
P.O. Box 91309  
Seattle, Washington 98111  
(877) 917-0135

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If you ask to be excluded, you will not get any payment from the Settlement, 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 Defendants' Releasees about the Released Plaintiffs' Claims in the future.

**12. If I do not exclude myself, can I sue the Defendants and other Releasees for the same conduct later?**

No. Unless you exclude yourself, you give up any rights you may potentially have to sue Defendants' Releasees for any and all Released Plaintiffs' Claims. If you have a pending lawsuit against any Releasees, speak to your lawyer in that case immediately. You must exclude yourself from the Settlement Class in this Action to continue your own lawsuit. Remember, the exclusion deadline is March 21, 2023.

**13. If I exclude myself, can I get money from the proposed Settlement?**

No. If you exclude yourself, you should not send in a Proof of Claim Form to ask for any money. But you may have the right to potentially sue or be part of a different lawsuit against Defendants' Releasees.

**THE LAWYERS REPRESENTING THE SETTLEMENT CLASS**

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

The Court has appointed Bernstein Litowitz Berger & Grossmann LLP and Grant & Eisenhofer P.A. to represent the Settlement Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

**15. How will the lawyers be paid?**

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed 20% of the Settlement Amount, plus interest on such fees at the same rate as earned by the Settlement Fund, and for litigation expenses, costs and charges incurred in connection with the Action in an amount not to exceed \$750,000, which may include payment to Plaintiffs to reimburse them for their time and expenses incurred in representing the Settlement Class. Such sums will be paid from the Settlement Fund if they are approved by the Court.

**OBJECTING TO THE SETTLEMENT**

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

**16. How do I tell the Court that I object to the proposed Settlement?**

If you are a Settlement Class Member, you can comment on or object to the proposed Settlement, the proposed Plan of Allocation and/or Lead Counsel's fee and expense application. You can write to the Court setting out your comment or objection. The Court will consider your views. To comment or object, you must send a signed letter saying that you wish to comment on or object to the proposed Settlement in the *ProPetro Settlement*. Any objections: (a) must identify the case name and docket number, *Nykredit Portefølje Administration A/S et al. v. ProPetro Holding Corp. et al.*, No. MO:19-CV-217-DC; (b) must state the name, address, and telephone number of the person or entity objecting and must be signed by the objector; (c) must state whether

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the objector is represented by counsel and, if so, the name, address, and telephone number of the objector’s counsel; (d) must state with specificity the grounds for the Settlement Class Member’s objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court’s attention and whether the objection applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class; and (e) must include documents sufficient to prove membership in the Settlement Class, including the number of shares of ProPetro common stock that the objecting Settlement Class Member purchased/acquired and/or sold during the Class Period (from March 17, 2017 through March 13, 2020, inclusive), as well as the date, number of shares, and price of each such purchase/acquisition and sale, and the number of shares purchased in or traceable to ProPetro’s IPO and the date, number of shares, and price of each such purchase. The objecting Settlement Class Member must provide documentation establishing membership in the Settlement Class through copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from the objector’s broker containing the transactional and holding information found in a broker confirmation slip or account statement. Your comments or objection must be filed with the Court and mailed or delivered to each of the following addresses such that it is ***received no later than March 21, 2023***:

<b>COURT</b>	<b>LEAD COUNSEL</b>	<b>REPRESENTATIVE DEFENDANTS’ COUNSEL</b>
CLERK OF THE COURT UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TEXAS MIDLAND/ODESSA DIVISION 200 East Wall, Room 222 Midland, TX 79701	BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP JAMES A. HARROD 1251 Avenue of the Americas New York, NY 10020  GRANT & EISENHOFER P.A. DANIEL L. BERGER 485 Lexington Avenue, 29th Floor New York, NY 10017	HUGHES HUBBARD & REED LLP KEVIN T. ABIKOFF 1775 I Street, NW Washington, DC 20006  HUGHES HUBBARD & REED LLP SHAHZEB LARI One Battery Park Plaza New York, NY 10004-1482

**17. What is the difference between objecting and excluding?**

Objecting is simply telling the Court that you do not like something about the Settlement. You can object **only** if you stay in the Settlement Class.

Excluding yourself is telling the Court that you do not want to be paid and do not want to release any claims you think you may have against Defendants’ Releasees. If you exclude yourself, you cannot object to the Settlement because it does not affect you.

**THE COURT’S SETTLEMENT 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.

**18. When and where will the Court decide whether to approve the proposed Settlement?**

The Court will hold a hearing (the “Settlement Hearing”) at **1:30 p.m., on April 11, 2023**, before the Honorable David Counts, either in person at the United States District Court for the

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Western District of Texas, Midland/Odessa Division, 200 East Wall, Midland, Texas 79701, or by telephone or videoconference, in the discretion of the Court. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court will also consider whether, for purposes of the proposed Settlement only, the Action should be certified as a class action on behalf of the Settlement Class, Plaintiffs should be certified as Class Representatives for the Settlement Class, and Lead Counsel should be appointed as Class Counsel for the Settlement Class. The Court will consider Lead Counsel's motion for attorneys' fees and expenses, and may also decide how much to pay to Lead Counsel and Plaintiffs. After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. 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 Hearing without another notice being sent to Settlement Class Members. **Any updates regarding the date or time of the Settlement Hearing or concerning whether the Settlement Hearing will be held by phone or video, will be posted to the Settlement website, [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com).** Please review that website or contact Lead Counsel if you plan to attend the Settlement Hearing.

**19. Do I have to come to the hearing?**

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed or submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Settlement Class Members do not need to appear at the hearing or take any other action to indicate their approval.

**20. May I speak at the hearing?**

If you object to the Settlement, the Plan of Allocation, and/or the fee and expense application, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* question 16 above) a statement saying that it is your "Notice of Intention to Appear in the '*ProPetro Settlement*.'" Persons who intend to object to the Settlement, the Plan of Allocation, and/or any attorneys' fees and expenses to be awarded to Lead Counsel or Plaintiffs and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be **received no later than March 21, 2023**, and addressed to the Clerk of Court, Lead Counsel, and Defendants' Counsel, at the addresses listed above in question 16.

You cannot speak at the hearing if you exclude yourself from the Settlement Class.

**IF YOU DO NOTHING**

**21. What happens if I do nothing?**

If you do nothing, you will not receive any money from this Settlement. In addition, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants' Releasees about the Released Plaintiffs' Claims in this case.

**QUESTIONS? PLEASE CALL (877) 917-0135 OR VISIT [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com)**

## GETTING MORE INFORMATION

### 22. How do I get more information?

For even more detailed information concerning the matters involved in this Action, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at (877) 917-0135. Copies of the Settlement Agreement, papers in support of approval of the Settlement, Orders entered by the Court related to the Settlement, and to other settlement-related papers filed in the Action have been or will be posted on the Settlement website at [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com). Documents related to the Action may also be inspected at the Office of the Clerk of the United States District Court for the Western District of Texas, Midland/Odessa Division, during regular business hours. For a fee, all papers filed in this Action are available at [www.pacer.gov](http://www.pacer.gov).

### SPECIAL NOTICE TO BROKERS AND OTHER NOMINEES

If you purchased or acquired ProPetro common stock during the period from March 17, 2017 to March 13, 2020, inclusive, or if you purchased ProPetro common stock in or traceable to ProPetro's Initial Public Offering on March 17, 2017 for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator a list of the names, mailing addresses, and, if available, email addresses of all such beneficial owners, or (b) request additional copies of this Notice and the Proof of Claim Form, which will be provided to you free of charge, and within seven (7) days mail the Notice and Proof of Claim Form directly to the beneficial owners of the shares referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Settlement Class Members. 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. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

*ProPetro Securities Litigation*  
c/o JND Legal Administration  
P.O. Box 91309  
Seattle, Washington 98111  
(877) 917-0135  
[info@ProPetroSecuritiesLitigation.com](mailto:info@ProPetroSecuritiesLitigation.com)  
-- or --  
[www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com)

DATED: October 26, 2022

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF TEXAS  
MIDLAND/ODESSA DIVISION

QUESTIONS? PLEASE CALL (877) 917-0135 OR VISIT [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com)

## APPENDIX A

### **Proposed Plan of Allocation of Net Settlement Fund**

1. The Plan of Allocation (the “Plan”) set forth herein is the plan that is being proposed to the Court for approval by Plaintiffs after consultation with their damages expert. The Court may approve the Plan with or without modification, or approve another plan of allocation, without further notice to the Settlement Class. Any Orders regarding a modification to the Plan will be posted to [www.ProPetroSecuritiesLitigation.com](http://www.ProPetroSecuritiesLitigation.com). Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan.

2. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those Settlement Class Members who suffered economic losses as a result of the alleged violations of the federal securities laws.

3. In developing the Plan of Allocation, Plaintiffs considered the estimated amount of artificial inflation in the price of ProPetro common stock that was allegedly caused by Defendants’ alleged false and misleading statements and material omissions as calculated by Plaintiffs’ damages expert. In calculating the estimated artificial inflation, Plaintiffs’ damages expert calculated the “Abnormal Return” for each corrective disclosure allegedly revealing the truth concerning Defendants’ alleged misrepresentations and material omissions by considering the price changes in ProPetro common stock on the trading day immediately following the disclosures, adjusting for price changes that day that were attributable to market or industry forces. In addition, as discussed further below, to determine the artificial inflation used in this Plan of Allocation, Plaintiffs have adjusted the Abnormal Return for each corrective disclosure date to account for specific litigation risks related to proving that the full Abnormal Return for that disclosure was related to the alleged misstatements, including risks related to disaggregating the effect of unrelated statements.

4. For losses to be compensable damages under Section 10(b) of the Exchange Act, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the ProPetro common stock. In the Action, Plaintiffs allege that Defendants made false statements and omitted material facts during the period from March 17, 2017 through March 13, 2020, inclusive, which had the effect of artificially inflating the price of ProPetro common stock. Plaintiffs further allege that corrective information was released to the market through a series of corrective disclosures on August 8, 2019, August 30, 2019, October 18, 2019, October 31, 2019, and March 16, 2020, which partially removed artificial inflation from the price of ProPetro common stock on August 9, 2019, September 3, 2019, October 18, 2019, October 31, 2019, and March 16, 2020. In addition, Plaintiffs allege that Defendants’ disclosure on October 9, 2019, caused the price of ProPetro’s common stock to increase, which had the effect of partially increasing artificial inflation on October 10, 2019.

5. Recognized Loss Amounts for transactions in ProPetro common stock are calculated under the Plan of Allocation based on the difference in the amount of alleged artificial inflation in the price of ProPetro common stock at the time of purchase and the time of sale or the difference between the actual purchase price and sale price. In order to have a Recognized Loss Amount under the Plan of Allocation, a Settlement Class Member who purchased or otherwise acquired ProPetro common stock prior to the first corrective disclosure, which occurred before the opening of trading on August 9, 2019, must have held his, her, or its ProPetro common stock through that time. A Settlement Class Member who purchased or otherwise acquired publicly



traded ProPetro Common Stock from August 9, 2019 through and including March 13, 2020 must have held those shares through at least one subsequent alleged corrective disclosure date, when additional corrective information was released to the market and removed the remaining artificial inflation from the price of ProPetro Common Stock, in order to have a Recognized Loss Amount.

6. As noted above, the artificial inflation in ProPetro stock was determined by considering the Abnormal Return on each of the corrective disclosure dates and the inflationary disclosure date, with adjustments to the amount made to account for the risks of establishing that the full Abnormal Return on that date was related to alleged fraud (and thus was compensable as damages in the Action). Specifically, (a) the Abnormal Return on August 9, 2019 has been discounted by 40% to reflect the potential difficulties of disaggregating unrelated earnings news that day; (b) the Abnormal Return on September 3, 2019 has been discounted by 75% to reflect the potential difficulties of proving a causal connection between the alleged misstatements and the price decline this day; (c) the Abnormal Return on October 10, 2019 has been discounted by 75% to reflect the potential difficulties of proving a causal connection between this alleged misstatement and the price increase on this day; (d) the Abnormal Return on October 18, 2019 has been discounted by 75% to reflect the lack of material new information concerning control deficiencies on this disclosure date; (e) the Abnormal Return on October 31, 2019 has been discounted by 75% to reflect the nature of the disclosure—a short seller report—and its arguably attenuated relationship to the sustained claims; and (f) the Abnormal Return on March 16, 2020 has been discounted by 75% to reflect material risks to proving the statistical significance of this Abnormal Return, as well as concerns related to connecting the price decline on this day to the sustained claims and disclosure of internal control problems.

### **CALCULATION OF RECOGNIZED LOSS AMOUNTS**

7. Based on the formula stated below, a “**Recognized Loss Amount**” will be calculated for each purchase or acquisition of ProPetro common stock during the Class Period that is listed on the Claim Form and for which adequate documentation is provided. The **Recognized Loss Amount** for each purchase or acquisition of ProPetro common stock during the Class Period shall be *the greater of* (a) the **Exchange Act Loss Amount** calculated under paragraph 8 below, if any, *or* (b) the **Securities Act Loss Amount** calculated under paragraph 9 below, if any.

#### **Exchange Act Loss Amounts**

8. For each share of ProPetro common stock purchased or otherwise acquired in ProPetro’s IPO or on the open market during the period from March 17, 2017 through March 13, 2020, inclusive, and:

- a) sold before August 9, 2019, the **Exchange Act Loss Amount** is zero;
- b) sold from August 9, 2019 through the close of trading on March 13, 2020, the **Exchange Act Loss Amount** is **the lesser of**: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A *minus* the amount of artificial inflation per share on the date of sale as stated in Table A; or (ii) the purchase price *minus* the sale price;
- c) sold after the close of trading on March 13, 2020 through the close of trading on June 12, 2020, the **Exchange Act Loss Amount** is equal to **the least of**: (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A; (ii) the

purchase price *minus* the sale price; or (iii) the purchase price *minus* the average closing price between March 16, 2020 and the date of sale as stated in Table B;

- d) held as of the close of trading on June 12, 2020, the **Exchange Act Loss Amount** is equal to **the lesser of:** (i) the amount of artificial inflation per share on the date of purchase/acquisition as stated in Table A; or (ii) the purchase price *minus* \$4.00.<sup>2</sup>

### **Securities Act Loss Amounts**

9. For each share of ProPetro common stock purchased or otherwise acquired in ProPetro's IPO or on the open market during the period from March 17, 2017 through and including September 12, 2017, the final day prior to the expiration of the lock-up on sales of shares of ProPetro common stock held by ProPetro's directors and executive officers, and other investors who held ProPetro stock prior to the IPO (the "Lock-Up Period"), and:

- (a) sold before the close of trading on September 16, 2019 (the date the first lawsuit alleging claims against Defendants was filed), the **Securities Act Loss Amount** is the purchase price per share (not to exceed \$14.00) *minus* the sale price per share;
- (b) sold after the close of trading on September 16, 2019 but before the close of trading on June 12, 2020, the **Securities Act Loss Amount** is the purchase price per share (not to exceed \$14.00) *minus* the greater of: (i) the sale price per share or (ii) \$11.43 (the closing price of ProPetro Common Stock on September 16, 2019);
- (c) held as of the close of trading on June 12, 2020, **the Securities Act Loss Amount** is the purchase price per share (not to exceed \$14.00) *minus* \$11.43.

10. As noted above, for each purchase or acquisition of ProPetro common stock during the Class Period, a **Recognized Loss Amount** will be calculated which is **the greater of:** the Exchange Act Loss Amount, if any, or the Securities Act Loss Amount, if any. If a Recognized Loss Amount calculates to a negative number, the Recognized Loss Amount for that transaction will be zero.

### **ADDITIONAL PROVISIONS**

11. The Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in paragraph 18 below) is \$10.00 or greater.

12. **Calculation of a Claimant's "Recognized Claim":** A Claimant's "Recognized Claim" will be the sum of his, her, or its Recognized Loss Amounts as calculated above with respect to all purchases or acquisitions of ProPetro common stock during the Class Period.

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<sup>2</sup> Pursuant to Section 21D(e)(1) of the Exchange Act, "in any private action arising under this title 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." Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of ProPetro common stock during the "90-day look-back period," from March 16, 2020 through June 12, 2020. The mean (average) closing price for ProPetro common stock during this period was \$4.00.

13. **FIFO Matching:** If a Settlement Class Member made more than one purchase/acquisition or sale of ProPetro common stock during the Class Period, all purchases/acquisitions and sales will be matched on a First In, First Out (“FIFO”) basis. Class Period sales will be matched against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

14. **“Purchase/Sale” Prices:** For the purposes of calculations under this Plan of Allocation, “purchase price” means the actual price paid, excluding all fees, taxes, and commissions, and “sale price” means the actual amount received, not deducting any fees, taxes, and commissions.

15. **“Purchase/Sale” Dates:** Purchases, acquisitions, and sales of ProPetro common stock will be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. Moreover, the receipt or grant by gift, inheritance, or operation of law of ProPetro common stock during the Class Period shall not be deemed an eligible purchase, acquisition, or sale, nor shall the receipt or grant be deemed an assignment of any claim relating to the shares unless (i) the donor or decedent purchased or acquired the stock during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to those shares.

16. **Short Sales:** The date of covering a “short sale” is deemed to be the date of purchase of the ProPetro common stock. The date of a “short sale” is deemed to be the date of sale of the ProPetro common stock. “Short sales” and the purchases covering “short sales” shall not be entitled to recovery under the Plan of Allocation.

17. **Derivatives and Options:** The only security eligible to participate in the Settlement is ProPetro common stock. Option contracts or any other securities are not eligible to participate in the Settlement. With respect to ProPetro common stock purchased or sold through the exercise of an option, the purchase/sale date of the ProPetro common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

18. **Determination of Distribution Amount:** The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “**Distribution Amount**” will be calculated for each Authorized Claimant, which shall be the Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

19. If an Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculations and no distribution will be made to that Authorized Claimant.

20. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator, no less than seven (7) months after the initial distribution, will conduct another distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such distribution. Additional distributions to Authorized Claimants who have cashed their prior checks and who would receive at least \$10.00 on such additional distributions may occur thereafter if

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Lead Counsel, in consultation with the Claims Administrator, determine that additional distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such further distributions, would be cost-effective. At such time as it is determined that the further distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance will be contributed to one or more non-sectarian, not-for-profit, 501(c)(3) organizations to be selected by Lead Counsel and approved by the Court.

21. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, will be conclusive against all Claimants. No person or entity shall have any claim against Plaintiffs, Plaintiffs' Counsel, the Claims Administrator, or any other agent designated by Lead Counsel, or Defendants' Releasees and/or their respective counsel, arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or any order of the Court. Plaintiffs and Defendants, and their respective counsel, and all other Releasees shall have no liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund, the plan of allocation approved by the Court, or the determination, administration, calculation, or payment of any claim or nonperformance of the Claims Administrator, the payment or withholding of Taxes (including interest and penalties) owed by the Settlement Fund, or any losses incurred in connection therewith.

**TABLE A**  
**Estimated Artificial Inflation in**  
**ProPetro Common Stock from March 17, 2017 through and including March 13, 2020**

Date Range	Artificial Inflation Per Share
March 17, 2017 – August 8, 2019	\$2.72
August 9, 2019 – September 2, 2019	\$0.40
September 3, 2019 – October 9, 2019	\$0.21
October 10, 2019 – October 17, 2019	\$0.59
October 18, 2019 – October 30, 2019	\$0.40
October 31, 2019 – March 13, 2020	\$0.24
After March 13, 2020 and later	\$0.00

**TABLE B****90-Day Look-Back Table for ProPetro Common Stock  
(Average Closing Price: March 16, 2020 – June 12, 2020)**

<b>Sale Date</b>	<b>Average Closing Price from March 16, 2020 through Date</b>	<b>Sale Date</b>	<b>Average Closing Price from March 16, 2020 through Date</b>
3/16/2020	\$2.50	4/30/2020	\$3.07
3/17/2020	\$2.26	5/1/2020	\$3.09
3/18/2020	\$2.01	5/4/2020	\$3.12
3/19/2020	\$2.03	5/5/2020	\$3.15
3/20/2020	\$2.01	5/6/2020	\$3.17
3/23/2020	\$2.01	5/7/2020	\$3.20
3/24/2020	\$2.04	5/8/2020	\$3.24
3/25/2020	\$2.07	5/11/2020	\$3.27
3/26/2020	\$2.12	5/12/2020	\$3.30
3/27/2020	\$2.13	5/13/2020	\$3.32
3/30/2020	\$2.14	5/14/2020	\$3.34
3/31/2020	\$2.17	5/15/2020	\$3.36
4/1/2020	\$2.17	5/18/2020	\$3.40
4/2/2020	\$2.22	5/19/2020	\$3.43
4/3/2020	\$2.28	5/20/2020	\$3.46
4/6/2020	\$2.36	5/21/2020	\$3.49
4/7/2020	\$2.43	5/22/2020	\$3.52
4/8/2020	\$2.53	5/26/2020	\$3.55
4/9/2020	\$2.61	5/27/2020	\$3.58
4/13/2020	\$2.68	5/28/2020	\$3.61
4/14/2020	\$2.74	5/29/2020	\$3.64
4/15/2020	\$2.78	6/1/2020	\$3.66
4/16/2020	\$2.78	6/2/2020	\$3.68
4/17/2020	\$2.81	6/3/2020	\$3.70
4/20/2020	\$2.83	6/4/2020	\$3.73
4/21/2020	\$2.84	6/5/2020	\$3.78
4/22/2020	\$2.87	6/8/2020	\$3.84
4/23/2020	\$2.91	6/9/2020	\$3.90
4/24/2020	\$2.93	6/10/2020	\$3.94
4/27/2020	\$2.96	6/11/2020	\$3.97
4/28/2020	\$2.98	6/12/2020	\$4.00
4/29/2020	\$3.03		