

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

JOSHUA FLYNN, Individually and on Behalf of All)
Others Similarly Situated,)
)
Plaintiff,)
)
vs.)
)
EXELON CORPORATION, et al.,)
)
Defendants.)

Case No.: 1:19-cv-08209
CLASS ACTION
Judge Virginia M. Kendall
Magistrate Judge Susan E. Cox

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

IF YOU PURCHASED OR OTHERWISE ACQUIRED EXELON CORPORATION (“EXELON” OR THE “COMPANY”) COMMON STOCK BETWEEN FEBRUARY 8, 2019 AND OCTOBER 31, 2019, INCLUSIVE, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.¹

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

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have. If you are a Member of the Settlement Class, your legal rights will be affected whether or not you act.

Securities and Time Period: Exelon common stock (CUSIP No. 30161N101) purchased or acquired between February 8, 2019 and October 31, 2019, inclusive.

Settlement Fund: \$173,000,000 in cash. Your recovery will depend on the number of shares of Exelon common stock you purchased or acquired between February 8, 2019 and October 31, 2019, inclusive, and the timing of your purchases, acquisitions, and any sales. If claims are submitted for 100% of the eligible shares of Exelon common stock, the estimated average recovery per share of common stock will be approximately \$0.80 before deduction of Court-approved fees and expenses. The actual amount per share you could receive will depend on a number of factors, which are explained in the Plan of Allocation contained below.

Settlement Class: The Court has conditionally certified a Settlement Class of all Persons and entities who purchased or otherwise acquired Exelon common stock between February 8, 2019 and October 31, 2019, inclusive, and were damaged thereby. Excluded from the Settlement Class are: Defendants, the current and Settlement Class Period officers and directors of the Company, the members of the immediate families and the legal representatives, affiliates, heirs, successors-in-interest, or assigns of any such excluded person, and any entity in which such excluded persons have or had a controlling interest. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class pursuant to this Notice.

Reasons for Settlement: The Settlement avoids the costs and risks associated with continued litigation, including the danger of no recovery, and provides a benefit to the Settlement Class now.

If the Case Had Not Settled: The Settlement must be compared to the risk of no recovery after contested motions, trial, and likely appeals. A trial is a risky proposition and the Lead Plaintiff might not have prevailed. The claims in this case involve numerous complex legal and factual issues that would require extensive and costly expert testimony. Among the many key issues about which the two sides do not agree are: (1) whether any of the Defendants violated the securities laws; (2) whether the statements alleged by Lead Plaintiff were material, false, misleading or otherwise actionable under the securities laws; (3) whether the various facts alleged by the Lead Plaintiff influenced the trading prices of Exelon common stock during the relevant period; (4) the method for determining whether the prices of Exelon common stock were artificially inflated during the relevant period; (5) the amount (if any) of such inflation; and (6) the amount of damages (if any) that could be recovered at trial.

Attorneys’ Fees and Expenses: Lead Counsel has not received any payment for its work investigating the facts, conducting this Litigation, and negotiating the Settlement on behalf of the Lead Plaintiff and the Settlement Class. Lead Counsel will ask the Court for attorneys’ fees not to exceed 26% of the Settlement Amount and expenses in an amount not to exceed \$400,000, plus interest, to be paid from the Settlement Fund. If the above amounts are requested and approved by the Court, the average cost per share of common stock will be approximately \$0.21, making the estimated average recovery per share after fees and expenses, approximately \$0.59 if claims are submitted for 100% of the eligible shares of Exelon common stock. In addition, Lead Plaintiff may request an award not to exceed \$7,500 pursuant to 15 U.S.C. §78u-4(a)(4) in connection with its representation of the Settlement Class.

¹ Any capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation of Settlement dated May 26, 2023 (the “Stipulation”), which is available on the website established for the Settlement at www.ExelonSecuritiesLitigation.com.

Claims Administrator:

Exelon Securities Litigation
Claims Administrator
Gilardi & Co. LLC
P.O. Box 301171
Los Angeles, CA 90030-1171

Lead Counsel:

Greg Wood
c/o Shareholder Relations Department
Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 1-800-449-4900
settlementinfo@rgrdlaw.com

- Your legal rights are affected whether you act or don't act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM

This is the only way to be eligible to receive a payment. If you are a Settlement Class Member, and do not exclude yourself from the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any "Released Claims" (as defined below) that you have against the Defendants and the other "Released Parties" (as defined below). Proof of Claim and Release forms ("Proof of Claim" or "Claim Form") must be postmarked (if mailed) or received (if submitted online) on or before September 28, 2023.

EXCLUDE YOURSELF

If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that potentially allows you to participate in another lawsuit against the Defendants or the other Released Parties relating to the Released Claims being released in this case. Should you elect to exclude yourself from the Settlement Class, you should understand that Defendants and the other Released Parties 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. Exclusions must be postmarked on or before August 17, 2023.

OBJECT

You may write to the Court if you do not like this Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses. You will still be a Member of the Settlement Class. Objections must be received by the Court and counsel for the Settling Parties on or before August 17, 2023.

GO TO A HEARING

**On September 7, 2023,
at 9:00 a.m.**

Submitting a written objection and notice of intention to appear by August 17, 2023, allows you to speak in Court about the fairness of the Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and speak to the Court about your objection.²

DO NOTHING

If you are a Member of the Settlement Class and you do not submit a Proof of Claim by September 28, 2023, you will not be eligible to receive any payment from the Net Settlement Fund. You will, however, remain a Member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the action.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

² The Court may change this date to a later date and/or time without further written notice to you. However, any different date or time will be posted on the Settlement website: www.ExelonSecuritiesLitigation.com.

BASIC INFORMATION

1. Why Did I Receive This Notice Package?

You or someone in your family may have purchased or otherwise acquired Exelon common stock between February 8, 2019 and October 31, 2019, inclusive.

The Court directed that you be sent this Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Northern District of Illinois, and the case is known as *Flynn v. Exelon Corporation, et al.*, No. 1:19-cv-08209. The institution that sued, Local 295 IBT Employer Group Pension Trust Fund, is called the Lead Plaintiff. Exelon, Commonwealth Edison Company (“ComEd”), and the individuals that the Lead Plaintiff sued, Christopher M. Crane, William A. Von Hoene, Jr., Anne R. Pramaggiore, and Joseph Dominguez, are called the Defendants.

2. What Is This Lawsuit About?

This case was brought as a class action alleging violations of §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) on behalf of a class of all Persons and entities who purchased or otherwise acquired Exelon common stock between February 8, 2019 and October 31, 2019, inclusive. Among other things, the Complaint alleges violations of the Exchange Act premised on certain statements that Lead Plaintiff claims were false or misleading because they, *inter alia*, did not disclose an allegedly improper or unlawful bribery scheme to secure legislation favorable to the Company and allegedly downplayed the government’s investigation of the Company. Lead Plaintiff contends that these allegedly false and misleading statements and/or omissions artificially inflated Exelon’s stock price and when the alleged truth was eventually disclosed, the price of Exelon stock declined, resulting in substantial damages to the Settlement Class. Thus, Lead Plaintiff alleges that Settlement Class Members overpaid for Exelon common stock during the relevant time period. Defendants have vigorously denied and continue to vigorously deny that they did anything wrong.

3. What Has Happened So Far in This Case?

The operative complaint in the Litigation, Lead Plaintiff’s Complaint for Violations of the Federal Securities Laws (the “Complaint”), was filed on September 16, 2020. On November 18, 2020, Defendants moved to dismiss the Complaint. Lead Plaintiff opposed the motions. On April 21, 2021, the Court denied Defendants’ motions to dismiss.

On May 26, 2021, Defendants Exelon, ComEd, Crane, Von Hoene, and Dominguez (together, the “Exelon and ComEd Defendants”) moved for leave to appeal the Court’s April 21, 2021 Order denying their motion to dismiss and Defendant Pramaggiore moved to adopt the Exelon and ComEd Defendants’ motion. On January 28, 2022, the Court denied Defendants’ motion for leave to appeal.

On September 9, 2021, the United States of America, through the United States Attorney for the Northern District of Illinois, moved to intervene in the Litigation and for a limited stay of discovery. On September 23, 2021, the Court granted the United States of America’s motion and stayed discovery in the Litigation. Discovery resumed on November 16, 2021, when the Court entered the Amendment to the Agreed Confidentiality Order (“Confidentiality Order”), which placed certain restrictions on the scope of discovery in the Litigation. The Court subsequently entered additional amendments to the Confidentiality Order.

In March 2022, the parties commenced mediation efforts presided over by the Honorable Layn R. Phillips (ret.) of Phillips ADR Enterprises. The parties participated in mediation sessions between March 2022 and April 2023, and through the mediation process ultimately agreed to settle the Litigation for \$173 million.

4. Why Is This a Class Action?

In a class action, a class representative (in this case the Court-appointed Lead Plaintiff Local 295 IBT Employer Group Pension Trust Fund) sues on behalf of people who have similar claims. Here, all these people are called the Settlement Class or Settlement Class Members. One court resolves the issues for all Settlement Class Members, except for those who timely and validly exclude themselves from the Settlement Class. Judge Virginia M. Kendall is presiding over this class action.

5. Why Is There a Settlement?

The Court did not decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. That way they avoid the cost and uncertainty of a trial, and eligible Settlement Class Members who submit valid claims will receive compensation. Lead Plaintiff and Lead Counsel think the Settlement is best for all Settlement Class Members.

WHO IS IN THE SETTLEMENT

To see if you will receive money from this Settlement, you first have to determine if you are a Settlement Class Member.

6. How Do I Know if I Am Part of the Settlement?

The Settlement Class includes *all Persons and entities who purchased or otherwise acquired Exelon common stock during the Settlement Class Period, which is between February 8, 2019 and October 31, 2019, inclusive, and were damaged thereby.*

7. What Are the Exceptions to Being Included?

You are not a Settlement Class Member if you are a Defendant, a current or Settlement Class Period officer or director of the Company, a member of the immediate family or legal representative, affiliate, heir, successor-in-interest, or assign of any such excluded person, and any entity in which such excluded person has or had a controlling interest. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class pursuant to this Notice.

If you sold Exelon common stock during the Settlement Class Period, that alone does not make you a Settlement Class Member. You are a Settlement Class Member only if you purchased or acquired Exelon common stock during the Settlement Class Period.

8. I'm 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 a representative of Lead Counsel: Greg Wood, Shareholder Relations Department, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, settlementinfo@rgrdlaw.com for more information. Or you can fill out and return the Claim Form described in Question 11, to see if you qualify.

PLEASE DO NOT CALL THE COURT OR DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT THE SETTLEMENT BENEFITS – WHAT YOU GET

9. What Does the Settlement Provide?

Defendants have agreed to cause to be paid \$173 million in cash. The balance of this fund after payment of Court-approved attorneys' fees and expenses and any award to Lead Plaintiff and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice, and Taxes and Tax Expenses (the "Net Settlement Fund"), will be divided among all eligible Settlement Class Members who send in valid Claim Forms.

10. 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 Claim Forms that Settlement Class Members send in, compared to the amount of your claim, as calculated under the Plan of Allocation described below.

WHAT IS THE PROPOSED PLAN OF ALLOCATION?

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses resulting from the securities law violations alleged in the Litigation. The Claims Administrator shall determine each Claimant's *pro rata* share of the Net Settlement Fund based upon the "Recognized Claim" formula described below. This plan was developed in consultation with Lead Counsel's damages expert. The Plan of Allocation, however, is not a formal damages analysis. The Plan of Allocation is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Settlement Class Members pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated among Authorized Claimants.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the securities at issue. In this case, Lead Plaintiff alleges that Defendants issued false statements and omitted material facts during the Settlement Class Period which allegedly artificially inflated the price of Exelon common stock. It is alleged that corrective information released to the market impacted the market price of Exelon common stock in a statistically significant manner and removed the alleged artificial inflation from the share price on July 19, 2019, July 24, 2019, October 16-17, 2019, and October 31, 2019. Accordingly, in order to have a compensable loss in this Settlement, shares of Exelon common stock must have been purchased or otherwise acquired during the Settlement Class Period and held through at least one of the alleged corrective disclosures dates listed above.

Based on the formula set forth below, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of Exelon common stock during the Settlement Class Period that is listed in the Claim Form and for which adequate documentation is provided. The "Recognized Loss Amount" will be calculated for each share of Exelon common stock purchased or acquired during the Settlement Class Period. The calculation of a Recognized Loss Amount will depend upon several factors, including when the Exelon common stock was purchased or acquired and in what amounts, whether the shares were ever sold, and, if so, when they were sold and for what amounts. To the extent that the calculation of a Recognized Loss Amount results in a negative number, that number shall be set to zero.

For shares of Exelon common stock purchased or acquired from February 8, 2019 through October 30, 2019, inclusive, and:

- A. Sold prior to July 19, 2019, the Recognized Loss Amount per share shall be \$0.00.
- B. Sold from July 19, 2019 through October 30, 2019, the Recognized Loss Amount per share shall be the lesser of:
 1. the Inflation per share in Table A at the time of purchase less the Inflation per share in Table A at the time of sale; or
 2. the difference between the purchase price per share and the sales price per share.
- C. Sold on October 31, 2019, through January 28, 2020, the Recognized Loss Amount per share shall be the least of:
 1. the Inflation per share in Table A at the time of purchase;
 2. the difference between the purchase price per share and the sales price per share; or
 3. the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below.
- D. If retained at the close of trading on January 28, 2020, the Recognized Loss Amount per share shall be the lesser of:
 1. the Inflation per share in Table A at the time of purchase; or
 2. the difference between the purchase price per share and \$45.35 per share.

TABLE A:

Purchase / Sale Period	Inflation
February 8, 2019 through July 18, 2019	\$4.91
July 19, 2019 through July 23, 2019	\$4.41
July 24, 2019 through October 15, 2019	\$3.50
October 16, 2019	\$1.25
October 17, 2019 through October 30, 2019	\$0.30

TABLE B:

Date	Closing Price	Average Closing Price from October 31, 2019 through Sale Date	Date	Closing Price	Average Closing Price from October 31, 2019 through Sale Date
10/31/2019	\$45.49	\$45.49	12/16/2019	\$44.70	\$44.60
11/1/2019	\$45.34	\$45.42	12/17/2019	\$44.98	\$44.61
11/4/2019	\$44.50	\$45.11	12/18/2019	\$45.37	\$44.63
11/5/2019	\$44.78	\$45.03	12/19/2019	\$44.98	\$44.64
11/6/2019	\$44.82	\$44.99	12/20/2019	\$45.45	\$44.66
11/7/2019	\$44.70	\$44.94	12/23/2019	\$45.20	\$44.68
11/8/2019	\$44.71	\$44.91	12/24/2019	\$45.32	\$44.70
11/11/2019	\$44.02	\$44.80	12/25/2019	\$45.32	\$44.71
11/12/2019	\$44.32	\$44.74	12/26/2019	\$45.32	\$44.73
11/13/2019	\$44.50	\$44.72	12/27/2019	\$45.41	\$44.74
11/14/2019	\$44.63	\$44.71	12/30/2019	\$45.38	\$44.76
11/15/2019	\$45.02	\$44.74	12/31/2019	\$45.59	\$44.78
11/18/2019	\$45.41	\$44.79	1/1/2020	\$45.59	\$44.79
11/19/2019	\$45.37	\$44.83	1/2/2020	\$45.43	\$44.81
11/20/2019	\$45.36	\$44.86	1/3/2020	\$45.57	\$44.82
11/21/2019	\$44.39	\$44.84	1/6/2020	\$45.64	\$44.84
11/22/2019	\$44.43	\$44.81	1/7/2020	\$45.68	\$44.86
11/25/2019	\$44.17	\$44.78	1/8/2020	\$46.01	\$44.88
11/26/2019	\$44.01	\$44.74	1/9/2020	\$46.15	\$44.91
11/27/2019	\$44.27	\$44.71	1/10/2020	\$46.26	\$44.93
11/28/2019	\$44.27	\$44.69	1/13/2020	\$46.19	\$44.96
11/29/2019	\$44.40	\$44.68	1/14/2020	\$45.81	\$44.97
12/2/2019	\$43.91	\$44.64	1/15/2020	\$46.55	\$45.00
12/3/2019	\$44.26	\$44.63	1/16/2020	\$46.74	\$45.03
12/4/2019	\$44.54	\$44.62	1/17/2020	\$47.39	\$45.07
12/5/2019	\$44.86	\$44.63	1/20/2020	\$47.39	\$45.11
12/6/2019	\$44.86	\$44.64	1/21/2020	\$47.58	\$45.15
12/9/2019	\$44.93	\$44.65	1/22/2020	\$47.66	\$45.20
12/10/2019	\$44.72	\$44.65	1/23/2020	\$47.95	\$45.24
12/11/2019	\$44.20	\$44.64	1/24/2020	\$47.73	\$45.28
12/12/2019	\$44.10	\$44.62	1/27/2020	\$47.27	\$45.31
12/13/2019	\$43.82	\$44.60	1/28/2020	\$47.73	\$45.35

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

A purchase/acquisition of Exelon common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” or “sale” date. All purchases/acquisitions shall exclude any fees and commissions. The receipt or grant by gift, devise, or operation of law of Exelon common stock during the Settlement Class Period shall not be deemed a purchase or acquisition of Exelon common stock for the calculation of a Claimant’s recognized claim nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Exelon common stock during the Settlement Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase of Exelon common stock.

With respect to all of a Claimant's transactions in Exelon common stock during the Settlement Class Period, the Claims Administrator will determine if each Claimant had a "market gain" or "market loss."⁴ If a Claimant had an overall market gain, the value of the Claimant's "Recognized Claim" shall be zero and such Claimants shall be bound by the Settlement. If the Claimant had an overall market loss, the value of the Claimant's Recognized Claim shall be the lesser of the (a) overall market loss; and (b) the sum total of the Claimant's aggregate Recognized Loss Amounts based on the calculations above.

The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Distributions will be made to Authorized Claimants after all claims have been processed, after the Court has finally approved the Settlement, and after any appeals are resolved. If there is any balance remaining in the Net Settlement Fund after a reasonable period of time from the initial date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), the Claims Administrator shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is no longer economically feasible to distribute to Settlement Class Members. Thereafter, any balance that still remains in the Net Settlement Fund shall be donated to an appropriate non-profit charitable organization(s) serving the public interest.

Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are dissatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Settlement Class Members and the claims administration process, to decide the issue by submitting a written request.

The Court has retained jurisdiction to allow, disallow, or adjust the claim of any Settlement Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Plaintiff, Lead Counsel, any Claims Administrator, any other Person designated by Lead Counsel, or any of the Released Parties based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Settlement Class Members who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

HOW YOU OBTAIN A PAYMENT – SUBMITTING A CLAIM FORM

11. How Will I Obtain a Payment?

To qualify for payment, you must be an eligible Settlement Class Member, send in a timely and valid Claim Form, and properly document your claim as requested in the Claim Form. A Claim Form is enclosed with this Notice, or it may be downloaded at www.ExelonSecuritiesLitigation.com. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it such that it is postmarked no later than September 28, 2023, or submit it online by no later than September 28, 2023. Claim Forms may be completed and submitted online at www.ExelonSecuritiesLitigation.com.

12. When Will I Receive My Payment?

The Court will hold a hearing on September 7, 2023, at 9:00 a.m., to decide whether to approve the Settlement. If Judge Kendall approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps several years. Please be patient.

13. What Am I Giving Up to Receive a Payment or Stay in the Settlement Class?

Unless you timely and validly exclude yourself, you are a Settlement Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or any of the other Released Parties about the Released Claims in this case. It also means that all of the Court's orders, including a judgment ("Judgment") dismissing the Litigation with prejudice on the merits, will apply to you and legally bind you and you will release all Released Claims in this case against the Defendants and any other Released Parties.

⁴ After matching on a FIFO basis as explained above, market gains and losses for Settlement Class Period purchases/acquisitions will be calculated based on purchase/acquisition price minus (i) the sale price, if sold prior to October 31, 2019, (ii) the average closing price from October 31, 2019, up to the date of sale as set forth in Table B above, if sold from October 31, 2019 through January 28, 2020, or (iii) \$45.35 per share, if held as of the close of trading on January 28, 2020.

“Released Claims” means any and all claims (including Unknown Claims as defined below), rights, demands, losses, suits, debts, obligations, damages, judgments, controversies, liabilities, or causes of action of every nature and description whatsoever, in law, equity, or otherwise (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, or liabilities whatsoever), whether asserted or unasserted, accrued or unaccrued, fixed or contingent, whether arising under federal, state, local, common, or foreign law, or any other law, rule, or regulation, whether class or individual in nature, to the fullest extent that the law permits their release in this Litigation against any of the Released Parties, which arise out of, are based on, or relate to both: (i) the allegations, acts, transactions, facts, events, matters, occurrences, disclosures, statements, filings, representations, or omissions involved, set forth, alleged or referred to in the Complaint or the Litigation, or which could have been alleged in the Litigation; and (ii) the purchase or acquisition of Exelon common stock by any Members of the Settlement Class during the Settlement Class Period. Released Claims do not include any derivative or ERISA claims or claims to enforce the Settlement.

“Unknown Claims” means collectively any Released Claims that Lead Plaintiff or Settlement Class Members do not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties which, if known by him, her or it, might have affected such Settlement Class Member’s settlement or decisions with respect to the Settlement, including, but not limited to, the release of the Released Parties or the decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and Defendants shall expressly waive, and each of the 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 the law of any state or territory or other jurisdiction 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.

Lead Plaintiff and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly fully, finally, and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff and Defendants acknowledge, and Settlement Class Members shall be deemed by operation of law (including by operation of the Judgment) to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement.

“Released Parties” means each and all of the Defendants, and each and all of their respective Related Parties.

“Related Parties” means each of a Defendant’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, members, agents, administrators, attorneys, accountants, auditors, bankers, underwriters, investment advisors, personal or legal representatives, predecessors, successors, direct and/or indirect parents, subsidiaries, divisions, joint ventures, partnerships, limited liability companies, affiliates, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of a Defendant’s immediate family, any trust of which a Defendant is the settlor or which is for the benefit of a Defendant and/or any member of a Defendant’s immediate family, and any entity in which a Defendant and/or any member of a Defendant’s immediate family has or had a controlling interest (directly or indirectly).

The Judgment will also provide that upon the Effective Date, without any further action by anyone, Lead Plaintiff and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, compromised, settled, resolved, waived, discharged, and dismissed on the merits with prejudice all Released Claims (including, without limitation, Unknown Claims) against the Released Parties, whether or not such Settlement Class Member executes and delivers a Proof of Claim or participates in the Settlement Fund. It is an important element of the Defendants’ participation in the Settlement, which Lead Plaintiff has acknowledged, that the Released Parties obtain the fullest possible legally enforceable release from further liability to any Settlement Class Member relating to the Released Claims, and it is the intention of the Settling Parties that all further liability of the Defendants and each of their Related Parties relating to the Released Claims hereby be eliminated. These releases and waivers were separately bargained for and are essential elements of the Stipulation and the Settlement.

Moreover, upon the Effective Date, Lead Plaintiff and all Settlement Class Members and anyone claiming through or on behalf of any of them, will be forever barred and enjoined from commencing, instituting, or continuing to prosecute any action or proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting any of the Released Claims against any of the Released Parties, and each of them.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to participate in this Settlement, and you want to keep the right to sue or continue to sue the Defendants or any other Released Parties on your own for the Released Claims in this case, then you must take steps to get out of the Settlement Class. This is called excluding yourself or is sometimes referred to as opting out of the Settlement Class. If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this Litigation, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

14. How Do I Get Out of the Settlement Class?

To exclude yourself from the Settlement Class you must send a letter by mail stating that you want to be excluded from *Flynn v. Exelon Corporation, et al.*, No. 1:19-cv-08209. You must include your name, address, telephone number, your signature, and the number of shares of Exelon common stock you purchased or acquired between February 8, 2019 and October 31, 2019, inclusive, the dates of your purchases or acquisitions, the purchase or acquisition prices, and the dates and sale prices of any sales. You must mail your exclusion request postmarked no later than August 17, 2023, to:

Exelon Securities Litigation
EXCLUSIONS
c/o Gilardi & Co. LLC
P.O. Box 5100
Larkspur, CA 94977-5100

You cannot exclude yourself on the phone or by email. If you properly ask to be excluded, you cannot submit a Claim Form as you are not eligible to receive any settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit.

15. If I Do Not Exclude Myself, Can I Sue the Defendants for the Same Thing Later?

No. Unless you timely and validly exclude yourself, you give up any right to sue the Defendants and certain other Released Parties for the Released Claims in this Settlement. If you have a pending lawsuit against any of these parties, including the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is August 17, 2023.

16. If I Exclude Myself, Can I Receive Money From This Settlement?

No. If you exclude yourself, do not send in a Claim Form. But, you may be able to sue, continue to sue, or be part of a different lawsuit involving the Released Claims against the Defendants and the other Released Parties.

THE LAWYERS REPRESENTING YOU

17. Do I Have a Lawyer in This Case?

The Court appointed the law firm of Robbins Geller Rudman & Dowd LLP to represent you and other Settlement Class Members. These lawyers are called Lead Counsel. You will not be directly charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How Will the Lawyers Be Paid?

Lead Counsel will ask the Court for attorneys' fees not to exceed 26% of the Settlement Amount and for expenses in an amount not to exceed \$400,000, plus interest that is incurred. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for its efforts in achieving this Settlement and for its risk in undertaking this representation on a wholly contingent basis. Lead Counsel has committed a substantial amount of time and significant expenses in litigating this case for the benefit of the Settlement Class. To date, Lead Counsel has not been paid for its services in conducting this Litigation on behalf of the Lead Plaintiff and the Settlement Class, nor for its expenses. The fees requested will compensate counsel for its work in achieving the Settlement Fund. The Court will decide what is a reasonable fee award and may award less than the amount requested by Lead Counsel.

OBJECTING TO THE SETTLEMENT

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

19. How Do I Tell the Court That I Do Not Like the Settlement?

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it, including the Plan of Allocation and the request for attorneys' fees or expenses. You can state the reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the Settlement in *Flynn v. Exelon Corporation, et al.*, No. 1:19-cv-08209. You must include your name, address, telephone number, your signature, documentation establishing your membership in the Settlement Class, including the number of shares of Exelon common stock you (i) owned as of the opening of trading on February 8, 2019, and (ii) purchased or acquired between February 8, 2019 and October 31, 2019, inclusive, the number of any shares sold, the dates and prices of purchases or acquisitions and of any sales, and the reasons you object. The objection must contain a statement of reasons for the objection, including whether it applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class. In addition, you must identify any other class action settlement(s) in which you or your attorney has objected. Any objection **must** be mailed or delivered such that it is **received** by **each** of the following no later than August 17, 2023:

Court:

Clerk of the Court
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
Everett McKinley Dirksen U.S. Courthouse
219 South Dearborn Street
Chicago, IL 60604

Counsel for Lead Plaintiff:

Theodore J. Pintar
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Counsel for Defendants:

Edmund Polubinski III
DAVIS POLK & WARDWELL LLP
450 Lexington Avenue
New York, NY 10017

Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to any aspect of the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's request for an award of attorneys' fees and expenses. Settlement Class Members do not need to appear at the fairness hearing or take any other action to indicate their approval.

20. What's 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 part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

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

21. When and Where Will the Court Decide Whether to Approve the Settlement?

The Court will hold a fairness hearing at 9:00 a.m., on September 7, 2023, at the Everett McKinley Dirksen U.S. Courthouse, in Courtroom 2503, 219 South Dearborn Street, Chicago, IL 60604. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate.⁵ The Court may move the date or time of the fairness hearing to a later date and/or time without further written notice to you. If the date or time of the fairness hearing is changed, the new date and/or time will be posted at www.ExelonSecuritiesLitigation.com. If there are objections, the Court will consider them. Judge Kendall will listen to people who have asked to speak at the hearing. At or after the fairness hearing, the Court will decide whether to approve the Settlement, the request for attorneys' fees and expenses, and the Plan of Allocation. The Court may decide these issues at the hearing or take them under consideration. We do not know how long these decisions will take.

22. Do I Have to Come to the Hearing?

No. Lead Counsel will answer any questions Judge Kendall 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 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.

23. May I Speak at the Hearing?

If you have timely filed an objection, you may ask the Court for permission to speak at the fairness hearing. To do so, you must send a letter saying that it is your intention to appear in *Flynn v. Exelon Corporation, et al.*, No. 1:19-cv-08209. You must include your name, address, telephone number, your signature, and the number of shares of Exelon common stock you purchased or acquired between February 8, 2019 and October 31, 2019, inclusive. Your notice of intention to appear must be **received** no later than August 17, 2023, by the Clerk of the Court, Lead Counsel, and Defendants' counsel, at the addresses listed in Question 19. If you intend to present evidence or witnesses, you must disclose that information and explain it in your letter. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

IF YOU DO NOTHING

24. What Happens If I Do Nothing at All?

If you do nothing, you will be a Settlement Class Member. However, you will not receive any money from this Settlement unless you submit a Claim Form. Unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or any other Released Parties about the Released Claims.

GETTING MORE INFORMATION

25. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement and does not describe all of the details of the Settlement. More details are in the Stipulation dated May 26, 2023. You can obtain a copy of the Stipulation by going to www.ExelonSecuritiesLitigation.com, or by writing to or calling the Claims Administrator: *Exelon Securities Litigation* Claims Administrator, c/o Gilardi & Co. LLC, P.O. Box 301171, Los Angeles, CA 90030-1171, 1-866-688-9210; a representative of Lead Counsel: Greg Wood, c/o Shareholder Relations Department, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, settlementinfo@rgrdlaw.com; or from the Clerk's office at the United States District Court for the Northern District of Illinois, Eastern Division, Everett McKinley Dirksen U.S. Courthouse, 219 South Dearborn Street, Chicago, IL 60604, during regular business hours.

26. How Do I Get More Information?

You can call 1-800-449-4900 or email settlementinfo@rgrdlaw.com or write to Greg Wood, c/o Shareholder Relations Department, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or visit the following website: www.ExelonSecuritiesLitigation.com.

DO NOT TELEPHONE THE DEFENDANTS OR THE COURT REGARDING THIS NOTICE

⁵ The papers in support of approval of the Settlement, the Plan of Allocation, and Lead Counsel's fee and expense application will be submitted to the Court no later than August 3, 2023, and posted on the Settlement website www.ExelonSecuritiesLitigation.com.

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

The Court has ordered that if you hold or held any Exelon common stock purchased or acquired between February 8, 2019 and October 31, 2019, inclusive, as nominee for a beneficial owner, then, within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator at notifications@gilardi.com or:

Exelon Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 301171
Los Angeles, CA 90030-1171

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. If you do not intend to comply with the provisions of this section, you are requested to notify the Claims Administrator of that fact at the address listed above.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for reasonable out-of-pocket costs actually incurred upon submission of appropriate documentation to the Claims Administrator. Reasonable out-of-pocket costs in connection with the foregoing includes up to \$0.25 for providing names and addresses to the Claims Administrator or mailed by you per record and postage costs, which are a direct pass-through cost with no mark-up, at the same rate used by the Claims Administrator.

DATED: June 9, 2023

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