

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 81544 / September 7, 2017**

**ACCOUNTING AND AUDITING ENFORCEMENT**  
**Release No. 3893 / September 7, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18161**

**In the Matter of**

**WALDEMAR GRAB,**

**Respondent.**

**ORDER INSTITUTING PUBLIC  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO RULE 102(e) OF THE  
COMMISSION'S RULES OF  
PRACTICE, MAKING FINDINGS,  
AND IMPOSING REMEDIAL  
SANCTIONS**

**I.**

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Waldemar Grab ("Respondent" or "Grab") pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice.<sup>1</sup>

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the

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<sup>1</sup> Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Respondent Grab is a resident of Carstairs, Alberta, Canada. Grab held various accounting positions at Penn West Petroleum Ltd. ("Penn West") between 1994 and 2005, when he was named Operations Controller and assumed management over the accounting for operating expenses, capital expenditures, acquisitions and divestitures, and accounts receivable. Grab remained Operations Controller at Penn West until his termination from Penn West in June 2014.

2. Penn West is an Alberta, Canada corporation in the business of oil and gas exploration and production in the western provinces of Canada. Its headquarters are in Calgary, Alberta, Canada. Penn West's common stock is registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 ("Exchange Act") and traded on the New York Stock Exchange under the trading symbol "PWE" and on the Toronto Stock Exchange under the symbol "PWT."

3. On July 25, 2017, the U.S. District Court for the Southern District of New York entered a Final Judgment Imposing Permanent Injunction by consent against Grab, permanently enjoining him from violations of Section 17(a) of the Securities Act of 1933, Sections 10(b) and 13(b)(5) of the Exchange Act, and Exchange Act Rules 10b-5 and 13b2-1, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act and Exchange Act Rules 12b-20, 13a-1, and 13a-16. *SEC v. Penn West Petroleum Ltd., et al.*, 17-CV-4866-GHW (S.D.N.Y.).

4. Among other things, the Commission's Complaint alleged that Grab participated in a fraudulent scheme, which resulted in Penn West filing materially false and misleading financial statements in the company's annual reports on Form 40-F for the fiscal years ended December 31, 2012 and December 31, 2013, and in the company's quarterly report for the period ended March 31, 2014, filed under Form 6-K. The Complaint alleged that Grab engaged in a number of improper accounting practices to manage and materially underreport the company's operating expenses, including improperly moving or directing others to move costs out of operating expense accounts into capital accounts using false and unsupported journal entries. By doing so, as the Complaint alleged, Grab also circumvented Penn West's internal accounting controls and aided and abetted the company's books and records violations.

**IV.**

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Grab's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Waldemar Grab is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Brent J. Fields  
Secretary