

Read this Notice carefully. You may be entitled to share in the Settlement proceeds of this lawsuit. Your rights to a monetary award may be affected.

1. What is this lawsuit about?

A class action is pending in this Court. It is brought against Ameren by the Cities of Creve Coeur and Winchester, Missouri (“Plaintiffs”), individually and as representatives of a class of similarly-situated Missouri political subdivisions, which have adopted a code or ordinance that imposes a license tax on persons engaged in the business of supplying electric, power, energy or utility service in the political subdivisions.

Ameren is a regulated electric utility. Plaintiffs allege that, from 2007 to the present, Ameren did not pay license (sometimes referred to as “gross receipts”) taxes on all of its receipts from supplying electric products and services in the political subdivisions as required by the codes or ordinances.

Plaintiffs’ Petition contains two counts. In Count I, Plaintiffs seek declaratory and injunctive relief. Specifically, Plaintiffs seek a declaration that the license tax ordinances apply to receipts assigned to various FERC Accounts and Ameren Subaccounts (e.g., FERC Account 364 pole charges; FERC Account 450 forfeited discounts; Ameren Subaccount 451001 changing/connection/disconnection fees; Ameren Subaccount 451005 customer installations; etc.). Count II seeks back-taxes, interest and penalties in the event the ordinances apply to such revenues.

Ameren denies that the ordinances require it to pay taxes on these revenues and, as a result, that it owes taxes on any of the receipts at issue in this action. It raises several defenses, among them that Plaintiffs’ application of the ordinances is preempted by the Federal Power Act, 16 U.S.C. §§ 791a-828c, and impermissibly burdens interstate commerce in violation of the Commerce Clause, Article I, Section 8, of the Constitution of the United States.

Ameren and Plaintiffs wish to avoid the expense and uncertainty of continued litigation and desire to settle their disputes without further litigation. Based on information available to both sides, and the risks involved in a trial, attorneys for the class have concluded that the proposed Settlement is fair, reasonable, and adequate, and that it serves the best interests of class members.

2. What compensation or benefits will the Settlement provide?

The Settlement, if it is finally approved by the Court, provides for the payment of past taxes, accrued taxes and future taxes as described in more detail below.

- a. Payment of Past Taxes. The Settlement specifies a Past Tax payment with respect to each Settlement Class Member, and your Past Tax payment is shown below. The payment was determined in accordance with the formula attached hereto as Exhibit 1.

The amount of the Past Tax payment for you pursuant to the Settlement is estimated to be: [_____]. [If the amount is zero, it means that currently available information does not show you having a Business License Tax applicable to Ameren since 2007. See section 3 of this Notice if you believe this is incorrect.] Because the formula for calculating the Past Tax payment depends on the calculation of each Settlement Class Member's Business License Tax payment and other factors, it is possible that a Settlement Class Member's share of the amount to be distributed pursuant to the Settlement may change if, *inter alia*, Defendant approves an adjustment to the calculations pursuant to a Settlement Class Member's appeal to Defendant under Section V.C. of the Settlement Agreement, or otherwise.

- b. Payment of Accrued and Future Taxes. Effective April 1, 2017, Ameren has agreed to include the following receipts in the tax base for purposes of calculating the Business License Tax of each Settlement Class Member:
- (i) receipts upon which Ameren was already paying a Business License Tax to that Settlement Class Member prior to the commencement of the lawsuit, including receipts assigned to FERC Accounts 440, 442, 444, 445, 421REP, and 421RET; **PLUS**
 - (ii) receipts from any additional products or services that are subject to Missouri state sales tax; **PLUS**
 - (iii) receipts as described in (ii) from any retail customer that would otherwise be subject to the Missouri state sales tax but for an exemption for such customer from the state sales tax (e.g. not for profits under § 144.030.2(19), RSMo), unless such exemption or exclusion is also enumerated in the Business License Tax ordinance for the particular political subdivision; **PLUS**
 - (iv) receipts and revenues assigned to the following FERC Accounts and Ameren Subaccounts:
 - 300 Series CIACs [Contributions in Aid of Construction as defined by IRC Section 118(b)];
 - 364 Pole Charges;
 - 450 Forfeited Discounts;
 - 451001 Changing/Connection/Disconnection Fees;
 - 451005 Customer Installations – Trouble Calls;
 - 451006 Customer Installations – Other Work;
 - 451007 Temporary Facilities;
 - 454MJM Third Party Facility Rentals;
 - 454001 Pole Space Rentals;
 - 454002 Other Property Rental Revenue;
 - 454004 Agricultural Land Rental Revenue;
 - 454006 Facility Rentals for Interchange Customers;

454007 Facility Rentals for Third Party Customers;
456010 Miscellaneous Billings;
456011 Miscellaneous Bill Adjustments;
456005 Overheads Billed – Other Parties; and
456007 Collecting and Remitting Taxes.

Amounts accruing between April 1, 2017, and the Effective Date of settlement are referred to, collectively, as the “Accrued Tax Payment.” The amount of the Accrued Tax payment for you pursuant to the Settlement is estimated to be: [_____]. [If the amount is zero, it means that currently available information does not show you having a Business License Tax applicable to Ameren since 2007. See section 3 of this Notice if you believe this is incorrect.] The payment was determined in accordance with the formula attached hereto as Exhibit 1. The Accrued Tax Payment may be reduced through the release of Protested Taxes paid by Ameren.

Further, Ameren guarantees to pay a minimum of \$6.5 million in aggregate Business License Taxes on the receipts identified in 2.b(iv) above to Settlement Class Members received during the first sixty (60) months following the Effective Date of settlement (“Guaranteed Tax Payment”).

3. Are you a member of this settlement class?

This Notice has been sent to you because you may be a member of a group of political subdivisions (a class) for whom a settlement with Ameren has been reached. The Settlement Class consists of all Political Subdivisions in Ameren’s Missouri service territory that have adopted a code or ordinance that imposes a Business License Tax (as defined in Section II.B of the Settlement Agreement), including – but not limited to – those Political Subdivisions listed on Exhibit 2 hereto. The following are specifically excluded from the Settlement Class: the Prior Opt-Outs.

If your jurisdiction is not listed on Exhibit 2, it signifies that according to records available to Class Counsel and Ameren you do not have a Business License Tax. If you disagree with this determination, you must submit a detailed explanation of the basis for your disagreement, along with your Business License Tax, postmarked on or before October 16, 2017, as specified in Section V.C. of the Settlement Agreement. You should mail your explanation to: Armstrong Teasdale, LLP, Attn: Ameren Settlement Administrator, 7700 Forsyth Blvd., Suite 1800, St. Louis, MO 63105.

Failing consensual resolution, Ameren will notify the challenging Political Subdivision that it may present its disagreement through counsel to the Court for resolution. The Court’s resolution shall be the exclusive remedy of such Political Subdivision, and any disagreement as to class membership shall not be subject to further challenge or appeal.

4. What are your options?

- Do nothing. If you are a Settlement Class Member, you will receive the Past Tax payment shown in par. 2.a of this Notice and Accrued and Future Taxes in accordance with par. 2.b of this Notice. You do not need to file a claim form. These are good faith estimates of your Past Tax payment and Accrued Tax payment amounts. Past Tax payments are subject to adjustment as provided for in the Settlement Agreement.

Unless you file a Request for Exclusion (see par. 4.c below), you will be prohibited from bringing a lawsuit against Ameren based on any of the released claims asserted by Plaintiffs. The judgment(s), whether favorable or not, will include all members of the Settlement Class who do not request exclusion. Any Settlement Class Member who does not request exclusion may, if desired, enter an appearance through counsel at your own expense.

- Stay in the Settlement Class and file an objection if you disagree with any part of the Settlement or the request for attorneys' fees or expenses.
- Exclude yourself from the Settlement Class, which means you will not participate in any of the financial benefits from the proposed Settlement, will not be bound by the releases made or judgments entered in connection with the Settlement, and will not be permitted to object to any part of the Settlement.

a. What happens if you disagree with the amount of the Past Tax payment?

Under the terms of the Settlement, a Settlement Class Member that disagrees with the Past Tax payment amount may submit a detailed explanation as to why it believes the Past Tax payment was incorrectly calculated postmarked on or before October 16, 2017, as specified in Section V.C. of the Settlement Agreement. You should mail your explanation to: Armstrong Teasdale, LLP, Attn: Ameren Settlement Administrator, 7700 Forsyth Blvd., Suite 1800, St. Louis, MO 63105.

In the event Ameren disagrees with the Settlement Class Member's contention, Ameren is obligated to meet and confer in good faith with Class Counsel and representatives of the Settlement Class Member in question in an effort to resolve the issue. If after such consultation, the Settlement Class Member and Ameren cannot agree on the Past Tax payment, the Past Tax payment specified in this Notice shall be the amount the Settlement Class Member is entitled to receive pursuant to the Settlement, subject to the Settlement Class Member's right to present its disagreement through counsel to the Court for resolution. The Court's resolution shall be the exclusive remedy of such Settlement Class Member, and any disagreement as to the amount of the Past Tax payment shall not be subject to further challenge or appeal.

b. How do I file an objection to the settlement?

If you are a Settlement Class Member, you must state your objection in writing and file it with the Court postmarked no later than October 16, 2017. The objection should be addressed to the Clerk of the Court, St. Louis County Circuit Court, Division 14, 7900 Carondelet, Clayton, Missouri 63105, and marked to indicate “Objection to proposed settlement in *City of Winchester, Missouri, et al., v. Union Electric Company*, Case No. 11SL-CC04561.”

You must simultaneously mail your objection to Class Counsel:

John W. Hoffman
Douglas R. Sprong
Korein Tillery, LLC
505 N. 7th Street, Suite 3600
St. Louis, MO 63101

Leland B. Curtis
Carl J. Lumley
Curtis, Heinz, Garrett & O’Keefe, P.C.
130 S. Bemiston, Suite 200
Clayton, MO 63105

John F. Mulligan, Jr.
101 South Hanley, Suite 1280
Clayton, MO 63105

Howard Paperner
9322 Manchester Road
St. Louis, MO 63119

and to Ameren’s attorneys:

Byron E. Francis
William Ray Price, Jr.
Thomas B. Weaver
Eric M. Trelz
Armstrong Teasdale, LLP
7700 Forsyth Blvd., Suite 1800
St. Louis, Missouri 63105

Included in any such objection must be a statement of the basis for your objection, all papers, briefs and evidence in support of the objection, and a declaration stating that you are a Settlement Class Member described in par. 3 above. If you do not properly file and serve an objection by the required date, any objection you have to the Settlement will be waived and you forever shall be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement, the payment of attorneys’ fees and expenses, or the Final Order and

Judgment of dismissal. Objectors may be subject to discovery and depositions related to their objections.

c. How do I exclude myself from the settlement class?

You can exclude yourself from the Settlement Class, which means you will not participate in any aspect of the Settlement and you may pursue your own claims, if any, at your own expense against the Defendant. Any political subdivision that desires to be excluded from the Settlement Class, and therefore not be bound by the terms of the Settlement Agreement, must mail a timely and valid written Request for Exclusion bearing a United States postmark no later than October 16, 2017, to:

Armstrong Teasdale, LLP
Attn: **Ameren Settlement Administrator**
7700 Forsyth Blvd., Suite 1800
St. Louis, Missouri 63105

You must simultaneously mail your Request for Exclusion to Class Counsel:

John W. Hoffman
Douglas R. Sprong
Korein Tillery, LLC
505 N. 7th Street, Suite 3600
St. Louis, MO 63101

John F. Mulligan, Jr.
101 South Hanley, Suite 1280
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and to Ameren's attorneys:

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Thomas B. Weaver
Eric M. Trelz
Armstrong Teasdale, LLP
7700 Forsyth Blvd., Suite 1800
St. Louis, Missouri 63105

In order to be valid, a Request for Exclusion must: (1) be signed personally by the duly authorized representative of the political subdivision; (2) be timely mailed to the designated addresses above; (3) clearly request exclusion from the Settlement Class; and (4) contain the name, address, and telephone number of the duly authorized representative of the political subdivision.

Any political subdivision that elects to be excluded shall not be entitled to receive any of the benefits of the Settlement, shall not be bound by the release of any claims pursuant to the Settlement Agreement, and shall not be entitled to object to the Settlement or appear at the Final Fairness Hearing.

5. When will the Court conduct the Final Fairness Hearing?

A Final Fairness Hearing shall be held before this Court at 1:30 p.m. on December 15, 2017, in Division 14 of the Circuit Court for St. Louis County, State of Missouri, to address: (a) whether the proposed Settlement should be finally approved as fair, reasonable and adequate; (b) whether a Final Order and Judgment of dismissal should be entered; (c) whether Class Counsel's attorneys' fees and expense application should be approved; (d) objections, if any, to the Settlement; and (e) any other matters the Court deems appropriate.

Although the hearing will be open to the public, you will not be permitted to speak in opposition to the issues above at the hearing unless you have filed a timely objection to the settlement or to the attorneys' fees and expenses in the manner described above. If you have filed a timely objection, you may appear with your own counsel and be heard at the hearing. If you plan to appear through counsel at the Final Fairness Hearing, either in opposition to the Settlement or to the Fees and Expenses, your counsel must file a Notice of Intent to Appear with the Clerk of the Court and send a copy to Settlement Class Counsel and Counsel for Ameren, at the addresses set forth above, postmarked on or before October 16, 2017. All papers, briefs and evidence must be submitted with your objection.

6. How much money will the attorneys be paid and who will pay it?

The attorneys for the Plaintiffs and the Settlement Class will submit to the Court for approval a request for attorneys' fees, costs, and expenses in the amount of \$5,188,000, which is approximately twenty-five percent (25%) of the total of the Past Tax Payment, Accrued Tax Payment (including the release of Protested Taxes to Settlement Class Members), and Guaranteed Tax Payment funds, plus litigation expenses, to be paid by Ameren from the Past Tax Payment fund.

Ameren has agreed not to oppose an award of fees and expenses in the amount set forth in this Notice. The Court will determine the amount of any fees and expenses awarded to Class Counsel.

7. Assignment to the Missouri Municipal League or Municipal League of Metro St. Louis.

The settlement allows you to assign a portion of your Past Tax payment, i.e., a portion of the amount shown in par. 2.a. above, to the Missouri Municipal League or the Municipal League of Metro St. Louis (if you are located within St. Louis City or St. Louis County). If you wish to make such an assignment, you must complete and return the form

attached as Exhibit 3 to this Notice. **The amount of Past Tax payment that you receive will be reduced by the amount of the assignment.**

8. Where can you get additional information?

This Notice provides only a summary of matters regarding the lawsuit. The pleadings, Settlement Agreement, and orders in the lawsuit provide greater detail and may clarify matters that are described only in general or summary terms in this Notice. Copies of the Settlement Agreement, Frequently Asked Questions and template Notice may be examined at <http://www.mocities.com>.

You also may examine the Settlement Agreement, court orders and other papers filed in the lawsuit at the Office of the Clerk of the Circuit Court of St. Louis County, 7900 Cardondelet Ave., Clayton, Missouri 63105, during regular business hours. If you wish, you may seek the advice and guidance of outside attorneys, at your own expense.

If you wish to communicate with or obtain information from attorneys for the class, you may do so by letter to the addresses listed below. You should direct such inquiries concerning a claim or other matters described in this Notice to Class Counsel:

John W. Hoffman
Douglas R. Sprong
Korein Tillery, LLC
505 N. 7th Street, Suite 3600
St. Louis, MO 63101

Leland B. Curtis
Carl J. Lumley
Curtis, Heinz, Garrett & O'Keefe, P.C.
130 S. Bemiston, Suite 200
Clayton, MO 63105

John F. Mulligan, Jr.
101 South Hanley, Suite 1280
Clayton, MO 63105

Howard Paperner
9322 Manchester Road
St. Louis, MO 63119

Please do not contact the Court, Counsel for Ameren, or any Ameren representative for information.

Dated: _____, 2017

By Order of the Circuit Court of St. Louis County,
State of Missouri, Honorable Judge Kristine A. Kerr

NOTICE EXHIBIT 1

CALCULATION OF PAST AND ACCRUED TAX PAYMENTS

		Past tax award: A		Attorneys' Fees: B			
		Accrued tax per month C		Number of accrual months: D			
Class member	Total 2016 E (total of 2016 payments)	Past Tax Share	Past Tax	Accrued tax share	Accrued Tax/mo	Accrued tax total	Total payment
Class member list	K (class member 2016 payment)	F (Share of 2016 payments) = K/E (adjusted for partial back-tax period communities)	G (past tax)=F*(A-B)	L (Accrued tax share) = K/E	H (accrued tax per month)=L*C	I (accrued tax total)=D*H (includes release of protest payments)	J (total payment)=G+I

NOTICE EXHIBIT 2

Alexandria	Centralia	Florissant
Altamont	Chaffee	Foley
Anniston	Chamois	Foristell
Arnold	Charlack	Frankford
Ashland	Charleston	Franklin
Augusta	Chesterfield	Frontenac
Auxvasse	Clark	Gasconade
Ballwin	Clarksburg	Gerald
Baring	Clarksville	Glendale
Barnett	Clayton	Gordonville
Bella Villa	Clifton Hill	Green Castle
Belle	Cool Valley	Green City
Bellefontaine Neighbors	Cottleville	Greendale
Bellerive Acres	Country Club Hills	Green Park
Bellflower	Cowgill	Greentop
Bel-Nor	Crestwood	Hallsville
Benton	Creve Coeur	Hamilton
Berger	Crystal City	Hartsburg
Berkeley	Crystal Lake Park	Hawk Point
Bernie	Curryville	Haywood City
Bertrand	Dellwood	Hazelwood
Beverly Hills	Delta	Herculaneum
Black Jack	Des Peres	Higbee
Blackwater	Desloge	High Hill
Bland	DeSoto	Hillsboro
Bonne Terre	Dexter	Hillsdale
Boonville	Downing	Holt
Bowling Green	East Prairie	Holts Summit
Brashear	Edina	Huntsville
Braymer	Edmundson	Hurdland
Breckenridge	Eldon	Iron Mountain Lake
Breckenridge Hills	Ellisville	Jamestown
Brentwood	Essex	Jefferson City
Bridgeton	Eureka	Jennings
Brookfield	Ewing	Jonesburg
Bunceton	Excelsior Springs	Josephville
Byrnes Mill	Farber	Kearney
Calverton Park	Fenton	Kidder
Canalou	Ferguson	Kingston
Canton	Festus	Kinloch
Cape Girardeau	Flint Hill	Kirksville
Center	Flordell Hills	Kirkwood

Knox City
Labelle
Laddonia
Ladue
LaGrange
Lake Ozark
Lake St. Louis
Lakeshire
Lathrop
Lawson
Leadington
Leadwood
Lewistown
Liberty
Lilbourn
Linn
Linn Creek
Lohman
Louisiana
Madison
Manchester
Maplewood
Marthasville
Martinsburg
Maryland Heights
Matthews
Maysville
McFall
McKittrick
Meta
Mexico
Middletown
Miner
Moberly
Moline Acres
Montgomery City
Mooresville
Morehouse
Morley
Morrison
Mosby
Moscow Mills
Nelson

New Bloomfield
New Florence
New Franklin
New Haven
New London
Normandy
Northwoods
Novinger
Oakland
O'Fallon
Old Monroe
Olivette
Oran
Osage Beach
Osborn
Otterville
Overland
Owensville
Pacific
Pagedale
Park Hills
Parma
Pasadena Hills
Pevely
Pilot Grove
Pine Lawn
Plattsburg
Polo
Portageville
Prairie Home
Queen City
Richmond Heights
Risco
Rock Hill
Rosebud
Russellville
Saint Ann
Saint Charles
Saint Clair
Saint Elizabeth
Saint John
Saint Louis City
Saint Louis County

Saint Martins
Saint Peters
Scott City
Shrewsbury
Silex
Smithton
South Gorin
Stover
Sturgeon
Sunset Hills
Syracuse
Taos
Tipton
Town & Country
Troy
Union
University City
Valley Park
Vandalia
Vandiver
Velda City
Versailles
Vienna
Vinita Park
Wardsville
Warrenton
Warson Woods
Washington
Wayland
Webster Groves
Wellston
Wellsville
Wentzville
Westphalia
Wildwood
Winchester
Winfield
Winston
Wood Heights
Woodson Terrace
Wright City
Wyaconda

NOTICE EXHIBIT 3

ASSIGNMENT TO MISSOURI MUNICIPAL LEAGUE OR MUNICIPAL LEAGUE OF METRO ST. LOUIS

If you wish to assign part of your Past Tax payment to the Missouri Municipal League or the Municipal League of Metro St. Louis (if you are located within St. Louis City or St. Louis County), please complete, sign and mail this form to Ameren's attorneys, postmarked on or before _____. The amount of your Past Tax payment will be reduced by the amount assigned, which may be in dollars or a percentage of your Past Tax payment, but not both.

Political Subdivision: _____

Name of Authorized Representative: _____

Title: _____

Address: _____

Assignment Amount: \$ _____ or % _____

Signature: _____

Date: _____

Mail to the Ameren Settlement Administrator:

Armstrong Teasdale, LLP
Attn: **Ameren Settlement Administrator**
7700 Forsyth Blvd., Suite 1800
St. Louis, Missouri 63105