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**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

DAWN BROZIK,

Plaintiff,

v.

RENEWABLE ENERGY GROUP, INC.,  
JEFFREY STROBURG, RANDOLPH L.  
HOWARD, CYNTHIA WARNER,  
WALTER BERGER, JAMES C. BOREL,  
DELBERT CHRISTENSEN, DEBORA  
M. FRODL, DYLAN GLENN, PETER J.  
M. HARDING, NIHARIKA TASKAR  
RAMDEV, and CHRISTOPHER D.  
SORRELLS,

Defendants.

Case No:

**JURY TRIAL DEMANDED**

**COMPLAINT FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS**

Plaintiff Dawn Brozik (“Plaintiff”), by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and upon information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through Plaintiff’s attorneys.

**NATURE OF THE ACTION**

1. This is an action against Renewable Energy Group, Inc. (“Renewable Energy” or the “Company”) and its Board of Directors (the “Board” or the “Individual Defendants”) for their

violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. §§ 78n(a) and 78t(a), and Rule 14a-9 promulgated thereunder by the SEC, 17 C.F.R. § 240.14a-9, in connection with the proposed acquisition (the “Proposed Transaction”) of Renewable Energy by Chevron Corporation (“Chevron”) and its wholly owned subsidiary, Cyclone Merger Sub Inc. (“Merger Sub”).

### **JURISDICTION AND VENUE**

2. The claims asserted herein arise under and pursuant to Sections 14(a) and 20(a) of the Exchange Act (15 U.S.C. §§ 78n(a) and 78t(a)) and Rule 14a-9 promulgated thereunder by the SEC (17 C.F.R. § 240.14a-9).

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

4. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)) as a substantial portion of the transactions and wrongs complained of herein had an effect in this District, and the alleged misstatements entered and the subsequent damages occurred in this District.

5. In connection with the acts, conduct and other wrongs alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

### **PARTIES**

6. Plaintiff is, and has been at all relevant times hereto, an owner of Renewable Energy common stock.

7. Defendant Renewable Energy provides lower carbon transportation fuels in the United States and internationally. The company utilizes a production, distribution, and logistics system to convert natural fats, oils, and greases into advanced biofuels. The Company is headquartered in Ames, Iowa. The Company is incorporated in Delaware. The Company's common stock trades on the NASDAQ under the ticker symbol, "REGI."

8. Defendant Jeffrey Stroburg ("Stroburg") is Chairman of the Board of the Company.

9. Defendant Randolph L. Howard ("Howard") is a director of the Company, serving as Vice Chairman of the Board.

10. Defendant Cynthia Warner ("Warner") is President, Chief Executive Officer ("CEO"), and a director of the Company.

11. Defendant Walter Berger ("Berger") is a director of the Company.

12. Defendant James C. Borel ("Borel") is a director of the Company.

13. Defendant Delbert Christensen ("Christensen") is a director of the Company.

14. Defendant Debora M. Frodl ("Frodl") is a director of the Company.

15. Defendant Dylan Glenn ("Glenn") is a director of the Company.

16. Defendant Peter J.M. Harding ("Harding") is a director of the Company.

17. Defendant Niharika Taskar Ramdev ("Ramdev") is a director of the Company.

18. Defendant Christopher D. Sorrells ("Sorrells") is a director of the Company.

19. Defendants Stroburg, Howard, Warner, Berger, Borel, Christensen, Frodl, Glenn, Harding, Ramdev, and Sorrells are collectively referred to herein as the "Individual Defendants."

20. Defendants Renewable Energy and the Individual Defendants are collectively referred to herein as the "Defendants."

## **SUBSTANTIVE ALLEGATIONS**

### **A. Background of the Proposed Transaction**

21. Beginning in January 2020, Renewable Energy and Chevron engaged in periodic discussions of renewable diesel production, supply and other strategic opportunities.

22. In fall 2020, Renewable Energy engaged in discussions with a petroleum refinery and supply company (“Company A”) regarding a potential joint venture or strategic partnership. Those parties executed a confidentiality agreement. While those discussions fizzled in January 2021, the parties renewed such discussions between August 2021 into December 2021.

23. On November 9, 2021, the Board appointed Defendants Glenn and Ramdev as members of the Board.

24. On December 20, 2021 Defendant Warner met Chevron’s Director of Mergers and Acquisitions, at which time Chevron relayed its intent to submit a proposal to acquire Renewable Energy in January 2022.

25. On January 3, 2022, Chevron offered to acquire Renewable Energy for \$58.50 per share in cash. At the time, Chevron offered to add Defendant Warner to the Chevron board of directors after consummation of a transaction and to headquarter the combined renewable fuels business in Ames, Iowa.

26. On January 11, 2022, Chevron raised its offer to acquire Renewable Energy for \$61.50 per share in cash.

27. On February 9, 2022, after Guggenheim Securities, LLC (“Guggenheim”) had been retained to serve as a financial advisor to the Board in connection with the Proposed Transaction, Guggenheim provided Renewable Energy “with a customary memorandum disclosing certain of Guggenheim’s then-current and historical relationships with Chevron and its affiliates.” Proxy

Statement at 27.

28. The Board determined not to conduct a “market check” and engage exclusively with Chevron without contacting other potential buyers. Renewable Energy requested a “go shop” period but Chevron apparently refused.

29. On February 20, 2022, Defendant Warner met with Chevron’s CEO, reiterating Chevron’s request that Defendant Warner join Chevron’s board after completion of merger.

30. On February 27, 2022, Renewable Energy and Chevron (and their relevant affiliates) executed a merger agreement. The next day, Renewable Energy and Chevron announced the Proposed Transaction pursuant to which Chevron would acquire Renewable Energy for \$61.50 per share in cash. The press release announcing the Proposed Transaction states, in pertinent part:

**Chevron Announces Agreement to Acquire Renewable Energy Group**

- **Expected to build strength and accelerate growth across renewable fuels value chain**
- **Projected to be accretive to earnings and free cash flow**
- **Cynthia (CJ) Warner, REG CEO, expected to join Chevron Board of Directors**

February 28, 2022 07:00 AM Eastern Standard Time

SAN RAMON, Calif. & AMES, Iowa--(BUSINESS WIRE)--Chevron Corporation (NYSE: CVX) and Renewable Energy Group, Inc. (NASDAQ: REGI) (“REG”) announced today a definitive agreement under which Chevron will acquire the outstanding shares of REG in an all-cash transaction valued at \$3.15 billion, or \$61.50 per share.

The acquisition combines REG’s growing renewable fuels production and leading feedstock capabilities with Chevron’s large manufacturing, distribution and commercial marketing position.

“REG was a founder of the renewable fuels industry and has been a leading innovator ever since,” said Chevron Chairman and CEO Mike Wirth. “Together, we can grow more quickly and efficiently than either could on its own.”

The transaction is expected to accelerate progress toward Chevron’s goal to grow renewable fuels production capacity to 100,000 barrels per day by 2030 and brings

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