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**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

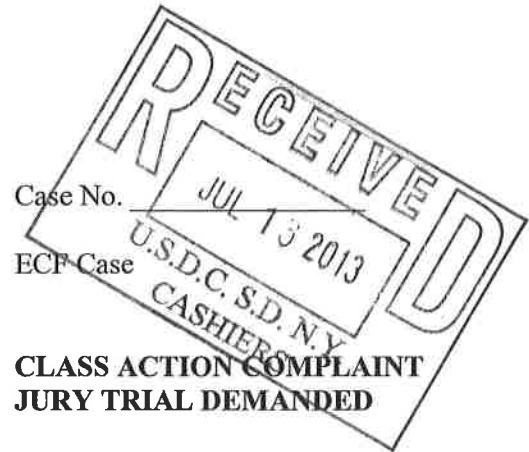
PORT 22, LLC, ATLANTIC TRADING U.S.A.,
LLC and XAVIER LAURENS,
on behalf of Themselves and all Others Similarly
Situating,

Plaintiffs,

-against-

BP p.l.c., ROYAL DUTCH SHELL, plc,
STATOIL ASA, and JOHN DOE NOS. 1-50,

Defendants.



Plaintiffs Port 22, LLC, Atlantic Trading U.S.A., LLC and Xavier Laurens ("Plaintiffs") complain, upon knowledge as to themselves and their own acts, and upon information and belief as to all other matters against Defendants BP p.l.c. ("BP"), Royal Dutch Shell plc ("Shell") and Statoil ASA ("Statoil") (collectively, "Defendants"), as follows:

INTRODUCTION

1. Plaintiffs and the Class suffered damages as a result of Defendants' intentional manipulation of the prices of North Sea Brent Crude Oil ("Brent Crude Oil") and Brent Crude Oil futures and options contracts traded on the New York Mercantile Exchange ("NYMEX") and the Intercontinental Exchange ("ICE") (collectively, "Brent Crude Oil Exchange Traded Instruments"). Defendants reported false information to the Brent Crude Oil indices or benchmarks operated by the Platts unit of McGraw Hill Financial, Inc. ("Platts"), a price reporting agency for Brent Crude Oil. Defendants also prevented competitors from reporting pricing information to Platts. Defendants' misconduct occurred during the period from at least January 1, 2002 through the present (the "Class Period"). Defendants' misconduct enabled them to cause artificial prices in Brent Crude Oil Exchange Traded Instruments. As a result,

Defendants violated the Commodity Exchange Act ("CEA"), 7 U.S.C. § 1, *et seq.*, the Sherman Act, 15 U.S.C. § 1, and the common law.

2. Platts is a price reporting agency and the global leader in providing spot and contract pricing for the physical and spot Brent Crude Oil markets, which directly impact the prices of Brent Crude Oil Exchange Traded Instruments. Platts' Brent Crude Oil prices are used globally, including in the United States, to price Brent Crude Oil contracts in the physical and spot markets and Brent Crude Oil Exchange Traded Instruments.

3. As major producers and market participants in the Brent Crude Oil market, as well as contributors of Brent Crude Oil prices to Platts, Defendants had and continue to have the market power and the ability to influence prices in the Brent Crude Oil market. By purposefully reporting inaccurate, misleading and false Brent Crude Oil trade information to Platts, and by preventing competitors from participating in the pricing process, Defendants manipulated and restrained trade in both the physical (spot) Brent Crude Oil market and the Brent Crude Oil futures market.

4. On May 14, 2013, the European Commission ("EC") announced that it had carried out raids on the offices of "several companies active in and providing services to the crude oil, refined oil products and biofuels sectors." The EC conducted the raids because of concerns that the companies colluded in reporting distorted prices to a price reporting agency to manipulate the published prices for a number of oil and biofuel products. The EC expressed "concerns that the companies may have prevented others from participating in the price assessment process, with a view of distorting published prices" due to their dominant market position. Shortly after the EC raid, BP, Shell, Statoil and Platts publicly confirmed their offices had been "inspected" by the EC and/or other regulatory authorities and that they are subjects of

the EC investigation. The EC has also requested information from a number of other industry participants relating to its investigation of collusion and price manipulation in the Brent Crude Oil market.

5. On May 17, 2013, the United Kingdom's Serious Fraud Office announced that it was "urgently reviewing" the EC's allegations of price-fixing in the oil markets and determining whether to accept the case for "criminal investigation." The same day, U.S. Senator Ron Wyden, Chair of the Senate Committee on Energy and Natural Resources, wrote to Attorney General Eric Holder in his capacity as Chair of the Financial Fraud Enforcement Task Force and urged the U.S. Department of Justice to join the EC investigation in its efforts and to investigate potential violations of criminal and civil laws in the United States involving the manipulation of Brent Crude Oil prices.

6. On June 25, 2013, the United States Federal Trade Commission opened a formal investigation into how the prices of Brent Crude Oil, including prices reported to Platts, are set, mirroring the EU inquiry. According to a *Bloomberg* article, "U.S. FTC Said to Open Probe of Oil-Price-Fixing After EU (June 25, 2013), the FTC agreed with the Department of Justice's antitrust division that it would handle the probe.

7. The foregoing investigations, and discovery in this case, are expected to yield information from Defendants' internal records (*e.g.*, instant messages, e-mails, telephone records, Brent Crude Oil trading data, etc.) that will provide further support for Plaintiffs' claims.

JURISDICTION AND VENUE

8. This action arises under Section 22 of the CEA, 7 U.S.C. § 25, Section 1 of the Sherman Antitrust Act, 15 U.S.C. § 1, Sections 4 and 16 of the Clayton Act, 15 U.S.C. § 15 and § 26, and the common law.

9. Brent Crude Oil Exchange Traded Instruments contracts are instruments covered by the CEA. In addition, Brent Crude Oil is a "commodity," 7 U.S.C. § 1a(9), and is the "commodity underlying," under 7 U.S.C. § 2S(a)(I)(D), the Brent Crude Oil Exchange Traded Instruments.

10. This Court has jurisdiction over this action pursuant to Section 22 of the CEA, 7 U.S.C. § 25, Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15 and 26, and 28 U.S.C. §§ 1331 and 1337. This Court also has jurisdiction over state law claims under 28 U.S.C. § 1367, because they are so related to the federal claims that they form part of the same case or controversy. This Court also has jurisdiction under 28 U.S.C. § 1332 because the amount in controversy for the Class exceeds \$5,000,000, and there are members of the Class who are citizens of a different state than Defendants.

11. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b), (c) and (d), Sections 4, 12 and 16 of the Clayton Act, 15 U.S.C. §§ 15(a), 22 and 26, and Section 22 of the CEA, 7 U.S.C. § 25. One or more of the Defendants resided, transacted business, were found, or had agents in the District, and a part of the acts or omissions giving rise to the claims occurred in the Southern District of New York. The New York Mercantile Exchange ("NYMEX") is located in this District. Platts' global headquarters are located in this District, and it is a business unit of McGraw Hill Financial, Inc., which is also headquartered in this District. The Brent Crude Oil prices published and compiled by Platts are widely disseminated in the U.S. to Brent Crude Oil spot and futures traders, including members of the Class, some of whom are located in this District.

INTERSTATE COMMERCE

12. The activities of Defendants and their co-conspirators as described herein were within the flow of and substantially affected interstate commerce.

13. During the Class Period, substantial quantities of Brent Crude Oil Exchange Traded Instruments were traded in a continuous and uninterrupted flow of interstate commerce to customers located throughout the United States.

PARTIES

14. Plaintiff Port 22, LLC ("Port 22") is an Illinois limited liability company with its principal place of business in Chicago, Illinois. Port 22 traded Brent Crude Oil Exchange Traded Instruments during the Class Period.

15. Plaintiff Atlantic Trading USA, LLC ("Atlantic Trading") is an Illinois limited liability company with its principal place of business in Chicago, Illinois. Atlantic Trading traded Brent Crude Oil Exchange Traded Instruments during the Class Period.

16. Plaintiff Xavier Laurens ("Laurens") resides in Illinois. Laurens traded Brent Crude Oil Exchange Traded Instruments during the Class Period.

17. Defendant BP p.l.c. is multinational oil and gas company headquartered in London, England, United Kingdom. BP maintains offices in the United States, including its North American headquarters in Houston, Texas.

18. Defendant Royal Dutch Shell plc is a multinational oil and gas company headquartered in The Hague, Netherlands. Shell maintains offices in the United States, including the headquarters of its U.S. subsidiary, Shell Oil Company, in Houston, Texas.

19. Defendant Statoil ASA is a Norwegian oil and gas company headquartered in Stavanger, Norway. It was formed by the 2007 merger of Statoil with the oil and gas division of

Norsk Hydro. Statoil maintains offices in the United States, including in Stamford, Connecticut, Washington, D.C. and Houston, Texas.

20. John Doe Defendants Nos. 1-50 are entities or persons, including oil, gas or other energy companies as well as other co-conspirators whose identities are currently unknown to Plaintiff. The John Doe Defendants participated in, furthered, and/or combined, conspired, or agreed with others to perform the unlawful acts alleged herein.

NON-PARTY CO-CONSPIRATOR

21. Platts, the leading provider of benchmark prices for the Brent Crude Oil market, is headquartered in this District, at 2 Penn Plaza, New York, New York 10121-2298. Platts is alleged herein to be a non-party co-conspirator.

AGENTS AND UNNAMED CO-CONSPIRATORS

22. Various other entities and individuals participated as co-conspirators and manipulators in the acts complained of and performed acts and made statements that aided and abetted and furthered the unlawful conduct as alleged herein. The unnamed co-conspirators, along with the above-named Defendants, performed, participated in, furthered, and/or combined, conspired, or agreed with others to perform the unlawful acts alleged herein, including the manipulation of the prices of Brent Crude Oil Exchange Traded Instruments and Brent Crude Oil, as well as the antitrust violations and state law violations alleged herein.

OPERATIVE FACTS

Markets and Instruments at Issue

23. **Physical or “Spot” Brent Crude Oil.** The Brent oilfields in the North Sea currently have the highest physical daily output of any of the world's recognized oil benchmarks (*e.g.*, WTI and Dubai) and comprise a basket of North Sea crudes: Brent, Forties, Oseberg and

Ekofisk, collectively known as "BFOE." The Brent physical crude oil market consists of (1) Dated (or wet) Brent; and (2) Cash (or forward) Brent.

24. **Dated Brent.** "Dated Brent" is the world's leading international crude oil benchmark, and it is used as the reference price for about 50 -70% of the world's physical crude oil trade. It is used and published by Platts, the world's largest oil Price Reporting Agency. This benchmark underpins the price of exchange-traded derivatives, including Brent Crude Oil Exchange Traded Instruments. Dated Brent refers to the spot price for Brent Crude Oil. Dated Brent is a rolling assessment that reflects the price of physical, wet BFOE cargoes loading no less than ten days forward. Specifically, Dated Brent cargoes loading 10-25 days forward will be taken into account Monday through Thursday. On Friday, Dated Brent cargoes loading 10-27 days forward will be taken into account. Consummated transactions, and bids and offers, may be taken into account for assessment purposes. Originally, the Dated Brent market was assessed on a 7 to 15 day range, *i.e.*, cargoes loading 7 to 15 days forward. The assessment period was extended to 10 to 21 days in 2002, and then again in 2012 to its current 10 to 25 day assessment period.

25. **Cash Brent.** "Cash Brent," also known as "Cash BFOE" and "Forward Brent," are forward contracts for a particular month, with no specified date of loading. Cargoes from a "cash" contract month are progressively "dated" or "wetted," until the 25th day before the end of that delivery month, at which point all cargoes for that delivery month must become "Dated." Cash cargoes become Dated cargoes when they have been "assigned a date" to be loaded onto a tanker. The cash BFOE cargoes trade in chains between potential users of the physical oil until it becomes a "Dated" cargo.

26. **Brent Crude Oil Futures.** Brent Crude Oil Futures contracts are standardized contracts to buy or sell Brent Crude Oil during the time period specified in the contract. The buyer of such a contract is said to be “long” Brent Crude Oil and is obligated to take delivery of a specified quantity of Brent Crude Oil during the time period specified in the futures contract. The seller of such a contract is said to be “short” Brent Crude Oil and is obligated to make delivery of a specified quantity during the time period specified in the futures contract. A very small percentage of Brent Crude Oil Futures contracts result in delivery, and the overwhelming majority of longs cancel out or offset their position by selling futures contracts, and the overwhelming majority of shorts cancel out or offset their position by buying futures contracts. The difference between the initial position price and the offsetting position price is the realized profit or loss. The price of Brent Crude Oil Futures is tied directly to the price of Brent Crude Oil in the cash or spot market. Thus, by manipulating Brent Crude Oil prices in the cash or spot market, Defendants were able to manipulate the prices of Brent Crude Oil Futures.

27. **Brent Crude Oil Options.** Brent Crude Oil Options contracts are standardized agreements concerning the purchase or sale of a Brent Crude Oil Futures contract during the time period specified in the options contract. Options come in two forms: calls and puts. The buyer of a Brent Crude Oil Call Option has the right, but not the obligation, to take delivery of a Brent Crude Oil Futures contract, and the seller has the obligation to make delivery of a Brent Crude Oil Futures contract at the price, sometimes referred to as the “strike price” set forth in the options contract. The buyer of a Brent Crude Oil Put Option has the right, but not the obligation, to make delivery of a Brent Crude Oil Futures contract, and the seller has the obligation to take delivery of a Brent Crude Oil Futures contract at the price set forth in the options contract. Typically, buyers of call options and sellers of put options are said to be “long” Brent Crude Oil,

and sellers of call options and buyers of put options are said to be “short” Brent Crude Oil. A very small percentage of Brent Crude Oil Options contracts result in delivery, and the overwhelming majority of longs cancel out or offset their position by selling (in the case of calls) or buying (in the case of puts) an offsetting options contract, and the overwhelming majority of shorts cancel out or offset their position by buying (in the case of calls) and selling (in the case of puts) an offsetting options contract. The difference between the initial position price and the offsetting position price is the realized profit or loss. The price of Brent Crude Oil Options is tied directly to the price of Brent Crude Oil Futures, which in turn is tied directly to the price of Brent Crude Oil in the cash or spot market. Thus, by manipulating Brent Crude Oil prices in the cash or spot market, Defendants were able to manipulate the prices of Brent Crude Oil Options.

**Chicago Mercantile Exchange (“CME”) and
New York Mercantile Exchange (“NYMEX”) Exchange Traded Instruments.**

28. At all material times NYMEX, acquired by the CME in or around 2008, was a commodities futures and option market designed to facilitate efficient pricing of Brent Crude Oil Futures and Options. NYMEX is a designated contract market under Section 5(b) of the CEA, 7 U.S.C. § 7(b).

29. NYMEX is the world's largest physical commodity futures exchange and the preeminent forum for energy. There are a number of futures contracts based on the Brent Crude Oil benchmark that can be purchased or sold on NYMEX. These contracts trade electronically on CME platforms such as Globex and Clearport. In addition, NYMEX Brent Crude Oil Futures contracts such as the Brent Crude Oil Last Day Futures (BZ) and the Brent Financial Futures (CY) trade through open outcry at the designated NYMEX trading pits located in New York. The daily settlements for the NYMEX Brent Crude Oil (BB) and the Brent Crude Oil Last Day (BZ) futures contracts are equivalent to the settlements in the corresponding ICE Brent Crude Oil

futures contracts. NYMEX futures contracts priced, settled or benchmarked to Brent Crude Oil include:

- (a) *Brent Crude Oil Last Day Financial Futures (BZ)*. Final settlement, following termination of trading for a contract month, is based on the Floating Price. The Floating Price is equal to the ICE Brent Crude Oil Index price as published one day after the final trading day for the delivery month.
- (b) *Brent Financial Futures (CY)*. Final settlement, following termination of trading for a contract month, is based on the Floating Price. The Floating Price for each contract month is equal to the arithmetic average of the ICE Brent Crude Oil Futures first nearby contract settlement prices for each business day that it is determined during the contract month.
- (c) *Brent Crude Oil Penultimate Financial Futures (BB)*. Final settlement, following termination of trading for a contract month, is based on the Floating Price. The Floating Price is equal to the ICE Brent Crude Oil Futures first nearby contract settlement price on the penultimate trading day for the delivery month.
- (d) *Brent Crude Oil vs. Dubai Crude Oil (Platts) Futures (DB)*. Final settlement, following termination of trading for a contract month, is based on the Floating Price. The Floating Price for each contract month is the arithmetic average of the ICE Brent Crude Oil Futures first nearby contract settlement price minus the midpoint between the high and low quotations from Platts Crude Oil Marketwire for the Dubai front month price for each business day during the contract month.
- (e) *WTI-Brent Financial Futures (BK)*. Final settlement, following termination of trading for a contract month, is based on the Floating Price. The Floating Price for

each contract month is the arithmetic average of the Light Sweet Crude Oil first nearby contract settlement price for each business day that it is determined minus the ICE Brent Crude Oil Futures first nearby contract settlement price for each business day that it is determined during the contract month.

The notional quantity in each of the futures contracts listed above is 1,000 barrels. In addition, the foregoing futures contracts have corresponding options contracts.

Intercontinental Exchange ("ICE") Exchange Traded Instruments.

30. The International Petroleum Exchange of London Limited ("IPE") was one of the world's largest energy futures and options exchanges. Its flagship commodity, Brent Crude, was a world benchmark for oil prices. In June, 2001, IPE was acquired by ICE. Brent Crude Oil futures contracts were traded via open outcry on the floor of the IPE until April 7, 2005, when its name was changed to ICE Futures and all trading in Brent Crude Oil futures was shifted onto an electronic trading platform.

31. ICE Futures Europe is headquartered in London, England. Today, ICE Futures is the world's largest host of crude and refined oil futures trading, and the ICE Brent Crude futures contract covers about two-thirds of the world's physical oil. ICE Futures is regulated by the U.K. Financial Conduct Authority, with oversight by the U.S. Commodity Futures Trading Commission for linked contracts. The ICE Brent Crude Oil futures contract is traded at ICE Futures Europe and executed on the WebICE trading platform, which is distributed in more than 70 countries, including the United States.

32. In 2012, the ICE Brent Crude Oil futures contract became the world's largest crude oil futures contract in terms of volume, and the volume of Brent Crude Oil futures contracts traded on ICE has almost doubled since 2008. The size of the ICE Brent Crude Oil

futures contract is 1,000 barrels. Prices of ICE Brent Crude Oil futures contracts are quoted in U.S. dollars and cents per barrel. ICE Brent Crude Oil futures contracts are deliverable contracts based on "exchange for physical" delivery with an option to cash settle, *i.e.*, the ICE Brent Index price for the day following the last trading day of the futures contract. Trading in ICE Brent Crude Oil futures contracts terminates at the end of the designated settlement period on the Business Day (a trading day which is not a public holiday in England and Wales) immediately preceding: (i) either the 15th day before the first day of the contract month, if such 15th day is a Business Day; or (ii) if such 15th day is not a Business Day, the next preceding Business Day.

33. The ICE Brent Crude Oil futures contract was developed in 1988 when the Brent crude oil physical market was trading on a 15-day basis. The expiry calendar established at that point, which continues today for existing ICE Brent Crude Oil futures, reflected the 15-day timetable. Existing ICE Brent Crude Oil futures therefore currently expire 10 days after BFOE contracts have started to go "wet," *i.e.*, to turn into specific Dated Brent contracts with respect to the contract delivery month in question. According to ICE's corporate website, "[t]he ICE Brent futures contract is based on the underlying physical BFOE (Brent-Forties-Oseberg-Ekofisk) market The ICE Brent futures contract is linked to forward BFOE contracts and hence the underlying Dated Brent market by the Exchange for Physical (EFP) mechanism.

34. The ICE Brent futures contract settles against the ICE Brent Index price for the day following the last trading day of the Brent futures contract. At expiry of a Brent futures contract, the index price is based on the average value of BFOE cash cargoes on expiry day. The index is also calculated by the exchange every day." Further, ICE's corporate website states that "[t]he cash settlement price for ICE Brent ... is based on the ICE Brent Index at their respective expiries. The index represents the average price of trading in the 25-day 'cash' BFOE market in

the relevant delivery month as reported and confirmed by the industry media [*e.g.*, Platts]. ... The index is calculated by the Exchange as an average of the following elements: (a) A weighted average of first month cargo trades in the 25-day BFOE market; (b) A weighted average of second month cargo trades in the 25-day BFOE market plus a straight average of the spread trades between the first and second months; and (c) A straight average of designated assessments published in media reports [*e.g.*, Platts]." In response to Platts extending its assessment period to 10-25 days, ICE launched the ICE Brent NX Brent futures contract, which have an expiry calendar based on the 25-Day BFOE market and therefore align the futures expiry calendar with the physical BFOE market.

35. The U.S. Commodity Futures Trading Commission ("CFTC") granted no-action relief to ICE and IPE for the domestic (U.S.-based) trading of Brent Crude Oil futures contracts. On November 12, 1999, the CFTC issued a no-action letter in which it confirmed that it would not recommend that the CFTC institute enforcement action against IPE (acquired by ICE in 2001) or its members solely based upon IPE's failure to obtain contract market designation pursuant to Sections 5 and 5a of the CEA, "if: (i) IPE members trade for their proprietary accounts through ETS [Energy Trading System II] in the United States; (ii) IPE members who are registered with the Commission as FCMs [Futures Commission Merchants] or who are Rule 30.10 Firms submit orders from United States customers for transmission to ETS; and/or (iii) IPE members who are registered with the Commission as FCMs or who are Rule 30.10 Firms accept orders through United States AORS [Automated Order Routing Systems] from United States customers for submission to ETS." The CFTC's no-action position applied to several types of futures contracts, including Brent Crude futures contracts.

36. The November 12, 1999 IPE no-action letter was amended by the CFTC four times between July 26, 2002 and April 14, 2003 as trading of the contracts was transitioned from the ETS to ICE Platform operated by the Intercontinental Exchange, Inc. in Atlanta, Georgia and trading hours were extended. Significantly, in the April 14, 2003 amendment, the CFTC confirmed that it would not recommend that it institute an enforcement action against IPE or its members solely based upon IPE's failure to seek contract market designation or registration as a derivatives transaction execution facility under Sections 5 and 5a of the CEA "if the IPE makes all of its current contracts, including Brent Crude futures and options contracts ... available in the U.S. on the ICE Platform during the course of the entire trading day."

The Role of Platts in the Brent Crude Oil Market.

37. Nearly all physical BFOE crude oil is traded in the over-the-counter ("OTC") market, where the transaction details are not readily observable. As a result, Platts plays the central role in establishing and reporting spot prices of Brent Crude Oil. Platts has a dedicated room where the pricing assessment occurs. Resembling a small trading floor, price editors are organized by desk covering a particular product. Bids and offers are generally communicated to Platts' editors by Yahoo® messenger and, when the technology is available to the market concerned, immediately put into Platts' "Ewindow," a trading platform, and on a dedicated page of its wire service. Main market participants also have Ewindow installed on their respective computers, so that they can put their bids and offers directly on the system. The Ewindow software interface has been developed by ICE for Platts, and looks very similar to the ICE interface. The trading platform adheres to Platts' rules.

38. Platts uses a "Market-On-Close" methodology in establishing and reporting Brent Crude Oil spot prices. Platts' Market-On-Close methodology is based upon bids, offers and

transactions for spot Brent Crude Oil (as reported to Platts) that take place during the 30 to 45 minutes before the close of the market (generally 4:00 p.m. to 4:30 p.m. GMTIBST). This 30-45 minute period of time is referred to as the "Platts window." Market participants can adjust their bids and offers during the Platts window subject to Platts' guidelines. Market participants who fail to declare their intention to submit bids and offers during the Platts window may not submit bids and offers during the Platts window, but may still choose to accept a bid or an offer posted during the Platts window. Following the close of the market at 4:30 p.m. GMTIBST, Platts' editors examine the bids, offers, and transactions for spot Brent Crude Oil that took place during the Platts window and use that data to establish an end-of day (or Market-On-Close) Brent Crude Oil spot price. Platts subscribers have access to the real-time trading data published by Platts during the Market-On-Close process. Although participation in the Platts' Market-On-Close is voluntary, Platts is highly selective as to which market participants are permitted to participate in its Market-On-Close process. The integrity of the Platts' Market-On-Close Brent Crude Oil spot price is paramount because it is the most important price marker for Brent Crude Oil in the world.

**The Prices of Brent Crude Oil
Exchange Traded Instruments Are Inextricably Linked to
Prices in the Brent Crude Oil Cash Market, and thus to Prices Reported to Platts.**

39. The Brent Crude Oil Exchange Traded Instruments market is inextricably linked to the spot market for Brent Crude Oil, and thus to Platts pricing, and price movements in the Brent Crude Oil cash or spot market, including those reported on Platts, cause price movements in the Brent Crude Oil Exchange Traded Instruments. The prices reported by price reporting agencies, such as Platts, are used for price discovery and risk assessment for Brent Crude Oil Exchange Traded Instruments; an increase in the Platts price signifies increased demand or

weakened supply, and a decrease in the Platts price signifies weakened demand or increased supply. These cash market price movements are then reflected in the Brent Crude Oil Exchange Traded Instruments market. In addition, the delivery mechanism of the Brent Crude Oil Futures results in a convergence of the prices in the spot and futures market.

40. As explained herein, by manipulating the prices reported for Brent Crude Oil, Defendants were able to manipulate the prices of Brent Crude Oil Exchange Traded Instruments.

**Regulators in Europe and the United States Have Commenced
Investigations into Defendants' Reporting of Prices to Platts.**

41. On May 14, 2013, the European Commission ("EC") conducted unannounced raids on the offices of several companies active in and providing services to the crude oil, refined oil products and biofuels sectors. The EC confirmed the raids in a Memo issued that same day, which provided:

The European Commission can confirm that, on 14 May 2013, Commission officials carried out unannounced inspections at the premises of several companies active in and providing services to the crude oil, refined oil products and biofuels sectors. These inspections took place in two EU Member States. At the Commission's request, inspections were also carried out on its behalf by the EFTA Surveillance Authority in one European Economic Area (EEA) Member State. The Commission has concerns that the companies may have colluded in reporting distorted prices to a Price Reporting Agency to manipulate the published prices for a number of oil and biofuel products. Furthermore, the Commission has concerns that the companies may have prevented others from participating in the price assessment process, with a view to distorting published prices. Any such behaviour, if established, may amount to violations of European antitrust rules that prohibit cartels and restrictive business practices and abuses of a dominant market position (Articles 101 and 102 of the Treaty on the Functioning of the EU and Articles 53 and 54 of the EEA Agreement).

The prices assessed and published by Price Reporting Agencies serve as benchmarks for trade in the physical and financial derivative markets for a number of commodity products in Europe and globally. Even small distortions of assessed prices may have a huge impact on the prices of crude oil, refined oil products and biofuels purchases and sales, potentially harming final consumers.

In the EU, Commission officials were accompanied by their counterparts from the relevant national competition authorities. In the EEA Member State, Commission officials accompanied their counterparts from the EFTA Surveillance Authority and from the national competition authority.

Unannounced inspections are a preliminary step to investigate suspected anticompetitive practices. ...

42. Almost immediately following the EC's announcement, BP, Shell and Statoil each confirmed they were visited by the EC and/or other regulatory authorities and are the subject of the EC investigation. According to a May 15, 2013 *Bloomberg* article entitled, "Shell Targeted with BP in EU Price Fixing Probe for Oil: Energy," Statoil stated that "[t]he authorities suspect participation by several companies, including Statoil, in anti-competitive agreements and/or concerned practices" and "potential abuse of possible dominant positions by another party."

43. Platts has also confirmed that it was the subject of the EU raid. According to a May 14, 2013 *Guardian* article entitled, "BP and Shell Raided in European Commission Price-Rigging Inquiry," Platts confirmed that it was the subject of the EU raid, and that EU investigators had "undertaken a review at its premises in London this morning in relation to the Platts price-assessment process." In addition, the *Guardian* article stated, "[t]he suspected violations are related to the Platts' Market-On-Close (MOC) price assessment process, used to report prices in particular for crude oil, refined oil products and biofuels, and may have been ongoing since 2002."

44. According to a May 15, 2013, *Financial Times* article entitled "Challenging domination of oil's powerful few," "[f]or decades the physical oil market has been the unregulated preserve of a few powerful companies," and the "majors raided by the European Commission" in a probe into possible price fixing have "long dominated the trade." The article further stated, "According to Platts, its daily assessment of dated Brent, as the physical North Sea

oil market is known, is the reference price per cent of crude traded worldwide” and “Dated Brent also underpins exchange-traded derivatives”

45. The United Kingdom’s Serious Fraud Office (“SFO”) is also investigating the matter. According to a May 16, 2013 *Telegraph* article entitled “SFO ‘urgently reviewing’ oil price inquiry,” the SFO stated that it was “urgently reviewing the matter,” and, “subject to discussions with other agencies as to potential offenses involved, it is likely the SFO could be the appropriate authority to investigate allegations of price-fixing.”

46. Also on May 17, 2013, U.S. Senator Ron Wyden, Chair of the Senate Committee on Energy and Natural Resources, wrote to Attorney General Eric Holder in his capacity as Chair of the Financial Fraud Enforcement Task Force and urged the U.S. Department of Justice to join the EC investigation in its efforts and to investigate potential violations of criminal and civil laws in the United States involving the manipulation of Brent Crude Oil prices. According to a press release and the letter, published by the United States Senate, Senator Wyden stated: “Efforts to manipulate the European oil indices, if proven, may have already impacted U.S. consumers and businesses, because of the interrelationships among world oil markets and hedging practices,” “[i]t is critically important to determine whether or not similar efforts have been made to manipulate U.S. oil indices by these firms or others,” “many domestic companies depend upon the London-based Brent oil indices and related contracts to purchase oil and hedge their exposure to world oil markets,” and “price discovery in physical commodity markets has been an area of abuse within the U.S. in the past,” “[e]fforts to manipulate the European oil indices, if proven, may have already impacted U.S. consumers and businesses, because of the interrelationships among the world oil markets and hedging practices,” and that “it is imperative that your task

force investigate whether any firms [are] using false information to manipulate oil prices here or abroad.”

47. On June 25, 2013, the United States Federal Trade Commission opened a formal investigation into how the prices of Brent Crude Oil, including prices reported to Platts, are set, mirroring the EU inquiry. According to a June 25, 2013 *Bloomberg* article entitled “U.S. FTC Said to Open Probe of Oil-Price-Fixing After EU,” the FTC agreed with the Department of Justice’s antitrust division to handle the probe.

**Defendants' Conduct Had a Direct, Substantial
and Reasonably Foreseeable Effect on U.S. Commerce.**

48. Brent Crude Oil and Brent Crude Oil Exchange Traded Instruments are each a commodity that trades in U.S. interstate and foreign commerce. Defendants' restraint of trade and manipulation of Brent Crude Oil and Brent Crude Oil futures contract prices had direct, substantial, and reasonably foreseeable effects in the United States, and on Plaintiffs and the Class.

49. Brent Crude Oil futures contracts are traded domestically on CME, NYMEX and ICE, which are located or readily accessible within the United States. Defendants knew that Brent Crude Oil prices published and compiled by Platts are disseminated in the United States and are used to price, settle, and benchmark Brent Crude Oil Exchange Traded Instruments. Accordingly, Defendants knew that misreporting the price of Brent Crude Oil to Platts, as well as other manipulative and collusive conduct in the Brent Crude Oil market, would, and did, have direct, substantial and reasonably foreseeable effects in the United States, including, without limitation, on the prices of Brent Crude Oil Exchange Traded Instruments transacted domestically.

Defendants Intentionally Manipulated Brent Crude Oil Exchange Traded Instrument Prices by Falsely Reporting Brent Crude Oil Spot Prices to Platts.

50. Defendants purposefully manipulated prices of Brent Crude Oil and Brent Crude Oil futures contracts through their deliberate and systematic submission of false Brent Crude Oil trade information to Platts. Defendants knew that this false trade information was used by Platts in calculating and publishing its Brent Crude Oil prices. Defendants also knew, as sophisticated market participants, that the false or manipulative prices that they reported directly impacted the prices of Brent Crude Oil Exchange Traded Instruments in the United States. Through the conduct alleged herein, Defendants intentionally caused prices of Brent Crude Oil and Brent Crude Oil Exchange Traded Instruments to trade at artificial levels.

CLASS ACTION ALLEGATIONS

51. Plaintiffs bring this action as a class action against Defendants under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure on behalf of all members of the following Class:

All persons or entities that purchased or sold a Brent Crude Oil Exchange Traded Instrument, such as a futures or options contract, on the CME, NYMEX or ICE during the period from January 1, 2002 to the present (the "Class Period").

Excluded from the Class are Defendants, their officers, directors, employees, agents, subsidiaries, parents, and conspirators.

52. The Class is so numerous that the joinder of all members is impracticable. While the exact number of Class members is unknown to Plaintiffs at this time, Plaintiff is informed and believes that thousands of geographically dispersed Class members transacted in Brent Crude Oil Exchange Traded Instruments during the Class Period.

53. Plaintiffs are members of the Class, and their claims are typical of the claims of the members of the Class. Plaintiffs and the Class sustained damages arising from Defendants' common course of conduct in violation of the laws complained of herein.

54. Plaintiffs will fairly and adequately protect the interests of the Class. Plaintiffs have no interests which are adverse or antagonistic to the interests of absent Class members. Plaintiffs have retained competent counsel experienced in class action litigation, including antitrust and commodities litigation.

55. There are a number of questions of law or fact common to the Class, including, without limitation:

- (a) Whether Brent Crude Oil Exchange Traded Instruments were the subject of artificial prices, whether Defendants had the ability and intent to cause such artificial prices, and whether Defendants in fact caused such artificial prices, in violation of the CEA.
- (b) Whether Defendants engaged in a conspiracy to fix, raise, maintain and/or stabilize prices for Brent Crude Oil futures contracts in violation of Section 1 of the Sherman Act, and whether Defendants' unlawful conduct caused injury to the business or property of the Class.
- (c) Whether Defendants were unjustly enriched at the expense of the Class.
- (d) The appropriate measure of damages to be awarded to the Class.

56. The questions of law and fact common to the Class predominate over questions affecting only individual Class members.

57. A class action is superior to other methods for the fair and efficient adjudication of this controversy. Treatment as a class action will permit a large number of similarly situated persons to adjudicate their common claims in a single forum simultaneously, effectively, and without the duplication of effort and expense that numerous individual actions would engender. Class treatment will also permit the adjudication of Class member claims that are small in

comparison to the enormous expense associated with complex financial market manipulation litigation. The action presents no difficulties in management that would preclude maintenance as a class action.

58. The Class is readily identifiable from the records of CME, NYMEX and ICE, as well as the records of futures commission merchants and clearing firms authorized to clear trades by these exchanges.

EQUITABLE TOLLING AND FRAUDULENT CONCEALMENT

59. By its very nature, the unlawful activity, as alleged herein, that Defendants engaged in was self-concealing. Defendants falsely reported prices and volume and trade information to Platts in order to manipulate the spot price for Brent Crude Oil and the prices of Brent Crude Oil futures contracts traded on the CME, NYMEX and ICE.

60. Plaintiffs and the Class had no knowledge of the unlawful conduct alleged in this Complaint, or of any facts that could or would have led to the discovery thereof, until it became public. The first public reports of any government action relating to Defendants' unlawful conduct occurred on or about May 14, 2013, when the EC confirmed that it carried out unannounced raids at the premises of several companies active in and providing services to the crude oil, refined oil products and biofuels sectors, alleging for the first time that these companies colluded in reporting artificial prices to a price reporting agency to manipulate the published prices for a number of oil and biofuel products.

61. Because Defendants employed acts and techniques that were calculated to wrongfully conceal the existence of such illegal conduct, Plaintiff and the Class could not have discovered the existence of this unlawful conduct any earlier than its public disclosure on or about May 14, 2013.

62. Due to Defendants' fraudulent concealment, any applicable statute of limitations affecting or limiting the rights of action by Plaintiff or members of the Class has been tolled during the period of such fraudulent concealment.

CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF

**(Manipulation in Violation of the Commodity Exchange Act, 7 U.S.C. §§ 1, *et seq.*)
Against All Defendants**

63. Plaintiffs reallege the foregoing paragraphs 1-62 as if stated fully herein.

64. By their intentional misconduct, Defendants each violated Section 9(a)(2) of the CEA, 7 U.S.C. § 13(a)(2), and caused prices of Brent Crude Oil futures contracts to be artificial during the Class Period.

65. Artificial prices existed in the Brent Crude Oil Exchange Traded Instruments during the Class Period.

66. Defendants, as major Brent Crude Oil producers and reporters to price reporting agencies such as Platts, had the ability to cause artificial prices.

67. Defendants had the intent to cause artificial prices. Through their manipulative acts directed to price reporting agencies, such as Platts, Defendants knew that their conduct would impact the prices of Brent Crude Oil Exchange Traded Instruments and the prices of Brent Crude Oil, the commodity underlying Brent Crude Oil Exchange Traded instruments.

68. Defendants' activities alleged herein constitute manipulation of the prices of Brent Crude Oil Exchange Traded Instruments, and the underlying commodity, violation of Sections 9(a) and 22(a) of the CEA, 7 U.S.C. §§ 13(a) and 25(a).

69. Plaintiffs and the Class who traded Brent Crude Oil Exchange Traded Instruments during the Class Period did so at artificial and unlawful prices resulting from Defendants' manipulation and suffered damages as a direct result of Defendants' conduct.

70. Punitive or exemplary damages should be awarded against Defendants to the full extent permitted under the CEA.

SECOND CLAIM FOR RELIEF
(Principal Agent Liability in Violation of the
Commodity Exchange Act, 7 U.S.C. §§ 1, *et seq.*)
Against All Defendants

71. Plaintiffs reallege the foregoing paragraphs 1-70 as if stated fully herein.

72. Each Defendant is liable under Section 2(a)(1)(B) of the CEA, 7 U.S.C. § 2(a)(1)(B), for the manipulative acts of their agents, representatives, and/or other persons acting for them in the scope of their employment.

73. Plaintiffs and the Class suffered damages sustained through the Defendants' violations of the CEA alleged herein.

THIRD CLAIM FOR RELIEF
(Aiding and Abetting Manipulation in Violation of the Commodity Exchange Act, 7
U.S.C. §§ 1, *et seq.*)
Against All Defendants

74. Plaintiffs reallege the foregoing paragraphs 1-73 as if stated fully herein.

75. Defendants knowingly aided, abetted, counseled, induced and/or procured the violations of the CEA alleged herein. Defendants did so knowing of each other's manipulation of Brent Crude Oil market prices, and willfully intended to assist these manipulations, which resulted in artificial prices in Brent Crude Oil Exchange Traded Instruments during the Class Period in violation of Section 22(a)(1) of the CEA, 7 U.S.C. § 25(a)(1).

76. Plaintiff and the Class are suffered damages as a result of Defendants' violations of the CEA alleged herein.

FOURTH CLAIM FOR RELIEF
(For Violation of Section 1 of the Sherman Act, 15 U.S.C. §1, *et seq.*)
Against All Defendants

77. Plaintiffs reallege the foregoing paragraphs 1-62 as if stated fully herein..

78. Defendants entered into and engaged in a conspiracy in unreasonable restraint of trade in violation of Section 1 of the Sherman Act and Section 4 of the Clayton Act.

79. During the Class Period, Defendants possessed market power in the setting of Brent Crude Oil prices and the prices of Brent Crude Oil Exchange Traded Instruments.

80. The conspiracy consisted of a continuing agreement, understanding or concerted action between and among Defendants and their co-conspirators in furtherance of which Defendants fixed, maintained, suppressed and/or made artificial Brent Crude Oil market prices and the prices of Brent Crude Oil Exchange Traded Instruments. Defendants' conspiracy constitutes *a per se* violation of the federal antitrust laws and also constitutes an unreasonable and unlawful restraint of trade under any other analysis.

81. Defendants' conspiracy, and resulting impact on Brent Crude Oil market prices and the prices of Brent Crude Oil Exchange Traded Instruments, occurred in or affected interstate and international commerce.

82. As a proximate result of Defendants' unlawful conduct, Plaintiffs and the Class suffered injury to their business or property.

83. As a consequence, Plaintiffs and the Class are entitled to treble damages for the Defendants' violations of the Sherman Act alleged herein, and a permanent injunction restraining Defendants from engaging in additional anticompetitive conduct.

**FIFTH CLAIM FOR RELIEF
(For Unjust Enrichment)
Against All Defendants**

84. Plaintiffs reallege the foregoing paragraphs 1-62 as if stated fully herein.

85. Defendants financially benefited from their unlawful acts. These unlawful acts caused Plaintiffs and the Class to suffer injury, lose money, and transact Brent Crude Oil Exchange Traded Instruments at artificial prices.

86. As a result of the foregoing, it is unjust and inequitable for Defendants to have enriched themselves in this manner.

87. Each Defendant should pay restitution or its own unjust enrichment to Plaintiffs the Class.

88. Plaintiffs and the Class are entitled to the establishment of a constructive trust impressed on the benefits to Defendants from their unjust enrichment and inequitable conduct.

PRAYER FOR RELIEF

Accordingly, Plaintiff demands relief as follows:

A. For an order certifying this lawsuit as a class action pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and designating Plaintiffs as Class Representatives and their counsel as Class counsel;

B. For a judgment awarding Plaintiffs and the Class damages and punitive damages against Defendants for their violations of the CEA, together with prejudgment interest at the maximum rate allowable by law;

C. For the unlawful conduct alleged herein to be adjudged and decreed to be an unlawful restraint of trade in violation of Section 1 of the Sherman Act;

D. For Defendants, their subsidiaries, affiliates, successors, transferees, assignees and the respective officers, directors, partners, agents, and employees and all other persons acting or claiming to act on their behalf, be permanently enjoined and restrained from continuing and maintaining the conspiracy alleged in the Complaint;

E. For a judgment awarding Plaintiffs and the Class treble damages against Defendants for their violations of the federal antitrust laws;

F. For a judgment awarding Plaintiffs and the Class restitution of any and all sums received by the Defendants' unjust enrichment;

G. For an award to Plaintiff and the Class of their costs of suit, including reasonable attorneys' and experts' fees and expenses; and

H. For all such other and further relief as the Court may deem just and proper.

DEMAND FOR A JURY TRIAL

Plaintiff respectfully demands a trial by jury of all issues so triable.

Dated: July 16, 2013

Respectfully Submitted,



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