

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
(NORTHERN DIVISION)

In re CONSTELLATION ENERGY GROUP, INC.)	No. 1:08-cv-02854-CCB
SECURITIES LITIGATION)	
_____)	<u>CLASS ACTION</u>
)	
This Document Relates To:)	
)	
ALL ACTIONS.)	
_____)	

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED CONSTELLATION ENERGY GROUP, INC. (“CONSTELLATION”) SERIES A JUNIOR SUBORDINATED DEBENTURES (THE “DEBENTURES”) BETWEEN JUNE 27, 2008 AND SEPTEMBER 22, 2008 (THE “CLASS PERIOD”)

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM POSTMARKED ON OR BEFORE SEPTEMBER 23, 2013.

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Maryland (the “Court”). The purpose of this Notice is to inform you of the proposed Settlement of this securities class action litigation and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement. The Settlement resolves the Class’s claims asserted against all the Defendants. This Notice describes the rights you may have in connection with the Settlement and what steps you may take in relation to the Settlement and this class action litigation.

The proposed settlement (the “Settlement”) creates a fund in the amount of Four Million Dollars (\$4,000,000.00) in cash and will include interest that accrues on the fund prior to distribution. Based on the information currently available to Lead Plaintiff and the analysis performed by its damage consultant, it is estimated that if Class Members submit claims for 100% of the Debentures eligible for distribution, the estimated average distribution per Debenture will be approximately \$0.22 before deduction of Court-approved fees and expenses. Historically, actual claims rates are less than 100%, which result in higher distributions per security. Your actual recovery from this fund will depend on a number of variables, including the number of claimants, the number of Debentures you and they purchased, the number of Debentures you and they sold, the expense of administering the claims process, and the timing of your purchases and sales, if any (see the Plan of Distribution below for a more detailed description of how the settlement proceeds will be allocated among Class Members).

Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in this action. The issues on which the parties disagree include: (1) whether the statements made or facts allegedly omitted in the Registration Statement for the offering of Debentures were false, material, or otherwise actionable under the federal securities laws; (2) the extent to which the Class suffered damages; (3) whether the value of the Debentures declined due to Defendants’ actions; and (4) the extent to which external factors, such as general market conditions, influenced the trading prices of the Debentures. Lead Plaintiff and Defendants do not agree on the average amount of damages per Debenture that would be recoverable if Lead Plaintiff were to have prevailed on each claim asserted. Defendants deny that they have violated the federal securities laws or any laws.

Lead Plaintiff believes that the proposed Settlement is a very good recovery and is in the best interests of the Class. There were significant risks associated with continuing to litigate and proceeding to summary judgment and trial, and if Defendants prevailed at either of those stages, the Class would receive nothing. In addition, the amount of damages recoverable by the Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had this action gone to trial, Defendants intended to assert that all of the losses of Class Members were caused by non-actionable market, industry, or general economic factors. Defendants would also assert that throughout the Class Period, the uncertainties and risks associated with Constellation’s business and financial condition were fully and adequately disclosed.

Plaintiffs’ Counsel have not received any payment for their services in conducting this action on behalf of Lead Plaintiff and the members of the Class, nor have they been paid for their litigation expenses. If the Settlement is approved by the Court, Lead Counsel will apply to the Court for attorneys’ fees of 33-1/3% of the settlement proceeds plus expenses not to

exceed \$200,000.00, both to be paid from the Settlement Fund. If the amounts requested by counsel are approved by the Court, the average cost per Debenture would be approximately \$0.085.

This Notice is not an expression of any opinion by the Court about the merits of any of the claims or defenses asserted by any party in this action or the fairness or adequacy of the proposed Settlement.

For further information regarding this Settlement you may contact: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, Telephone: 1-800-449-4900. Please do not call any representative of the Defendants or the Court.

I. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A hearing (the "Settlement Hearing") will be held on November 1, 2013, at 10:00 a.m., before the Honorable Catherine C. Blake, United States District Judge, at the United States District Court, Edward A. Garmatz Federal Building and United States Courthouse, 101 West Lombard Street, Baltimore, Maryland 21201. The purpose of the Settlement Hearing will be to determine: (1) whether the Settlement consisting of Four Million Dollars (\$4,000,000.00) in cash plus accrued interest on the Settlement Fund should be approved as fair, reasonable, and adequate to the Class; (2) whether the proposed plan to distribute the settlement proceeds (the "Plan of Distribution") is fair, reasonable, and adequate; (3) whether the application by Lead Counsel for an award of attorneys' fees and expenses should be approved; and (4) whether the action should be dismissed with prejudice. The Court may adjourn or continue the Settlement Hearing without further notice to the Class.

II. DEFINITIONS USED IN THIS NOTICE

1. "Authorized Claimant" means any member of the Class who submits a timely and valid Proof of Claim and Release form and whose claim for recovery has been allowed pursuant to the terms of the Stipulation of Settlement (the "Stipulation").

2. "Claims Administrator" means the firm of Gilardi & Co. LLC.

3. "Class" means all Persons who purchased Constellation Debentures between June 27, 2008 and September 22, 2008. Excluded from the Class are:

(a) Persons or entities who submit valid and timely requests for exclusion from the Class; and

(b) Defendants, members of the immediate family of any such Defendant, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has or had a controlling interest during the Class Period, the officers and directors of any Defendant during the Class Period, and legal representatives, agents, executors, heirs, successors, or assigns of any such excluded Person.

4. "Class Member" means a Person who falls within the definition of the Class as set forth above.

5. "Class Period" means the period June 27, 2008 through September 22, 2008.

6. "Court" means the United States District Court for the District of Maryland where *In re Constellation Energy Group, Inc. Securities Litigation*, No. 1:08-cv-02854-CCB is pending.

7. "Debentures" means Constellation Series A Junior Subordinated Debentures.

8. "Defendants" means Constellation Energy Group, Inc., the Individual Defendants and the Underwriter Defendants.

9. "Effective Date" means the first date by which all of the events and conditions specified in paragraph 7.1 of the Stipulation have been met and have occurred.

10. "Escrow Agent" means Robbins Geller Rudman & Dowd LLP or its successor(s).

11. "Final" means when the last of the following with respect to the Judgment approving the Settlement shall occur: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken; and (iii) if a motion to alter or amend is filed or if an appeal is taken, the determination of that motion or appeal in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of the Stipulation. For purposes of this paragraph, an "appeal" shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement, but shall not include any appeal which concerns only the issue of attorneys' fees and expenses or any Plan of Distribution of the Settlement Fund.

12. "Individual Defendants" means Mayo A. Shattuck III, Kenneth W. DeFontes, Jr., E. Follin Smith, John R. Collins, Douglas L. Becker, James T. Brady, James R. Curtiss, Freeman A. Hrabowski, III, Nancy Lampton, Robert J. Lawless, Lynn M. Martin, and Michael D. Sullivan.

13. "Judgment" means the judgment and order of dismissal with prejudice to be rendered by the Court upon approval of the Settlement, in the form attached to the Stipulation as Exhibit B.

14. "Lead Counsel" means Robbins Geller Rudman & Dowd LLP, 58 South Service Road, Suite 200, Melville, NY 11747.

15. "Lead Plaintiff" means Ironworkers St. Louis District Council Pension Fund.

16. "Net Settlement Fund" means the portion of the Settlement Fund that shall be distributed to Authorized Claimants as allowed by the Stipulation, the Plan of Distribution, or the Court.

17. "Person" means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

18. "Plaintiffs' Counsel" means any counsel who filed a complaint in this action or any action that has been consolidated with this action.

19. "Plan of Distribution" means a plan or formula of allocation of the Net Settlement Fund whereby the Net Settlement Fund shall be distributed to Authorized Claimants. Any Plan of Distribution is not part of the Stipulation and the Released Persons shall have no responsibility or liability with respect thereto.

20. "Released Claims" means all claims (including Unknown Claims), that were asserted or could have been asserted in this action by Lead Plaintiff or members of the Class, against the Released Persons based upon, arising out of, or relating to both: (i) the claims or facts and circumstances asserted in this action, and (ii) the purchase of Constellation Debentures during the Class Period by Class Members.

21. "Released Persons" means each and all of Defendants and each and all of their present or former parents, subsidiaries, affiliates (as defined in 17 C.F.R. §210.1-02(b)), successors and assigns, and each and all of their present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, successors, affiliates, and assigns of each of them.

22. "Settlement Fund" means Four Million Dollars (\$4,000,000.00) in cash, together with all interest and income earned thereon.

23. "Settling Parties" means, collectively, Defendants and Lead Plaintiff on behalf of itself and the Class Members.

24. "Underwriter Defendants" means Citigroup Global Markets Inc. ("Citigroup"), Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), Morgan Stanley & Co. Incorporated ("Morgan Stanley"), UBS Securities LLC ("UBS"), and Wachovia Capital Markets LLC ("Wachovia").

25. "Unknown Claims" means any claims which Lead Plaintiff or any Class Members do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived to the fullest extent permitted by law the provisions, rights, and benefits of California Civil Code §1542, which provides:

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

Lead Plaintiff shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. Lead Plaintiff and 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, and each 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 that 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 acknowledges, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

III. THE LITIGATION

On September 22, 2008, plaintiff John Martin, LLC filed a putative class action complaint in the United States District Court for the Southern District of New York for violation of the federal securities laws against Constellation, Mayo A. Shattuck

III, Kenneth W. DeFontes, Jr., E. Follin Smith, John R. Collins, Douglas L. Becker, James T. Brady, James R. Curtiss, Freeman A. Hrabowski, III, Nancy Lampton, Robert J. Lawless, Lynn M. Martin, Michael D. Sullivan, Citigroup, Merrill Lynch, Morgan Stanley, UBS, and Wachovia.

On October 28, 2008, plaintiff Suresh Dutta filed a putative class action complaint in the United States District Court for the District of Maryland for violation of the federal securities laws against Constellation, Mayo A. Shattuck III, and John R. Collins.

On November 12, 2008, plaintiff Barbara Ganin filed a putative class action complaint in the United States District Court for the Southern District of New York for violation of the federal securities laws against Constellation, Mayo A. Shattuck III, Kenneth W. DeFontes, Jr., E. Follin Smith, Douglas L. Becker, James T. Brady, James R. Curtiss, Freeman A. Hrabowski, III, Nancy Lampton, Robert J. Lawless, Lynn M. Martin, Michael D. Sullivan, and the Underwriter Defendants.

On November 21, 2008, putative class member Ironworkers St. Louis District Council Pension Fund (“Ironworkers”) filed a Motion for Consolidation and Appointment of Lead Plaintiff and Lead Counsel in the *John Martin, LLC* case and a notice in the *Dutta* case regarding the filing of that motion.

On November 21, 2008, putative class member MARTA/ATU Local 732 Employees Retirement Plan (“MARTA”) filed a Motion for Consolidation, Appointment as Lead Plaintiff and Approval of Selection of Lead Counsel in the *John Martin, LLC* case and a Motion for Appointment as Lead Plaintiff and Approval of Selection of Lead Counsel in the *Dutta* case.

On November 21, 2008, plaintiff Barbara Ganin filed Motions for Consolidation and Appointment of Lead Plaintiff and Lead Counsel in the *John Martin, LLC* and *Ganin* cases and a Motion for Appointment of Lead Plaintiff, Lead Counsel and Liaison Counsel in the *Dutta* case.

On November 21, 2008, putative class member KBC Asset Management NV (“KBC”) filed a Motion for Appointment as Lead Plaintiff and Approval of its Selection of Counsel in the *John Martin, LLC* case.

On February 13, 2009, the United States District Court for the Southern District of New York transferred the *John Martin, LLC* and *Ganin* cases to the United States District Court for the District of Maryland.

On June 18, 2009, the United States District Court for the District of Maryland ordered the *John Martin, LLC*, *Ganin*, and *Dutta* cases consolidated and appointed Ironworkers as Lead Plaintiff.

On September 17, 2009, plaintiffs Ironworkers, KBC, and MARTA filed an Amended and Consolidated Class Action Complaint for Violation of the Federal Securities Laws (the “Amended Complaint”) against Mayo A. Shattuck III, John R. Collins, Kenneth W. DeFontes, Jr., Douglas L. Becker, James T. Brady, James R. Curtiss, Freeman A. Hrabowski, III, Nancy Lampton, Robert J. Lawless, Lynn M. Martin, and Michael D. Sullivan, Constellation, and the Underwriter Defendants.

On November 17, 2009, the Defendants filed motions to dismiss the Amended Complaint.

On June 17, 2010, a motions hearing was held concerning Defendants’ motions to dismiss.

On August 13, 2010, the Court issued an order granting in part and denying in part the motions to dismiss and granting Lead Plaintiff Ironworkers leave to amend its claims regarding alleged violations of Section 12(a)(2) of the Securities Act of 1933 (15 U.S.C. §77l(a)(2)) within 30 days as it pertained to the misstated downgrade collateral requirements only.

On September 17, 2010, Lead Plaintiff Ironworkers filed its Second Amended and Consolidated Class Action Complaint for Violation of the Federal Securities Laws against Defendants, alleging violations of Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (15 U.S.C. §§77k, 77l(a)(2) and 77o).

On August 19, 2011, Lead Plaintiff filed a Motion to File a Third Amended Consolidated Class Action Complaint.

On September 16, 2011, the Defendants filed responses in Opposition to Lead Plaintiff’s Motion to File a Third Amended Consolidated Class Action Complaint.

On March 28, 2012, the Court issued an order denying the Motion to File a Third Amended Consolidated Class Action Complaint.

On April 11, 2012, Lead Plaintiff filed a Motion for Class Certification, asking the Court to certify a class of all persons and entities who purchased Constellation Debentures pursuant and/or traceable to Constellation’s Registration Statement governing its June 27, 2008 Subordinated Debentures Offering and who were damaged thereby.

On June 6, 2012, the Defendants filed responses in Opposition to the Motion for Class Certification.

On July 5, 2012, the Court issued an order staying the case pending mediation.

On August 30, 2012, the parties participated in an in-person mediation before the Honorable Daniel Weinstein (Ret.). Subsequently the parties held several follow-up telephonic mediations with Judge Weinstein.

Arm’s-length settlement negotiations have taken place between Lead Plaintiff and Defendants.

IV. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT

Lead Plaintiff and Lead Counsel believe that the claims asserted in this action have merit. However, Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute this action against Defendants through discovery and trial. Lead Plaintiff and Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this action, as well as the risks posed by the difficulties and delays inherent in such litigation. Lead Plaintiff and Lead Counsel also are aware of the defenses to the securities law violations asserted in this action. Lead Plaintiff and Lead Counsel believe that the Settlement set forth in the Stipulation confers substantial benefits upon the Class in light of the circumstances present here. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the Settlement set forth in the Stipulation is in the best interests of Lead Plaintiff and the Class.

V. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants have denied and continue to deny that they have violated the federal securities laws or any laws. Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in this action, along with all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in this action. Defendants also have denied and continue to deny, *inter alia*, the allegations that any of the Defendants made any material misstatements or omissions; that any member of the Class has suffered damages; that the prices of Constellation Debentures were artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; that the members of the Class were harmed by the conduct alleged in this action; or that Defendants knew or were reckless with respect to the alleged misconduct. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in this action.

Nonetheless, taking into account the uncertainty, risks, and costs inherent in any litigation, especially in complex cases such as this action, Defendants have concluded that further conduct of this action could be protracted and distracting. Defendants have, therefore, determined that it is desirable and beneficial to them that this action be settled in the manner and upon the terms and conditions set forth in the Stipulation.

VI. TERMS OF THE PROPOSED SETTLEMENT

The sum of Four Million Dollars (\$4,000,000.00) has been transferred to the Escrow Agent. The principal amount of \$4,000,000.00, plus any accrued interest, constitutes the Settlement Fund. A portion of the settlement proceeds will be used for certain administrative expenses, including costs of printing and mailing this Notice, the cost of publishing newspaper and internet notice, payment of any taxes assessed against the Settlement Fund, and costs associated with the processing of claims submitted. In addition, as explained below, a portion of the Settlement Fund may be awarded by the Court to Lead Counsel as attorneys' fees and for expenses in litigating the case. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Distribution described below to Class Members who submit valid and timely Proofs of Claim and Release.

VII. PLAN OF DISTRIBUTION

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proof of Claim and Release forms ("Authorized Claimants") under the Plan of Distribution described below. The Plan of Distribution provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have a net loss arising out of all transactions in the Debentures during the Class Period. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Distribution, Lead Counsel have consulted with their damage consultant. The Plan of Distribution reflects an assessment of the damages that could have been recovered as well as Lead Counsel's assessment of the likelihood of establishing liability for various periods of the class.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a claim. Only if a Class Member had a net loss, after all profits from transactions in the Debentures during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund.

PLAN OF DISTRIBUTION

For Debentures of Constellation purchased between June 27, 2008 and September 22, 2008, and

(1) Sold prior to September 22, 2008, the claim per Debenture is the lesser of: (i) the purchase price per Debenture less the sales price per Debenture, and (ii) \$25.00 less the sales price per Debenture.

(2) Retained at the end of September 21, 2008, and sold on or after September 22, 2008, the claim per Debenture is the lesser of: (i) the purchase price per Debenture less the sales price per Debenture, and (ii) \$25.00 less \$21.55.

(3) Retained at the end of September 21, 2008 and never sold, the claim per Debenture is \$3.45.

Exelon Corporation, the successor in interest to Constellation, has the contractual right to redeem the Debentures on or after June 15, 2013. If a redemption were to occur, the holder of each Debenture would receive \$25 in cash. The redemption would constitute a sale of the Debenture at the price within the meaning of the Plan of Distribution.

The date of purchase or sale is the "contract" or "trade" date as distinguished from the "settlement" date. The determination of the price paid per share and the price received per share, shall be exclusive of all commissions, taxes, fees, and charges.

For Class Members who made multiple purchases or sales during the Class Period, the first-in, first-out ("FIFO") method will be applied to such holdings, purchases, and sales for purposes of calculating a claim. Under the FIFO method, sales of Debentures during the Class Period will be matched, in chronological order, first against Debentures first purchased.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if such Class Member had a net loss, after all profits from transactions in the Debentures during the Class Period are subtracted from all losses.

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

VIII. PARTICIPATION IN THE CLASS

If you fall within the definition of the Class, you are a Class Member unless you elect to be excluded from the Class pursuant to this Notice. If you do not request to be excluded from the Class, you will be bound by any judgment entered with respect to the Settlement in the litigation against Defendants whether or not you file a Proof of Claim and Release form.

If you are a Class Member, you need do nothing (other than timely file a Proof of Claim and Release form if you wish to participate in the distribution of the Net Settlement Fund). Your interests will be represented by Lead Counsel. If you choose, you may enter an appearance individually or through your own counsel at your own expense.

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM AND RELEASE FORM THAT ACCOMPANIES THIS NOTICE. The Proof of Claim and Release form must be postmarked on or before September 23, 2013, and be delivered to the Claims Administrator at the address below. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim and Release form, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Judgment.

IX. EXCLUSION FROM THE CLASS

You may request to be excluded from the Class. To do so, you must mail a written request stating that you wish to be excluded from the Class to:

Constellation Energy Group Securities Litigation
EXCLUSIONS
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 990
Corte Madera, CA 94976-0990

The request for exclusion must state: (1) your name, address, and telephone number; and (2) all purchases and sales of the Debentures made during the Class Period, including the dates and prices of each purchase or sale, and the number of Debentures purchased or sold. YOUR EXCLUSION REQUEST MUST BE POSTMARKED ON OR BEFORE AUGUST 19, 2013. If you submit a valid and timely request for exclusion, you shall have no rights under the Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment.

X. DISMISSAL AND RELEASES

If the proposed Settlement is approved, the Court will enter a final judgment (the "Judgment"). The Judgment will dismiss the Released Claims with prejudice as to all Defendants as provided in the Stipulation.

The Judgment will provide that all Class Members who have not validly and timely requested to be excluded from the Class shall be deemed to have released and forever discharged all Released Claims (to the extent members of the Class have such claims) against all Released Persons as provided in the Stipulation.

XI. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

At the Settlement Hearing, Lead Counsel will request the Court to award attorneys' fees of 33-1/3% of the Settlement Fund, plus expenses not to exceed \$200,000.00, plus interest thereon. Class Members are not personally liable for any such fees or expenses.

To date, Plaintiffs' Counsel have not received any payment for their services in conducting this action on behalf of Lead Plaintiff and the members of the Class, nor have counsel been paid for their expenses. The fee requested by Lead Counsel would compensate counsel for their efforts in achieving the Settlement Fund for the benefit of the Class, and for their risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded to plaintiffs' counsel under similar circumstances in litigation of this type.

XII. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events described in the Stipulation. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Stipulation; and (2) expiration of the time to appeal from or alter or amend the Judgment. Pending the Court's consideration of this Settlement, the Court has stayed all proceedings, and Class Members are precluded from bringing or pursuing any litigation that seeks to prosecute the Released Claims.

If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the Settling Parties to the Stipulation will be restored to their respective positions as of December 5, 2012.

XIII. THE RIGHT TO BE HEARD AT THE SETTLEMENT HEARING

Any Class Member who has not validly and timely requested to be excluded from the Class, and who objects to any aspect of the Settlement, the Plan of Distribution, or the application for attorneys' fees and expenses may appear and be heard at the Settlement Hearing.¹ Any such Person must submit and serve a written notice of objection, to be received on or before August 19, 2013, by each of the following:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
Edward A. Garmatz Federal Building
and United States Courthouse
101 West Lombard Street
Baltimore, MD 21201

Lead Counsel for Plaintiffs:

ROBBINS GELLER RUDMAN
& DOWD LLP
SAMUEL H. RUDMAN
DAVID A. ROSENFELD
58 South Service Road, Suite 200
Melville, NY 11747

Counsel for Defendant Constellation:

KIRKLAND & ELLIS LLP
JAMES GILLESPIE, P.C.
655 15th St., N.W.
Washington, D.C. 20005

ROBBINS GELLER RUDMAN
& DOWD LLP
ELLEN GUSIKOFF STEWART
655 West Broadway, Suite 1900
San Diego, CA 92101

Counsel for the Individual Defendants:

DLA PIPER LLP (US)
JAMES D. MATHIAS
6225 Smith Avenue
Baltimore, MD 21201

¹ Lead Counsel's pleadings in support of these matters will be filed with the Court on or before July 29, 2013.

Counsel for the Underwriter Defendants:

GOODWIN PROCTER LLP
MARY K. DULKA
620 Eighth Avenue
New York, NY 10018

The notice of objection must demonstrate the objecting Person's membership in the Class, including the number of Debentures purchased and sold during the Class Period, and contain a statement of the reasons for objection. Only Class Members who have submitted written notices of objection in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

XIV. SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES

If you hold or held any Debentures purchased during the Class Period 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 and the Proof of Claim and Release form 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:

Constellation Energy Group Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 990
Corte Madera, CA 94976-0990

If you choose to mail the Notice and Proof of Claim and Release form 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.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or advancement of, reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Proof of Claim and Release form and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim and Release form, upon submission of appropriate documentation to the Claims Administrator.

XV. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Stipulation. For full details of the matters discussed in this Notice, you may review the Stipulation filed with the Court, which may be inspected during business hours, at the office of the Clerk of the Court, United States District Court, District of Maryland, Edward A. Garmatz Federal Building and United States Courthouse, 101 West Lombard Street, Baltimore, Maryland 21201. The motion papers, with exhibits, including the Stipulation, are also available on the Court's ECF website (for a fee). Certain papers relating to the Settlement, including the Stipulation, are also available at the Claims Administrator's website www.gilardi.com.

If you have any questions about the settlement of this action, you may contact a representative of Lead Counsel: Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900.

PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

DATED: May 8, 2013

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND