

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

ALLEGHENY COUNTY EMPLOYEES'
RETIREMENT SYSTEM, EMPLOYEES'
RETIREMENT SYSTEM OF THE CITY OF
BATON ROUGE AND PARISH OF EAST
BATON ROUGE, DENVER EMPLOYEES
RETIREMENT PLAN, INTERNATIONAL
ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS NATIONAL
PENSION FUND, and IOWA PUBLIC
EMPLOYEES' RETIREMENT SYSTEM,
Individually and On Behalf of All Others
Similarly Situated,

Plaintiffs,

v.

ENERGY TRANSFER LP, KELCY L.
WARREN, THOMAS E. LONG, MARSHALL
MCCREA, and MATTHEW S. RAMSEY,

Defendants.

Case No. 2:20-cv-00200-GAM

**NOTICE OF (I) PROPOSED SETTLEMENT OF
CLASS ACTION; (II) SETTLEMENT HEARING; AND
(III) MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES**

TO: all persons who purchased or otherwise acquired common units of Energy Transfer LP ("Energy Transfer") between February 25, 2017, and November 11, 2019, inclusive (the "Class Period")

*A Federal Court authorized this Settlement Notice.
This is not a solicitation from a lawyer.*

NOTICE OF SETTLEMENT: Please be advised that the Court-appointed Lead Plaintiffs Allegheny County Employees' Retirement System, Employees' Retirement System of the City of Baton Rouge and Parish of East Baton Rouge, Denver Employees Retirement Plan, International Association of Machinists and Aerospace Workers National Pension Fund, and Iowa Public Employees' Retirement System (together, "Lead Plaintiffs"), on behalf of themselves and the Class (as defined in ¶ 26 below), have reached a proposed settlement of the Action for **\$15,000,000** in cash that, if approved, will resolve all claims in the Action (the "Settlement").¹

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated June 12, 2025 (the "Stipulation"), which is available at [EnergyTransferSecuritiesLitigation.com](https://www.EnergyTransferSecuritiesLitigation.com).

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

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please **DO NOT** contact the Court, the Office of the Clerk of the Court, Energy Transfer, any other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (*see* ¶ 73 below).

1. **Description of the Action and the Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging that Energy Transfer and certain of its executives, Kelcy L. Warren, Thomas E. Long, Marshall S. McCrea III, and Matthew S. Ramsey (together, the “Individual Defendants”), violated the federal securities laws by making false and misleading statements during the Class Period regarding Energy Transfer’s construction of a set of pipeline projects in Pennsylvania. A more detailed description of the Action is set forth in paragraphs 11-25 below. If the Court approves the proposed Settlement, the Action will be dismissed and members of the Class (defined in paragraph 26 below) will settle and release all Released Plaintiffs’ Claims (defined in paragraph 37 below).

2. **Statement of the Class’s Recovery:** Subject to Court approval, Lead Plaintiffs, on behalf of themselves and the Class, have agreed to settle the Action in exchange for a settlement payment of \$15,000,000 in cash (the “Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the “Settlement Fund”) less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, (d) any attorneys’ fees awarded by the Court; and (e) any other costs or fees approved by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Class. The proposed plan of allocation (the “Plan of Allocation”) is attached hereto as Appendix A.

3. **Estimate of Average Amount of Recovery Per Unit:** Based on Lead Plaintiffs’ damages expert’s estimate of the number of Energy Transfer common units purchased during the Class Period that may have been affected by the misstatements alleged in the Action and assuming that all Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses, and costs as described herein) is \$0.005 per eligible common unit. **Class Members should note, however, that the foregoing average recovery per unit is only an estimate.** Some Class Members may recover more or less than this estimated amount depending on, among other factors, when and at what prices they purchased or sold their Energy Transfer common units, and the total number and value of valid Claim Forms submitted. Distributions to Class Members will be made based on the Plan of Allocation set forth in Appendix A or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Unit:** The Parties do not agree on the average amount of damages per unit that would be recoverable if Lead Plaintiffs were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any Class Members as a result of their conduct.

5. **Attorneys’ Fees and Expenses Sought:** Plaintiffs’ Counsel, which have been prosecuting the Action on a wholly contingent basis, have not received any payment of attorneys’ fees for their representation of the Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Bernstein Litowitz Berger & Grossmann LLP and Barrack, Rodos & Bacine, will apply to the Court for an award of attorneys’ fees for all Plaintiffs’ Counsel in an amount not to exceed 25% of the Settlement Fund. In addition, Lead Counsel will apply for payment of Litigation Expenses incurred in connection with the institution, prosecution, and resolution of the Action, in an amount not to exceed \$2,600,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the

Class, pursuant to the Private Securities Litigation Reform Act of 1995 (“PSLRA”). Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. If the Court approves Lead Counsel’s fee and expense application, the estimated average cost per affected Energy Transfer common unit will be \$0.002 per unit.

6. **Identification of Attorneys’ Representatives:** Lead Plaintiffs and the Class are represented by Adam H. Wierzbowski of Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York., NY 10020, (800) 380-8496, settlements@blbglaw.com; and Jeffrey W. Golan of Barrack, Rodos & Bacine, 3300 Two Commerce Square, 2001 Market Street, Philadelphia, PA 19103, (877) 386-3304, ETsettlement@barrack.com.

7. **Reasons for the Settlement:** Lead Plaintiffs’ principal reason for entering into the Settlement is the immediate cash benefit for the Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery—or no recovery at all—might be achieved after a trial of the Action and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that the Class Members were damaged, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
SUBMIT A CLAIM FORM POSTMARKED OR SUBMITTED ONLINE NO LATER THAN NOVEMBER 28, 2025.	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Class Member, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs’ Claims (defined in ¶ 37 below) that you have against Defendants and the other Defendants’ Releasees (defined in ¶ 38 below), so it is in your interest to submit a Claim Form.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN SEPTEMBER 16, 2025.	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys’ fees and Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense request unless you are a Class Member.
GO TO A HEARING ON OCTOBER 7, 2025 AT 1:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN SEPTEMBER 16, 2025.	Filing a written objection and notice of intention to appear by September 16, 2025 allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys’ fees and Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
DO NOTHING.	If you are a member of the Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Class, which means that you give up any right you may have 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 further explained in this Notice. Please Note: The date and time of the Settlement Hearing—currently scheduled for October 7, 2025 at 1:00 p.m. Eastern Time—is subject to change without further notice to the Class. If you plan to attend the hearing, you should check the case website, EnergyTransferSecuritiesLitigation.com, or with Lead Counsel as set forth above to confirm that no change to the date and/or time of the hearing has been made.

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WHY DID I GET THIS NOTICE?

8. The purpose of this Settlement Notice is to inform potential Class Members of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and the motion by Lead Counsel for attorneys' fees and Litigation Expenses (the "Settlement Hearing"). See ¶¶ 58-59 below for details about the Settlement Hearing, including the date and location of the hearing.

9. The issuance of this Settlement Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THIS CASE ABOUT?

10. Energy Transfer is a Dallas-based energy services partnership, which, through its subsidiaries, operates interstate and intrastate natural gas, natural gas liquids, and crude and refined oil transportation and storage facilities. Energy Transfer was formerly known as Energy Transfer Equity, L.P. and changed its name to Energy Transfer LP in October 2018. During the Class Period, Energy Transfer common units traded on the New York Stock Exchange under the ticker symbol "ETE" (before October 19, 2018) and "ET" (on and after October 19, 2018).

11. On November 20, 2019, and January 10, 2020, investors filed two federal securities class actions in two U.S. District Courts alleging claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. Following dismissal of one of those actions, the Court issued an Order on February 19, 2020, pursuant to the PSLRA, appointing the Lead Plaintiffs. In the same Order, the Court approved Lead Plaintiffs' selection of Barrack, Rodos & Bacine and Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel for the Class.

12. Lead Plaintiffs filed the Operative Class Action Complaint for Violation of the Federal Securities Laws ("Complaint") on June 15, 2020. The Complaint alleged that during the period from February 25, 2017, through and including December 3, 2019, Defendants made materially false or misleading representations and omissions regarding Energy Transfer's construction of a 350-mile set of pipeline projects across the Commonwealth of Pennsylvania, consisting of the Mariner East 2 ("ME2"), Mariner East 2X ("ME2X," and together with ME2, the "Mariner East 2 Pipelines"), and Revolution pipelines. The alleged false and misleading statements and omissions concerned: (i) the Mariner East 2 Pipelines' and Revolution's completion status and timelines, and the ME2's capacity; (ii) Energy Transfer's commitment to safety and regulatory compliance; and (iii) Energy Transfer's compliance with criminal statutes and its Code of Business Conduct and Ethics. The Complaint asserted that Defendants' alleged misrepresentations and omissions caused investors to purchase Energy Transfer common units at artificially inflated prices and to suffer damages when the truth was revealed.

13. On April 6, 2021, the Court granted in part and denied in part Defendants' motion to dismiss the Action. Defendants filed an answer to the Complaint on June 11, 2021.

14. On September 17, 2021, Lead Plaintiffs filed a motion for class certification through which they sought to certify a class of all investors who purchased or otherwise acquired Energy Transfer common units from February 25, 2017, through and including December 3, 2019, and who were damaged as a result of Defendants' alleged violations of the federal securities laws. On August 23, 2022, the Court issued an Opinion and Order granting in part and denying in part Lead Plaintiffs' motion for class certification (the "Class Certification Order"). On October 24, 2022, the U.S. Court of Appeals for the Third Circuit denied Defendants' petition for leave to appeal the Class Certification Order.

15. The Class Certification Order certified the Class as defined in ¶ 26 below, appointed Lead Plaintiffs as Class Representatives, and appointed Lead Counsel as class counsel in the Action. On April 26, 2024, the Court entered an Order granting Lead Plaintiffs' unopposed motion to approve the proposed form, content, and method for dissemination of the Notice of Pendency of Class Action ("Class Notice") and the Summary Notice of Pendency of Class Action.

16. The Class Notice provided Class Members with the opportunity to request exclusion from the Class, explained that right, and set forth the deadline and procedures for doing so. The Class Notice informed Class Members that they may not have the further opportunity to exclude themselves from the Class at the time of any settlement or judgment. The Class Notice also informed Class Members that if they chose to remain a member of the Class, they would "be bound by all past, present, and future orders and judgments in the Action, whether favorable or unfavorable."

17. The deadline for requesting exclusion from the Class was July 16, 2024. Attached to the Stipulation as Appendix B and available at [EnergyTransferSecuritiesLitigation.com](https://www.energytransfersecuritieslitigation.com), is a list of the persons and entities who submitted a valid and timely request for exclusion from the Class.

18. Discovery in the Action commenced in June 2021 and concluded in December 2023. Pursuant to detailed document requests and substantial negotiations, Defendants and third parties produced more than 1.5 million pages of documents to Lead Plaintiffs. Lead Plaintiffs also produced more than 52,000 pages of documents to Defendants. Lead Plaintiffs also served subpoenas on and negotiated document discovery with 19 third parties, while Defendants served subpoenas on and negotiated discovery with 12 third parties. In addition, the Parties conducted depositions of 31 fact witnesses, including the Individual

Defendants and other senior Energy Transfer executives, and nine expert witnesses. The Parties also served and responded to interrogatories and requests for admission, exchanged numerous letters concerning disputes between the Parties and with nonparties on discovery issues, and litigated multiple motions to compel the production of responsive documents.

19. By the close of discovery, the Court had dismissed or Lead Plaintiffs had decided not to pursue all statements except certain statements concerning (i) ME2's in-service timing and capacity; and (ii) Energy Transfer's commitment to safety and regulatory compliance.

20. On January 19, 2024, Defendants moved for summary judgment and Lead Plaintiffs moved for partial summary judgment. The briefing on both motions was completed on March 29, 2024. On August 8, 2024, the Court issued a decision granting the motions in part and denying them in part. The Court found that there were disputes of material fact as to whether Defendants' statements regarding the in-service date for ME2, as well as its capacity, were false or misleading, made with scienter, and caused Lead Plaintiffs and the Class to suffer damages. The Court also found as a matter of law that certain statements Energy Transfer made from February to June 2018 concerning ME2's initial capacity were false or misleading, that the statements were attributable to Individual Defendants Long, McCrea, and Ramsey and that those Individual Defendants knew "the falsity or misleadingness of the initial capacity by February 2018." The Court also found that Lead Plaintiffs could not show any losses caused by Defendants' statements concerning Energy Transfer's commitment to safety and regulatory compliance, and on that basis granted summary judgment for Defendants on all corrective disclosures except the August 2018 alleged corrective disclosure and all statements except those concerning ME2's in-service timing and capacity made on or before August 9, 2018.

21. On February 14, 2025, the Court entered an order scheduling the trial of Lead Plaintiffs' remaining claims to begin on May 28, 2025 and also setting the schedule for the remaining pre-trial submissions. Pursuant to the Court-ordered schedule, on March 6, 2025, the Parties exchanged their exhibit lists, the names of witnesses they planned to call at trial, and deposition designations. On March 27, 2025, pursuant to the Court-ordered schedule, Lead Plaintiffs filed three *Daubert* motions and four motions *in limine*, and Defendants filed two *Daubert* motions and six motions *in limine*. On April 10, 2025, pursuant to the Court-ordered schedule, Lead Plaintiffs provided Defendants with their proposed jury instructions and verdict form.

22. On March 25, 2025, Lead Plaintiffs filed a motion to bifurcate the upcoming trial, which would lead to resolving Class-wide issues in the first phase of trial before turning to any Lead Plaintiffs-specific issues in a second phase. On March 27, 2025, Defendants filed a motion to empanel 12 jurors in the upcoming trial. The Parties filed their oppositions to those respective motions on April 16, 2025.

23. On April 23, 2025, following an earlier mediation with Robert A. Meyer of JAMS, the Parties reached an agreement in principle to settle and release all claims asserted in the Action against Defendants and Defendants' Releasees (defined below) in return for a cash payment of \$15,000,000, subject to certain terms and conditions and the execution of a customary "long form" stipulation and agreement of settlement and related papers.

24. On June 12, 2025, the Parties entered into a Stipulation and Agreement of Settlement (the "Stipulation"), which sets forth the terms and conditions of the Settlement. The Stipulation can be viewed at EnergyTransferSecuritiesLitigation.com.

25. On July 9, 2025, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT? WHO IS INCLUDED IN THE CLASS?

26. If you are a member of the Class, you are subject to the Settlement, unless you previously submitted a valid and timely request to be excluded from the Class. The Class consists of:

all persons who purchased or otherwise acquired common units of Energy Transfer between February 25, 2017, and November 11, 2019, inclusive (the “Class Period”).

Excluded from the Class are: (i) Energy Transfer; (ii) any directors or officers of Energy Transfer during the Class Period and members of their immediate families; (iii) the subsidiaries, parents, and affiliates of Energy Transfer; (iv) any firm, trust, corporation, or other entity in which Energy Transfer has or had a controlling interest; and (v) the legal representatives, heirs, successors, and assigns of any such excluded party. Also excluded from the Class are all persons and entities who submitted a valid and timely request for exclusion from the Class in connection with the mailing of the Class Notice. A list of the persons and entities who requested exclusion is available at EnergyTransferSecuritiesLitigation.com.

Please Note: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive proceeds from the Settlement.

If you are a Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit a Claim Form, with the required supporting documentation as set forth therein, postmarked (or submitted online) no later than November 28, 2025. You may obtain a copy of the Claim Form at EnergyTransferSecuritiesLitigation.com or by calling (844) 717-0724. Alternatively, you may submit an online claim through the website, EnergyTransferSecuritiesLitigation.com.

WHAT ARE LEAD PLAINTIFFS’ REASONS FOR THE SETTLEMENT?

27. Lead Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. Nonetheless, there were very significant risks in this litigation. First and foremost, during the course of the litigation, the Court’s decisions, including its decision at summary judgment, substantially narrowed the claims that could be asserted by Lead Plaintiffs, including by dismissing certain alleged misstatements and certain of the alleged corrective disclosures. Following the Court’s summary judgment decision, the potential damages that could be recovered for the Class were significantly reduced, and the \$15 million settlement represents a meaningful percentage of the total potential damages remaining in the case at that time. Any appeals of the Court’s decisions would have been highly risky and taken a substantial amount of additional time (mostly likely years), and there is no certainty that Lead Plaintiffs would fare better on appeal than they had in the trial court.

28. Lead Plaintiffs also faced substantial risks in establishing all of the elements of their limited claims remaining for trial. For example, Lead Plaintiffs would still need to prove to a jury that the alleged misstatements about the projected capacity of the ME2 pipeline were material to investors and had impacted the price of Energy Transfer’s common units. Defendants argued that, even if the projected in-service capacity of the ME2 pipeline was less than its as-designed capacity projection, it did not negatively impact Energy Transfer’s financial performance. Specifically, Defendants would argue that the facts developed in discovery show that temporarily utilizing a smaller pipe provided enough capacity to accommodate all the shipping volume that Defendants had contracted and therefore Energy Transfer did not lose any revenue. Defendants would thus claim that Class Members would not be able to show any damages resulting from Defendants’ misstatements about the projected capacity of ME2.

29. Defendants would also challenge whether the single alleged corrective disclosure that the Court sustained—disclosures as to the ME2 pipeline’s capacity and timeline that were made in an August 9, 2018 earnings call and analyst reports the following day—had actually caused the unit price decline at issue. Defendants were expected to continue to argue that Energy Transfer’s planned temporary use of the smaller-diameter pipe was previously disclosed, that the unit price did not decline in response to the prior reports, and therefore the market’s reaction in August 2018 could not have been related to that disclosure.

30. Finally, if the case went to trial, Defendants would also have argued that there were no recoverable damages because it took the price of Energy Transfer’s common units more than one day to fall in a statistically significant manner in response to the alleged corrective disclosure about the ME2 pipeline in August 2018. Defendants had presented the opinion of an expert in financial economics who opined that this was too attenuated a response to constitute recoverable damages, and while Lead Plaintiffs and their expert disagreed, there was a risk that Defendants’ view could prevail at trial.

31. In light of these and other risks, the amount of the Settlement, and the immediacy of recovery to the Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class. The Settlement provides a substantial benefit to the Class, namely \$15,000,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller recovery, or no recovery at all, after further pretrial proceedings, at trial, and on any appeals, possibly years in the future.

32. Defendants have denied and continue to deny each and all of the claims asserted against them in the Action and deny that Class Members were harmed or suffered any damages as a result of the conduct alleged in the Action. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

33. If there were no Settlement and Lead Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Lead Plaintiffs nor the other Class Members would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, either at trial, or on appeal, the Class could recover less than the amount provided in the Settlement, or nothing at all.

HOW ARE CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

34. As a Class Member, you are represented by Lead Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” on page 12 below.

35. If you are a Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and Litigation Expenses, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” on page 12 below.

36. If you are a Class Member, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiffs and each and every Class Member, and their respective heirs, executors, administrators, predecessors, successors,

assigns, in their capacities as such, as well as any other person or entity claiming through or on behalf of any of the foregoing and any other person or entity legally entitled to bring Released Plaintiffs' Claims on behalf of a Class Member, in that capacity (collectively, "Releasing Plaintiffs Parties"), will have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs' Claim (as defined in ¶ 37 below) against Defendants and the other Defendants' Releasees (as defined in ¶ 38 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Defendants' Releasees.

37. "Released Plaintiffs' Claims" means any and all claims and causes of action of every nature and description, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether class or individual in nature, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, including known claims and Unknown Claims, that Lead Plaintiffs or any other Class Member (i) asserted in the Complaint; or (ii) could have asserted in any other forum and that arise out of or relate in any way to the allegations, transactions, facts, matters or occurrences, representations, or omissions involved, set forth, or referred to in the Complaint which concerned Energy Transfer's planning, permitting, and construction of the ME2, ME2X, and Revolution pipelines, and that relate to the purchase or other acquisition of Energy Transfer common units during the Class Period. This release does not cover, include, or release: (i) any claims asserted in *Davidson v. Warren*, No. DC-20-02332 (Dallas Cnty. Tex.); *Harris v. Warren*, No. 2-20-cv-00364-GAM (E.D. Pa.); *In re Energy Transfer LP Derivative Litig.*, No. 3:19-cv-02890-X (N.D. Tex.); and *Inter-Marketing Group USA, Inc. v. LE GP, LLC*, 2022-0139-SG (Del. Ch.); (ii) any claims by any governmental entity that arise out of any governmental investigation of Defendants relating to the conduct alleged in the Action; or (iii) any claims relating to the enforcement of the Settlement.

38. "Defendants' Releasees" means each and all of Defendants and their current and former parents, affiliates, subsidiaries, divisions, controlling unitholders, joint ventures, related or affiliated entities, Officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, heirs, principals, trusts, executors, administrators, managers, members, representatives, estates, estate managers, advisors, bankers, consultants, experts, accountants, auditors, employees, Immediate Family Members, insurers, indemnifiers, reinsurers, attorneys, and any firm, trust, corporation, or other entity in which a Defendant has or had a controlling interest.

39. "Unknown Claims" means any Released Plaintiffs' Claims which any Releasing Plaintiffs Party does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants' Claims which any Releasing Defendants Party does not know or suspect to exist in his or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs and Defendants shall expressly waive, and each of the other Releasing Plaintiffs Parties and Releasing Defendants Parties 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 California Civil Code § 1542 and any law of any state or territory of the United States, or principle of common law or foreign law, which 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 Plaintiffs and Defendants acknowledge, and each of the other Releasing Plaintiffs Parties and Releasing Defendants Parties shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

40. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, and their respective heirs, executors, administrators, predecessors, successors, assigns, in their capacities as such, as well as any other person or entity claiming through or on behalf of any of the foregoing and any other person or entity legally entitled to bring Released Defendants' Claims on behalf of a Defendant, in that capacity (collectively, "Releasing Defendants Parties"), will have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Defendants' Claim (as defined in ¶ 41 below) against Lead Plaintiffs and the other Plaintiffs' Releasees (as defined in ¶ 42 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiffs' Releasees.

41. "Released Defendants' Claims" means any and all claims and causes of action of every nature and description, whether arising under federal, state, common, or foreign law, including known claims and Unknown Claims, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants in the Action. This release does not cover, include, or release any claims relating to the enforcement of the Stipulation or the Settlement.

42. "Plaintiffs' Releasees" means Lead Plaintiffs and all other Class Members, and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employees, Immediate Family Members, insurers, reinsurers, and attorneys.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

43. To be eligible for a payment from the Settlement, you must be a member of the Class and you must timely complete and return the Claim Form with adequate supporting documentation ***postmarked (if mailed), or submitted online at EnergyTransferSecuritiesLitigation.com, no later than November 28, 2025.*** You may obtain a Claim Form from the website maintained by the Claims Administrator for the case, EnergyTransferSecuritiesLitigation.com. You may also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at 1-844-717-0724 or by emailing the Claims Administrator at info@EnergyTransferSecuritiesLitigation.com. **Please retain all records of your ownership of and transactions in Energy Transfer common units, as they will be needed to document your Claim.** The Parties and Claims Administrator do not have information about your transactions in Energy Transfer common units.

44. If you do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

45. At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement.

46. Pursuant to the Settlement, Defendants have agreed to cause \$15,000,000 in cash (the "Settlement Amount") to be paid into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state, and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notices to Class Members and administering the Settlement on behalf of Class Members; (c) any attorneys' fees and Litigation Expenses awarded by the Court; and (d) any other costs or fees approved by the Court) will

be distributed to Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

47. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal, or review, whether by certiorari or otherwise, has expired.

48. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court's order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the plan of allocation.

49. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

50. Unless the Court otherwise orders, any Class Member who fails to submit a Claim Form postmarked (or submitted online) on or before November 28, 2025 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Class Member releases the Released Plaintiffs' Claims (as defined in ¶ 37 above) against the Defendants' Releasees (as defined in ¶ 38 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiffs' Claims against any of the Defendants' Releasees whether or not such Class Member submits a Claim Form.

51. Participants in and beneficiaries of any employee retirement and/or benefit plan covered by ERISA ("ERISA Plan") should NOT include any information relating to Energy Transfer common units purchased through the ERISA Plan in any Claim Form they submit in this Action. They should include ONLY Energy Transfer common units purchased during the Class Period outside of an ERISA Plan. Claims based on any ERISA Plan's purchases of Energy Transfer common units during the Class Period may be made by the plan's trustees.

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

53. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Claim Form.

54. Only Class Members or persons authorized to submit a claim on their behalf will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Class by definition or that previously submitted a valid and timely request to exclude themselves from the Class pursuant to request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms. The only security that is included in the Settlement is Energy Transfer common units.

55. Appendix A to this Notice sets forth the Plan of Allocation for allocating the Net Settlement Fund among Authorized Claimants, as proposed by Lead Plaintiffs. At the Settlement Hearing, Lead Plaintiffs will request that the Court approve the Plan of Allocation. The Court may modify the Plan of Allocation, or approve a different plan of allocation, without further notice to the Class.

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?**

56. Plaintiffs' Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket

expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 25% of the Settlement Fund. At the same time, Lead Counsel also intend to apply for payment of Litigation Expenses in an amount not to exceed \$2,600,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Class, pursuant to the PSLRA. The Court will determine the amount of any award of attorneys' fees or Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE
SETTLEMENT? DO I HAVE TO COME TO THE HEARING?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

57. **Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.**

58. **Please Note:** The date and time of the Settlement Hearing may change without further written notice to Class Members. The Court may decide to allow Class Members to appear at the hearing by phone or video, without further written notice to the Class. **In order to determine whether the date and time of the Settlement Hearing have changed, or whether Class Members may participate by phone or video, it is important that you monitor the Court's docket and the case website, EnergyTransferSecuritiesLitigation.com, before making any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or remote appearances at the hearing, will be posted to the case website, EnergyTransferSecuritiesLitigation.com. If the Court allows Class Members to participate in the Settlement Hearing by telephone or video conference, the information for accessing the telephone or video conference will be posted to the case website, EnergyTransferSecuritiesLitigation.com.**

59. The Settlement Hearing will be held on **October 7, 2025 at 1:00 p.m.**, before the Honorable Gerald A. McHugh of the United States District Court for the Eastern District of Pennsylvania, in Courtroom 9B of the James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106. At the Settlement Hearing, the Court will consider: (a) whether the proposed Settlement is fair, reasonable, and adequate to the Class, and should be finally approved; (b) whether a Judgment substantially in the form attached as Exhibit B to the Stipulation should be entered dismissing the Action with prejudice against Defendants; (c) whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and reasonable and should be approved; (d) whether the motion by Lead Counsel for attorneys' fees and Litigation Expenses should be approved; and (e) other matters that may properly be brought before the Court in connection with the Settlement. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for attorneys' fees and Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Class.

60. Any Class Member may object to the Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, electronically with the Court or by letter mailed to the Clerk's Office at the United States District Court for the Eastern District of Pennsylvania, at the address set forth below **on or before September 16, 2025**. You must also serve the papers on Lead Counsel and on Defendants' Counsel at the addresses set forth below so that the papers are ***received on or before September 16, 2025***.

<u>Clerk's Office</u>	<u>Lead Counsel</u>	<u>Defendants' Counsel</u>
United States District Court Eastern District of Pennsylvania Clerk of the Court James A. Byrne U.S. Courthouse 601 Market Street Philadelphia, PA 19106	Bernstein Litowitz Berger & Grossmann LLP Adam H. Wierzbowski 1251 Avenue of the Americas, 44th Floor New York, NY 10020 -and- Barrack, Rodos & Bacine Jeffrey W. Golan 3300 Two Commerce Square 2001 Market Street Philadelphia, PA 19103	Gibson, Dunn & Crutcher LLP Brian M. Lutz 555 Mission Street, Suite 3000 San Francisco, CA 94105 -and- Morgan, Lewis & Bockius LLP Laura H. McNally 2222 Market Street Philadelphia, PA 19103

61. Any objection must include: (a) the name of this proceeding, *Allegheny County Employees' Retirement System, et al. v. Energy Transfer LP, et al.*, Case No. 2:20-cv-00200-GAM; (b) the objector's full name, current address, email address (if applicable), and telephone number; (c) the objector's signature; (d) a statement providing the specific reasons for the objection, including a detailed statement of the specific legal and factual basis for each and every objection and whether the objection applies only to the objector, to a specific subset of the Class, or to the entire Class; and (e) documents sufficient to prove membership in the Class, including documents showing the number of Energy Transfer common units that the objecting Class Member purchased/acquired and/or sold from February 25, 2017 through November 11, 2019, inclusive, as well as the date, number of units, and prices of each such purchase/acquisition and sale. The documentation establishing membership in the Class must consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from the objector's broker containing the transactional and holding information found in a broker confirmation slip or account statement.

62. You may not object to the Settlement, the Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses if you previously submitted a valid and timely request to exclude yourself from the Class or if you are not a member of the Class.

63. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

64. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office so that it is ***received on or before September 16, 2025***. Such persons may be heard orally at the discretion of the Court. Objectors who enter an appearance and desire to present evidence at the Settlement Hearing in support of their objection must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the hearing.

65. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own

expense, and that attorney must file a notice of appearance with the Court so that the notice is ***received on or before September 16, 2025***.

66. The Settlement Hearing may be adjourned by the Court without further written notice to the Class, other than a posting of the adjournment on the case website, EnergyTransferSecuritiesLitigation.com. If you plan to attend the Settlement Hearing, you should confirm the date and time with Lead Counsel.

67. Unless the Court orders otherwise, any 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 the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses. Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT ENERGY TRANSFER COMMON UNITS ON SOMEONE ELSE'S BEHALF?

68. In connection with the previously disseminated Class Notice, nominees were advised that, if they purchased Energy Transfer common units from February 25, 2017 through November 11, 2019, inclusive, for the beneficial interest of persons or entities other than themselves, they must either (a) provide a list of the names, addresses, and, if available, email addresses of all such beneficial owners to JND Legal Administration ("JND"); or (b) send a copy of the Class Notice by email to all such beneficial owners for whom they had email addresses, and request from JND sufficient copies of the Class Notice to forward to all such beneficial owners for whom email addresses were not available, and then forward those Class Notices to all such beneficial owners.

69. If you previously provided the names and addresses of persons and entities on whose behalf you purchased or otherwise acquired Energy Transfer common units from February 25, 2017, through November 11, 2019, in connection with the Class Notice, and (i) those names and addresses remain current and (ii) you have no additional names and addresses for potential Class Members to provide to the Claims Administrator, you need do nothing further at this time. The Claims Administrator will mail the Postcard Notice to the beneficial owners whose names and addresses were previously provided in connection with the Class Notice.

70. If you elected to mail or email the Class Notice directly to beneficial owners, you were advised that you must retain the mailing records for use in connection with any further notices that may be provided in the Action. If you elected this option, the Claims Administrator will forward the same number of Postcard Notices to you to send to the beneficial owners, **and you must mail and/or email the Postcard Notices to their beneficial owners by no later than seven (7) calendar days after receipt of the Postcard Notices.** If you require more copies of the Postcard Notice than you previously requested in connection with the Class Notice mailing, please contact the Claims Administrator, JND, toll-free at 1-844-717-0724, and let them know how many notices you require.

71. If you have not already provided the names and addresses for all persons and entities on whose behalf you purchased Energy Transfer common units from February 25, 2017 through November 11, 2019, inclusive, in connection with the Class Notice, or if you have additional names or updated or changed information, then the Court has ordered that you must, **WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS SETTLEMENT NOTICE**, either: (i) send a list of the names, addresses, and, if available, email addresses of such beneficial owners to the Claims Administrator at *Energy Transfer Securities Litigation*, c/o JND Legal Administration, P.O. Box 91415, Seattle, WA 98111, in which event the Claims Administrator shall promptly mail the Postcard Notice to such beneficial owners, or (ii) request from JND sufficient copies of the Postcard Notice to forward to all such beneficial owners, and mail the Postcard Notices to the beneficial owners within seven (7) calendar days of receipt. **AS STATED ABOVE, IF YOU HAVE ALREADY**

PROVIDED THIS INFORMATION IN CONNECTION WITH THE CLASS NOTICE, UNLESS THAT INFORMATION HAS CHANGED (E.G., BENEFICIAL OWNER HAS CHANGED ADDRESS), IT IS UNNECESSARY TO PROVIDE SUCH INFORMATION AGAIN.

72. Upon full and timely compliance with these directions, nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Reasonable expenses shall not exceed \$0.03 plus postage at the pre-sort rate used by the Claims Administrator per Postcard Notice mailed; \$0.03 per Postcard Notice emailed; or \$0.03 per name, mailing address, and email address (to the extent available) provided to the Claims Administrator. Such properly documented expenses incurred by nominees in compliance with these directions shall be paid from the Settlement Fund, with any disputes as to the reasonableness or documentation of expenses incurred subject to review by the Court.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

73. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be reviewed by accessing the Court docket in this case through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.paed.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, EnergyTransferSecuritiesLitigation.com.

All inquiries concerning this Notice and the Claim Form should be directed to:

Energy Transfer Securities Litigation
c/o JND Legal Administration
P.O. Box 91415
Seattle, WA 98111

844-717-0724
info@EnergyTransferSecuritiesLitigation.com

or

Adam H. Wierzbowski
BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
1251 Avenue of the Americas, 44th Floor
New York, NY 10020
800-380-8496
settlements@blbglaw.com

Jeffrey W. Golan
BARRACK, RODOS & BACINE
3300 Two Commerce Square
2001 Market Street
Philadelphia, PA 19103
877-386-3304
ETsettlement@barrack.com

DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.

Dated: July 31, 2025

By Order of the Court
United States District Court
Eastern District of Pennsylvania

Appendix A

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

74. As discussed above, the Settlement provides \$15,000,000 in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the “Settlement Fund.” The Settlement Fund, after deduction of Court-approved attorneys’ fees and Litigation Expenses, Notice and Administration Costs, Taxes, and any other fees or expenses approved by the Court, is the “Net Settlement Fund.” If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants, *i.e.*, members of the Class who timely submit valid Claim Forms that are accepted for payment by the Court, in accordance with a plan of allocation to be adopted by the Court. Class Members who do not timely submit valid Claim Forms will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement.

75. The Plan of Allocation (the “Plan”) set forth herein is the plan that is being proposed to the Court for approval by Lead Plaintiffs after consultation with their damages expert. The Court may approve the Plan with or without modification, or approve another plan of allocation, without further notice to the Class. Any Orders regarding a modification to the Plan will be posted to EnergyTransferSecuritiesLitigation.com. Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan.

76. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants who suffered economic losses as a proximate result of the alleged wrongdoing. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

77. The Plan of Allocation was created with the assistance of a consulting damages expert and reflects the assumption that Defendants’ alleged false and misleading statements and material omissions proximately caused the price of Energy Transfer common units to be artificially inflated throughout the Class Period. In calculating the estimated artificial inflation allegedly caused by Defendants’ alleged misrepresentations and omissions, Lead Plaintiffs’ damages expert considered price changes in Energy Transfer common units in reaction to certain public announcements allegedly revealing the truth concerning Defendants’ alleged misrepresentations and material omissions, adjusting for price changes that were attributable to market or industry forces.

78. In order to have recoverable damages, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the Energy Transfer common unit. In this case, Lead Plaintiffs alleged that Defendants made false statements and omitted material facts during the period from February 25, 2017 through November 11, 2019, inclusive, which had the effect of artificially inflating the price of Energy Transfer common units. Lead Plaintiffs further alleged that corrective information was released to the market on August 9 and 10, 2018, October 21, 2018, and November 12, 2019, which removed the artificial inflation from the price of Energy Transfer common units on August 9, 2018, August 10, 2018, August 13, 2018, October 22, 2018, and November 12, 2019. However, the Court made various rulings that significantly impacted the recoverable damages Plaintiffs were able to pursue in this case.

79. Accordingly, the estimated artificial inflation in Energy Transfer units at various periods in the Class Period has been adjusted to reflect the litigation risks presented by the Court’s dismissal of certain of the alleged misstatements and alleged corrective disclosures in the Action. **First**, the amount of alleged artificial inflation that was deemed to have been removed from the price of Energy Transfer common units

by the alleged corrective disclosures on October 22, 2018 and November 12, 2019 has been reduced by 90% to reflect the fact that the Court dismissed these two corrective disclosures from the case in its summary judgment decision (and, thus, the Class would have been unable to recover any damages for those price declines if the case had proceeded to trial). Specifically, Lead Plaintiffs' damages expert's analysis had found that these two disclosures had removed \$0.51 and \$0.60 of artificial inflation from the price of Energy Transfer common units on October 22, 2018 and November 12, 2019, respectively. Because those disclosures were dismissed by the Court, they are instead treated as having removed just \$0.05 and \$0.06 of inflation, respectively. **Second**, the Plan applies a limited level of \$0.10 per common unit of artificial inflation during the beginning portion of the Class Period (from February 25, 2017 through August 8, 2017) to reflect the fact that, as a result of the Court's decisions dismissing certain claims, at the time of the Settlement the first remaining actionable misstatement in the Action was not made until August 9, 2017. These adjustments allow Claimants who purchased in these periods (from February 25, 2017 through August 8, 2017 and from August 13, 2018 through November 11, 2019), who would have not been eligible for recovery at trial, the possibility of some recovery in the Settlement, at significantly discounted amounts. In contrast, the artificial inflation recognized under the Plan in connection with the misstatements and corrective disclosure that were sustained by the Court has not been discounted, such that Claimants who purchased their Energy Transfer common units after August 8, 2017 and held those units through some or all of the price decline that occurred August 9 through 13, 2018 will receive proportionally more per unit.

80. Recognized Loss Amounts are based primarily on the difference in the amount of alleged artificial inflation in the prices of Energy Transfer common units at the time of purchase or acquisition and at the time of sale, or the difference between the actual purchase price and sale price. Accordingly, in order to have a Recognized Loss Amount under the Plan of Allocation, a Class Member that purchased or otherwise acquired Energy Transfer common units during the Class Period must have held those units through at least one of the dates where new corrective information was released to the market and partially removed the artificial inflation from the price of Energy Transfer common units.

CALCULATION OF RECOGNIZED LOSS AMOUNT

81. Based on the formula stated below, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of Energy Transfer common units during the Class Period that is listed on the Claim Form and for which adequate documentation is provided. As noted above, Energy Transfer was formerly known as Energy Transfer Equity, L.P. and changed its name to Energy Transfer LP in October 2018. During the Class Period, Energy Transfer common units traded on the New York Stock Exchange under the ticker symbol "ETE" (before October 19, 2018) and "ET" (on and after October 19, 2018). If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.²

82. For each Energy Transfer common unit purchased or otherwise acquired during the Class Period (that is, the period from February 25, 2017, through and including November 11, 2019), and:

- A. Sold prior to the close of trading on August 8, 2018, the Recognized Loss Amount will be \$0.00.
- B. Sold from August 9, 2018 through and including the close of trading on November 11, 2019, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of artificial inflation per unit on the date of purchase/acquisition as stated in Table A below *minus* the amount of

² Any transactions in Energy Transfer common units executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

artificial inflation per unit on the date of sale as stated in Table A below; or (ii) the purchase/acquisition price minus the sale price.

- C. Sold from November 12, 2019 through and including the close of trading on February 7, 2020, the Recognized Loss Amount will be ***the least of***: (i) the amount of artificial inflation per unit on the date of purchase/acquisition as stated in Table A below; (ii) the purchase/acquisition price minus the average closing price from November 12, 2019 through the date of sale as stated in Table B below; or (iii) the purchase/acquisition price minus the sale price.
- D. Held as of the close of trading on February 7, 2020, the Recognized Loss Amount will be ***the lesser of***: (i) the amount of artificial inflation per unit on the date of purchase/acquisition as stated in Table A below, or (ii) the purchase/acquisition price *minus* \$12.56.³

ADDITIONAL PROVISIONS

83. **Calculation of Claimant's "Recognized Claim":** A Claimant's "Recognized Claim" will be the sum of his, her, or its Recognized Loss Amounts as calculated under ¶ 82 above.

84. **FIFO Matching:** If a Claimant made more than one purchase/acquisition or sale of Energy Transfer common units during the Class Period, all purchases/acquisitions and sales will be matched on a First In, First Out ("FIFO") basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

85. **Purchase/Sale Prices:** For the purposes of calculations in ¶ 82 above, "purchase/acquisition price" means the actual price paid, excluding any fees, commissions, and taxes, and "sale price" means the actual amount received, not deducting any fees, commissions, and taxes.

86. **Acquisition of Energy Transfer Common Units Through Merger:** If a Claimant acquired Energy Transfer common units during the Class Period as a result of a merger or through the conversion of another security, that acquisition shall be treated as an eligible purchase, and the "purchase" price applied to that acquisition shall be the closing market price of Energy Transfer common units on the date the Energy Transfer common units are received. This provision will apply to Claimants who acquired Energy Transfer common units on or about October 19, 2018 as a result of their prior holding of Energy Transfer Partners, L.P. ("ETP") common units.

87. **"Purchase/Acquisition/Sale" Dates:** Purchases or acquisitions and sales of Energy Transfer common units will be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance, or operation of law of Energy

³ Pursuant to Section 21D(e)(1) of the Exchange Act, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Energy Transfer common units during the "90-day look-back period" from November 12, 2019 through February 7, 2020. The mean (average) closing price for Energy Transfer's common unit during this period was \$12.56.

Transfer common units during the Class Period will not be deemed a purchase, acquisition, or sale of Energy Transfer common units for the calculation of a Claimant's Recognized Loss Amount, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition/sale of Energy Transfer common units unless (i) the donor or decedent purchased or otherwise acquired or sold such Energy Transfer common units during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such units.

88. **Short Sales:** The date of covering a "short sale" is deemed to be the date of purchase or acquisition of the Energy Transfer common units. The date of a "short sale" is deemed to be the date of sale of the Energy Transfer common units. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on "short sales" and the purchases covering "short sales" is zero. In the event that a Claimant has an opening short position in Energy Transfer common units, the earliest purchases or acquisitions of Energy Transfer common units during the Class Period will be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

89. **Common Units Purchased/Sold Through the Exercise of Options:** Option contracts are not securities eligible to participate in the Settlement. With respect to Energy Transfer common units purchased or sold through the exercise of an option, the purchase/sale date of the common unit is the exercise date of the option and the purchase/sale price is the exercise price of the option.

90. **Market Gains and Losses:** The Claims Administrator will determine if the Claimant had a "Market Gain" or a "Market Loss" with respect to his, her, or its overall transactions in Energy Transfer common units during the Class Period. For purposes of making this calculation, the Claims Administrator shall determine the difference between (i) the Claimant's Total Purchase Amount⁴ and (ii) the sum of the Claimant's Total Sales Proceeds⁵ and the Claimant's Holding Value.⁶ If the Claimant's Total Purchase Amount *minus* the sum of the Claimant's Total Sales Proceeds and the Holding Value is a positive number, that number will be the Claimant's Market Loss; if the number is a negative number or zero, that number will be the Claimant's Market Gain.

91. If a Claimant had a Market Gain with respect to his, her, or its overall transactions Energy Transfer common units during the Class Period, the value of the Claimant's Recognized Claim will be zero, and the Claimant will in any event be bound by the Settlement. If a Claimant suffered an overall Market Loss with respect to his, her, or its overall transactions in Energy Transfer common units during the Class Period but that Market Loss was less than the Claimant's Recognized Claim, then the Claimant's Recognized Claim will be limited to the amount of the Market Loss.

92. **Determination of Distribution Amount:** The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a "Distribution Amount" will be calculated for each Authorized Claimant, which will be the

⁴ The "Total Purchase Amount" is the total amount the Claimant paid (excluding all fees, taxes, and commissions) for all Energy Transfer common units purchased or acquired during Class Period.

⁵ The Claims Administrator shall match any sales of Energy Transfer common units during the Class Period first against the Claimant's opening position in Energy Transfer common units (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (not deducting any fees, taxes and commissions) for sales of the Energy Transfer common units sold during the Class Period is the "Total Sales Proceeds."

⁶ The Claims Administrator shall ascribe a "Holding Value" of \$11.66 to each Energy Transfer common unit purchased or acquired during the Class Period that was still held as of the close of trading on November 11, 2019.

Authorized Claimant's Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

93. If an Authorized Claimant's Distribution Amount calculates to less than \$10.00, no distribution will be made to that Authorized Claimant. Those funds will be included in the distribution to Authorized Claimants whose Distribution Amount is \$10.00 or more.

94. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund seven (7) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance will be contributed to one or more non-sectarian, not-for-profit, 501(c)(3) organizations to be selected by Lead Counsel and approved by the Court.

95. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, will be conclusive against all Claimants. No person shall have any claim against Lead Plaintiffs, Plaintiffs' Counsel, Lead Plaintiffs' damages experts, Lead Plaintiffs' consulting experts, Defendants, Defendants' Counsel, or any of the other Plaintiffs' Releasees or Defendants' Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Lead Plaintiffs, Defendants, and their respective counsel, and all other Defendants' Releasees, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the plan of allocation; the determination, administration, calculation, or payment of any Claim or nonperformance of the Claims Administrator; the payment or withholding of Taxes; or any losses incurred in connection therewith.

TABLE A

Estimated Artificial Inflation in Energy Transfer Common Units February 25, 2017 through November 11, 2019	
Date Range	Estimated Artificial Inflation Per Common Unit
February 25, 2017 – August 8, 2017	\$0.10
August 9, 2017 – August 8, 2018	\$0.98
August 9, 2018	\$0.88
August 10, 2018 – August 12, 2018	\$0.70
August 13, 2018 – October 21, 2018	\$0.11
October 22, 2018 – November 11, 2019	\$0.06

TABLE B

Date	Closing Price	Average Closing Price Between November 12, 2019 and Date Shown		Date	Closing Price	Average Closing Price Between November 12, 2019 and Date Shown
11/12/2019	\$11.66	\$11.66		12/26/2019	\$13.14	\$12.06
11/13/2019	\$11.16	\$11.41		12/27/2019	\$12.99	\$12.09
11/14/2019	\$11.18	\$11.33		12/30/2019	\$12.71	\$12.11
11/15/2019	\$11.62	\$11.41		12/31/2019	\$12.83	\$12.13
11/18/2019	\$11.33	\$11.39		1/2/2020	\$13.34	\$12.17
11/19/2019	\$11.38	\$11.39		1/3/2020	\$13.55	\$12.20
11/20/2019	\$11.36	\$11.38		1/6/2020	\$13.68	\$12.24
11/21/2019	\$11.91	\$11.45		1/7/2020	\$13.63	\$12.28
11/22/2019	\$11.93	\$11.50		1/8/2020	\$13.34	\$12.31
11/25/2019	\$12.30	\$11.58		1/9/2020	\$13.43	\$12.34
11/26/2019	\$11.96	\$11.62		1/10/2020	\$13.27	\$12.36
11/27/2019	\$11.87	\$11.64		1/13/2020	\$13.51	\$12.39
11/29/2019	\$11.81	\$11.65		1/14/2020	\$13.56	\$12.41
12/2/2019	\$11.63	\$11.65		1/15/2020	\$13.50	\$12.44
12/3/2019	\$11.40	\$11.63		1/16/2020	\$13.58	\$12.46
12/4/2019	\$11.33	\$11.61		1/17/2020	\$13.56	\$12.49
12/5/2019	\$11.60	\$11.61		1/21/2020	\$13.08	\$12.50
12/6/2019	\$11.50	\$11.61		1/22/2020	\$12.71	\$12.50
12/9/2019	\$11.79	\$11.62		1/23/2020	\$12.99	\$12.51
12/10/2019	\$12.04	\$11.64		1/24/2020	\$12.75	\$12.52
12/11/2019	\$12.16	\$11.66		1/27/2020	\$12.61	\$12.52
12/12/2019	\$12.64	\$11.71		1/28/2020	\$12.79	\$12.53
12/13/2019	\$12.73	\$11.75		1/29/2020	\$12.85	\$12.53
12/16/2019	\$12.80	\$11.80		1/30/2020	\$12.78	\$12.54
12/17/2019	\$12.62	\$11.83		1/31/2020	\$12.59	\$12.54
12/18/2019	\$12.95	\$11.87		2/3/2020	\$12.80	\$12.54
12/19/2019	\$12.92	\$11.91		2/4/2020	\$12.88	\$12.55
12/20/2019	\$13.07	\$11.95		2/5/2020	\$13.00	\$12.56
12/23/2019	\$13.05	\$11.99		2/6/2020	\$12.71	\$12.56
12/24/2019	\$13.07	\$12.03		2/7/2020	\$12.56	\$12.56