

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE PILGRIM’S PRIDE CORPORATION)
DERIVATIVE LITIGATION) Consol. C.A. No.
) 2018-0058-JTL
)

**NOTICE OF PENDENCY OF DERIVATIVE ACTION,
PROPOSED SETTLEMENT OF DERIVATIVE ACTION,
SETTLEMENT HEARING, AND RIGHT TO APPEAR**

The Court of Chancery of the State of Delaware authorized this Notice. This is not a solicitation from a lawyer.

TO: ALL PERSONS OR ENTITIES WHO OR WHICH HELD SHARES OF PILGRIM’S PRIDE CORPORATION (“PPC”) COMMON STOCK AS OF THE CLOSE OF BUSINESS ON OCTOBER 8, 2019 (“CURRENT PPC STOCKHOLDERS”).

The purpose of this Notice is to inform you of: (i) the pendency of the above-captioned stockholder derivative action (the “Action”), which was brought by plaintiffs Matthew Sciabacucchi (“Sciabacucchi”) and Employees’ Retirement System of the City of St. Louis (“St. Louis,” and, together with Sciabacucchi, “Plaintiffs”), on behalf of and for the benefit of PPC, in the Court of Chancery of the State of Delaware (the “Court”); (ii) a proposed settlement of the Action (the “Settlement”), subject to Court approval, as provided in the Stipulation and Agreement of Settlement dated as of October 3, 2019 (the “Stipulation”); (iii) the hearing that the Court will hold on January 28, 2020 at 11:00 a.m. to determine whether to approve the proposed Settlement and to consider the application by Plaintiffs’ Counsel¹ for an award of attorneys’ fees and litigation expenses; and (iv) Current PPC Stockholders’ rights with respect to the proposed Settlement and Plaintiffs’ Counsel’s application for attorneys’ fees and expenses.²

¹ Plaintiffs’ Counsel consist of the law firms of Bernstein Litowitz Berger & Grossmann LLP, Block & Leviton LLP, and Heyman Enerio Gattuso & Hirzel LLP. Defendants’ Counsel consist of the law firms of Quinn Emanuel Urquhart & Sullivan, LLP and Abrams & Bayliss LLP.

² All capitalized terms not otherwise defined in this Notice shall have the meaning provided in the Stipulation, which is available in the “Investor Relations” section of PPC’s website, www.pilgrims.com.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.
YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED
SETTLEMENT OF THIS ACTION.**

The Stipulation was entered into as of October 3, 2019, between and among (i) Plaintiffs; (ii) defendants JBS S.A. (“JBS”) and JBS USA Holdings Lux S.á r.l. (“JBS Lux”); (iii) defendants William Lovette, Andre Nogueira de Souza, Gilberto Tomazoni, and Denilson Molina (collectively, the “Individual Defendants,” and, together with JBS and JBS Lux, “Defendants”); and (iv) nominal defendant PPC (together with Plaintiffs and Defendants, the “Parties”), subject to the approval of the Court pursuant to Delaware Chancery Court Rule 23.1.

As described in paragraph 34 below, the Settlement provides for: (i) a cash payment of \$42.5 million, which, after deducting any fee and expense award to Plaintiffs’ Counsel and any applicable taxes, will be paid to PPC; and (ii) corporate governance changes to be implemented by PPC.

If you are a nominee who held PPC common stock for the benefit of another, please read the section below entitled “NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS.”

Because the Action was brought as a derivative action, which means that it was brought on behalf of and for the benefit of PPC, the benefits from the Settlement will go to Pilgrim’s Pride Corporation. Individual PPC stockholders will not receive any direct payment from the Settlement.

PLEASE NOTE: THERE IS NO PROOF OF CLAIM FORM FOR STOCKHOLDERS TO SUBMIT IN CONNECTION WITH THIS SETTLEMENT, AND STOCKHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RESPONSE TO THIS NOTICE.

WHAT IS THE PURPOSE OF THIS NOTICE?

1. The purpose of this Notice is to explain the Action, the terms of the proposed Settlement, and how the proposed Settlement affects PPC stockholders’ legal rights.

2. In a derivative action, one or more persons or entities who are current stockholders of a corporation sue on behalf of and for the benefit of the corporation, seeking to enforce the corporation’s legal rights. In this case, Plaintiffs have filed suit against Defendants on behalf of and for the benefit of PPC.

3. The Court has scheduled a hearing to consider the fairness, reasonableness, and adequacy of the Settlement and the application by Plaintiffs' Counsel for an award of attorneys' fees and expenses (the "Settlement Fairness Hearing"). See paragraphs 42-44 below for details about the Settlement Fairness Hearing, including the location, date, and time of the hearing.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?

THE FOLLOWING DESCRIPTION OF THE ACTION AND THE SETTLEMENT HAS BEEN PREPARED BY COUNSEL FOR THE PARTIES. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO SUCH MATTERS, AND THIS NOTICE IS NOT AN EXPRESSION OR STATEMENT BY THE COURT OF FINDINGS OF FACT.

4. On June 30, 2017, the board of directors of PPC formed a special committee consisting of Charles Macaluso, David Bell, and Michael Cooper (together with Macaluso and Bell, the "Special Committee Defendants") to consider a potential transaction involving Moy Park Ltd. ("Moy Park"), a U.K.-based poultry and prepared foods supplier.

5. On September 8, 2017, pursuant to a Share Purchase Agreement, dated September 8, 2017 (the "Share Purchase Agreement"), by and among JBS, Granite Holdings S.à r.l. ("Granite"), a société à responsabilité limitée organized under the laws of the Grand Duchy of Luxembourg, Onix Investments UK Limited ("Onix"), a private limited company incorporated under the laws of England and Wales, and PPC (solely for purposes of Article VII of the Share Purchase Agreement), PPC, through its wholly-owned indirect subsidiary, Onix, acquired all of the outstanding shares of Granite, which directly held all outstanding shares of Moy Park, from JBS for £1 billion (or approximately \$1.31 billion at then-current exchange rates) (the "Moy Park Transaction").

6. On the date of the Moy Park Transaction, JBS, through indirect wholly-owned subsidiaries, beneficially owned a majority of the outstanding common stock of PPC.

7. On September 11, 2017, PPC issued a press release announcing the Moy Park Transaction.

8. On October 17, 2017, Sciabacucchi served a demand pursuant to 8 Del. C. § 220 (the “Sciabacucchi 220 Demand”) to inspect PPC’s books and records relating to the Moy Park Transaction.

9. On November 29, 2017, counsel for Sciabacucchi and counsel for PPC executed a Confidentiality Agreement to facilitate the production of documents in response to the Sciabacucchi 220 Demand.

10. On December 22, 2017, PPC produced certain books and records in response to the Sciabacucchi 220 Demand.

11. On January 24, 2018, Sciabacucchi filed his Verified Derivative Complaint (the “Sciabacucchi Complaint”), purporting to bring claims derivatively on behalf of nominal defendant PPC, against JBS, JBS Lux, José Batista Sobrinho, Flora Mendonça Batista, Valére Batista Mendonça Ramos, Vanessa Mendonça Batista, Wesley Mendonça Batista, Joesley Mendonça Batista, Vivianne Mendonça Batista Silveira, William Lovette, David Bell, Michael Cooper, Charles Macaluso, Andre Nogueira De Souza, Gilberto Tomazoni, Tarek Farahat, Denilson Molina, and Wallim Cruz De Vasconcellos, Jr. (the “Sciabacucchi Action”).

12. On March 15, 2018, Sciabacucchi voluntarily dismissed, without prejudice, defendants José Batista Sobrinho, Flora Mendonça Batista, Valére Batista Mendonça Ramos, Vanessa Mendonça Batista, Wesley Mendonça Batista, Joesley Mendonça Batista, and Vivianne Mendonça Batista Silveira (collectively, the “Batista Defendants”).

13. On March 19, 2018, Plaintiff St. Louis served a demand pursuant to 8 Del. C. § 220 (the “St. Louis 220 Demand” and, together with the Sciabacucchi 220 Demand, the “Demands”) to inspect PPC’s books and records relating to the Moy Park Transaction.

14. On March 20, 2018, JBS, JBS Lux, the Individual Defendants, Tarek Farahat, and Wallim Cruz De Vasconcellos, Jr. filed their Motion to Dismiss the Sciabacucchi Complaint.

15. On March 20, 2018, the Special Committee Defendants filed a Motion to Dismiss the Sciabacucchi Complaint.

16. On April 11, 2018, counsel for St. Louis and counsel for PPC executed a Confidentiality Agreement to facilitate the production of documents in response to the St. Louis 220 Demand.

17. On April 12, 2018, PPC produced certain books and records in response to the St. Louis 220 Demand.

18. On May 24, 2018, St. Louis filed its Verified Derivative Complaint, purporting to bring claims derivatively on behalf of nominal defendant PPC, against JBS, JBS Lux, José Batista Sobrinho, Flora Mendonça Batista, Valére Batista Mendonça Ramos, Vanessa Mendonça Batista, Wesley Mendonça Batista, Joesley Mendonça Batista, Vivianne Mendonça Batista Silveira, William Lovette, David Bell, Michael Cooper, Charles Macaluso, Andre Nogueira De Souza, Gilberto Tomazoni, Tarek Farahat, Denilson Molina, and Wallim Cruz De Vasconcellos, Jr. (the “St. Louis Action”).

19. On June 6, 2018, St. Louis voluntarily dismissed, without prejudice, the Batista Defendants.

20. On July 2, 2018, the Court consolidated the Sciabacucchi Action and the St. Louis Action and designated the Sciabacucchi Complaint as the operative complaint (the “Complaint”).

21. The Complaint alleged, among other things, that PPC’s directors breached their fiduciary duties in connection with the Moy Park Transaction and that JBS and JBS Lux, as PPC’s controlling stockholders, breached their fiduciary duties by entering into the Moy Park Transaction.

22. On July 3, 2018, Plaintiffs voluntarily dismissed, without prejudice, the Special Committee Defendants.

23. On July 9, 2018, Plaintiffs voluntarily dismissed, without prejudice, Wallim Cruz de Vasconcellos, Jr.

24. On March 15, 2019, following briefing and oral argument, the Court issued a Memorandum Opinion denying the motion to dismiss filed by defendants JBS, JBS Lux, William Lovette, Andre Nogueira De Souza, Gilberto Tomazoni, Tarek Farahat, and Denilson Molina.

25. Following the Court’s decision on the motion to dismiss, the Parties engaged in extensive discovery. Plaintiffs served document demands on the Defendants and PPC and subpoenas on numerous non-parties. In total, Plaintiffs received and reviewed nearly 4,000 documents, totaling more than 42,000 pages, including documents relating to the sale process, competing bids for Moy Park, PPC’s projections for Moy Park, PPC’s estimated synergies, Moy Park’s post-

closing performance, and Moy Park's post-closing achievement of PPC's estimated synergies.

26. On April 3, 2019, Plaintiffs served their First Request for Production of Discovery Materials Directed to JBS and to the Individual Defendants, and Plaintiffs served their First Request for Production of Discovery Materials Directed to Nominal Defendant Pilgrim's Pride Corporation.

27. On April 5, 2019, Plaintiffs served their First Request for Production of Discovery Materials Directed to the Special Committee Defendants.

28. On April 24, 2019, Plaintiffs voluntarily dismissed, without prejudice, defendant Tarek Farahat.

29. On July 1, 2019, Plaintiffs' Counsel and Defendants' Counsel participated in a full day mediation session before retired United States District Court Judge Layn R. Phillips (the "Mediator"). In advance of that session, Plaintiffs and Defendants provided the Mediator with detailed mediation statements and exhibits that addressed the issues of liability and damages in the Action. The session ended without any agreement being reached. Thereafter, the Parties continued to engage in arm's-length negotiations under the supervision and guidance of the Mediator.

30. On September 5, 2019, after extensive, arm's-length negotiations, Plaintiffs and Defendants, who were all represented by counsel with extensive experience and expertise in stockholder litigation, reached an agreement on the principal terms of the Stipulation providing for the settlement of Plaintiffs' claims against Defendants in the Action, subject to Confirmatory Discovery (as defined below), and memorialized their agreement by executing a mediation term sheet (the "Term Sheet"). The Settlement set forth herein reflects the results of the Parties' negotiations.

31. In connection with the confirmatory due diligence discovery conducted by Plaintiffs, Defendants and PPC provided additional documents related to Moy Park's post-closing performance, including PPC's progress on implementing identified synergies, and Plaintiffs' Counsel deposed PPC's Chief Financial Officer, Fabio Sandri, and JBS's internal counsel, Daniel Pitta. Additionally, in connection with the confirmatory due diligence discovery conducted by Defendants (together with the confirmatory due diligence discovery conducted by Plaintiffs, "Confirmatory Discovery"), Plaintiffs have provided Defendants with proof that

they currently own PPC stock and have continuously owned PPC stock since June 2017.

32. In connection with settlement discussions and negotiations leading to the proposed Settlement set forth in the Stipulation, counsel for the Parties did not discuss the appropriateness or amount of any application by Plaintiffs' Counsel for an award of attorneys' fees and expenses until the substantive terms of the Settlement were negotiated at arm's length and agreed upon.

33. On October 8, 2019, the Court entered the Scheduling Order in connection with the Settlement which, among other things, authorized this Notice to be provided to Current PPC Stockholders and scheduled the Settlement Fairness Hearing to consider whether to grant final approval of the Settlement.

WHAT ARE THE TERMS OF THE SETTLEMENT?

34. In consideration of the full settlement, satisfaction, compromise, and release of the Released Plaintiffs' Claims (defined in paragraph 37 below) against the Released Defendants' Persons (defined in paragraph 37 below) and the dismissal with prejudice of the Action, Plaintiffs, Defendants and PPC have agreed to the following:

(i) **Monetary Consideration:** No later than ten (10) business days prior to the date of the Settlement Fairness Hearing, Defendants will provide Plaintiffs' Counsel with satisfactory evidence that the amount of \$42,500,000 (the "Cash Settlement Amount") has been deposited in a segregated, U.S.-based interest-bearing account designated for the deposit of the Cash Settlement Amount (the "Account") for prompt payment in the event the Settlement is approved by the Court. The Cash Settlement Amount plus any interest earned thereon (the "Cash Settlement Fund"), less any Court-awarded attorneys' fees or litigation expenses paid to Plaintiffs' Counsel, and/or less any reserve to account for any potential future awards to Plaintiffs' Counsel, and less any applicable federal, state, and/or local taxes on any interest earned by the Cash Settlement Amount while on deposit in the Account, will be transferred from the Account to PPC no later than five (5) business days following the Effective Date (defined in paragraph 38 below). Defendants agree that PPC will not directly or indirectly pay any portion of the Cash Settlement Amount or indemnify any Defendant for payment, if any, that such Defendant may be required to make toward the Cash Settlement Amount.

(ii) **Governance**: Defendants and PPC further agree to the following governance provisions (the “Governance Provisions”):

Dividend Forbearance and Approval

JBS agrees that if PPC declares any dividends during the twelve months following the Effective Date, JBS Entities (as defined below) will forgo receipt of their *pro rata* interest in such dividends until stockholders of PPC other than JBS Entities shall receive declared dividends in an amount equal to their *pro rata* interest, as of the Effective Date, in \$42.5 million. To the extent PPC issues dividends during that time period in excess of that amount, JBS Entities may participate in the excess on a *pro rata* basis. Further, JBS agrees that for the twelve months following the Effective Date, any dividend to be paid by PPC must be approved by a resolution of at least a majority of the Equity Directors (as that term is defined in PPC’s Amended and Restated Certificate of Incorporation).

For purposes of this Dividend Forbearance and Approval, “JBS Entities” means JBS and any of its affiliates that hold an equity interest in PPC.

Enhanced Advisor Independence

Following final approval of the Settlement, the board of directors of Pilgrim’s Pride Corporation will adopt within its Governance Policies the following provision to be included as Section 7:

7. INDEPENDENT ADVISORS

(a) **Related Party Transactions**: for any transaction between the company, on the one hand, and JBS Entities or any member of the Batista Family, on the other, that involves assets reasonably valued in excess of \$100 million and for which the Equity Directors have decided to retain financial and/or legal advisors, the Equity Directors shall retain financial and/or legal advisors that have not represented or earned any fee from the company (other than from a committee of the board comprised solely of Equity Directors), JBS Entities, the Batista Family, or the respective affiliates of the foregoing, in the last three years.

(b) **Expiration**: This Section 7 shall remain in effect until [a date that is three years from the Effective Date] and shall cease to be in effect after such date. However, this Section 7 shall terminate if the company ceases to be a publicly-

traded company or a reporting company subject to Section 13 or Section 15(d) of the Exchange Act.

(c) For purposes of this Section 7, the following definitions apply:

(i) “Batista Family” means any of José Batista Sobrinho, Flora Mendonça Batista, Valére Batista Mendonça Ramos, Vanessa Mendonça Batista, Wesley Mendonça Batista, Joesley Mendonça Batista, Vivianne Mendonça Batista Silveira, or their respective affiliates.

(ii) “Equity Directors” has the meaning assigned to it in the company’s Amended and Restated Certificate of Incorporation.

(iii) “JBS Entities” means JBS S.A. and any of its affiliates that hold an equity interest in the company.

<p>WHAT ARE THE PARTIES’ REASONS FOR THE SETTLEMENT?</p>
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35. Plaintiffs, through Plaintiffs’ Counsel, have conducted an extensive investigation and discovery relating to the claims and underlying events and transactions alleged in the Action. Plaintiffs’ Counsel have analyzed the evidence adduced during their investigation and discovery and have also researched the applicable law with respect to the claims asserted in the Action and the potential defenses thereto. In negotiating and evaluating the terms of the Settlement, Plaintiffs and Plaintiffs’ Counsel considered the significant legal and factual defenses to Plaintiffs’ claims and the expense, length, and risk of pursuing their claims through trial and appeals. While Plaintiffs brought their claims in good faith and continue to believe that their claims have merit, Defendants vigorously argued that they had acted appropriately and are not subject to liability or damages. In light of the substantial monetary recovery and valuable governance changes achieved by the Settlement, Plaintiffs and Plaintiffs’ Counsel have determined that the proposed Settlement is fair, reasonable, adequate, and in the best interests of PPC and its stockholders. The Settlement provides substantial immediate benefits to PPC without the risk that continued litigation could result in obtaining similar or lesser relief for PPC after continued extensive and expensive litigation, including trial and the appeals that were likely to follow.

36. Defendants, to avoid the burden, expense, disruption, and distraction of further litigation, and without admitting the validity of any allegations made by Plaintiffs in the Complaint, or any liability with respect thereto, have concluded that

it is desirable that the claims against them be settled on the terms reflected in the Stipulation. Defendants have denied, and continue to deny, each and all of the claims and contentions alleged by Plaintiffs in the Complaint, including any and all allegations of wrongdoing, allegations of liability, and the existence of any damages asserted in the Complaint or arising from the Action. Without limiting the generality of the foregoing, Defendants have denied, and continue to deny, that they have committed any breach of fiduciary duty or have violated any statutory duty whatsoever, and each Defendant expressly maintains that he or it has diligently and scrupulously complied with his or its statutory, fiduciary, and other legal duties and is entering into the Stipulation and the Settlement to eliminate the burden, expense, disruption, and distraction inherent in further litigation.

WHAT WILL HAPPEN IF THE SETTLEMENT IS APPROVED? WHAT CLAIMS WILL THE SETTLEMENT RELEASE?

37. If the Settlement is approved, the Court will enter an Order and Final Judgment Approving Derivative Action Settlement (the “Judgment”). Pursuant to the Judgment, upon the Effective Date of the Settlement, the Action will be dismissed with prejudice and the following releases will occur:

Release of Claims by Plaintiffs: Upon the Effective Date of the Settlement, PPC, Plaintiffs and each and every stockholder of PPC, derivatively on behalf of PPC, and on behalf of themselves and their respective agents, spouses, heirs, executors, administrators, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such only, shall be deemed to have, and by operation of the Judgment approving this Settlement shall have, completely, fully, finally, and forever, compromised, settled, released, discharged, extinguished, relinquished, and dismissed with prejudice, and shall forever be enjoined from prosecuting, any and all Released Plaintiffs’ Claims against the Released Defendants’ Persons.

“Released Plaintiffs’ Claims” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, actions, potential actions, causes of action, suits, judgments, defenses, counterclaims, offsets, decrees, matters, issues and controversies of any kind, nature or description whatsoever, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including known claims and Unknown Claims, that (i) Plaintiffs asserted in the Complaint, or (ii) Plaintiffs or any other stockholder of PPC could

have asserted derivatively on behalf of PPC, or that PPC could have asserted directly, in any court, tribunal, forum or proceeding, whether based on state, local, foreign, federal, statutory, regulatory, common or other law or rule, (A) that are based upon, arise out of, or involve the facts, matters or events alleged or set forth in the Complaint, including the actions, inactions, deliberations, discussions, decisions, votes, disclosures, non-disclosures, aiding and abetting, or any other conduct of any kind of the Released Defendants' Persons alleged or set forth in the Complaint, or (B) that are based upon, arise out of, or involve the Moy Park Transaction; provided, however, that the Released Plaintiffs' Claims shall not include any claims to enforce the Stipulation or the Settlement. For the avoidance of doubt, the Released Plaintiffs' Claims include only claims belonging to PPC, or that could be asserted derivatively on behalf of PPC, and do not include (i) any claims that arise out of, are based upon, or relate to any conduct of the Released Defendants' Persons that occurs after the date of execution of the Stipulation; (ii) any direct claims of any stockholder of PPC, including any claims arising out of, based upon, or relating to the federal or state securities laws; or (iii) any claims, if any, that any party may have against any insurer with respect to obligations to fund the Cash Settlement Amount or any portion thereof.

“Released Defendants' Persons” means, whether or not each or all of the following Persons were named, served with process, or appeared in the Action, (i) Defendants; (ii) all Persons named at any time as defendants in the Complaint; (iii) PPC and all other past and present officers and directors of PPC; and (iv) for each and all of the Persons identified in the foregoing clauses (i), (ii) and (iii) of this subsection, any and all of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, insurers, reinsurers, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, controlling persons, affiliates, parents, subsidiaries, divisions, direct or indirect affiliates, associated entities, stockholders, principals, officers, managers, directors, managing directors, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, lenders, commercial bankers, attorneys, personal or legal representatives, accountants, and associates.

Release of Claims by Defendants and PPC: Upon the Effective Date of the Settlement, Defendants, PPC, and the other Released Defendants' Persons, on behalf of themselves and their respective agents, spouses, heirs, executors, administrators,

personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such only, shall be deemed to have, and by operation of the Judgment approving this Settlement shall have, completely, fully, finally, and forever, compromised, settled, released, discharged, extinguished, relinquished, and dismissed with prejudice, and shall forever be enjoined from prosecuting, any and all Released Defendants' Claims against the Released Plaintiffs' Persons.

"Released Defendants' Claims" means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys' fees, actions, potential actions, causes of action, suits, judgments, defenses, counterclaims, offsets, decrees, matters, issues and controversies of any kind, nature or description whatsoever, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including known claims and Unknown Claims, including, but not limited to, any claims arising under state or federal statutory or common law, that arise out of, are based upon, or relate to the institution, prosecution, or settlement of the claims asserted in the Action; provided, however, that the Released Defendants' Claims shall not include any claims arising out of, based upon, or relating to the enforcement of the Stipulation or the Settlement, and shall not include claims, if any, that any Party may have against any insurer with respect to obligations to fund the Cash Settlement Amount or any portion thereof.

"Released Plaintiffs' Persons" means Plaintiffs and Plaintiffs' Counsel, and any and all of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, insurers, reinsurers, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, controlling persons, affiliates, parents, subsidiaries, divisions, direct or indirect affiliates, associated entities, stockholders, principals, officers, managers, directors, managing directors, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, lenders, commercial bankers, attorneys, personal or legal representatives, accountants, and associates, as well as PPC as nominal defendant.

"Person" means any individual, corporation, professional corporation, limited liability company, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated

association, government or any political subdivision or agency thereof, or any other business or legal entity.

“Unknown Claims” means any Released Plaintiffs’ Claims which any Plaintiff does not know or suspect to exist in his or its favor at the time of the release of such claims and any Released Defendants’ Claims which any Defendant or PPC 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 or it, might have affected his or its decision(s) with respect to this Settlement. With respect to any and all Released Plaintiffs’ Claims and Released Defendants’ Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, they shall expressly waive any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law 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.

The Parties acknowledge that the foregoing waiver was separately bargained for and a key element of the Settlement.

38. The “Effective Date” of the Settlement will be the first date upon which the following conditions of the Settlement have been met and occurred: (i) payment of the Cash Settlement Amount into the Account in accordance with paragraph 34 above; (ii) Plaintiffs and Defendants have not exercised their options to terminate the Settlement; and (iii) the Court has entered the Judgment and the Judgment has become Final.

39. By Order of the Court, pending final determination of whether the Settlement should be approved, (i) all proceedings in the Action, other than proceedings as may be necessary to carry out the terms and conditions of the Stipulation, have been stayed until otherwise ordered by the Court; (ii) Plaintiffs and all other PPC stockholders are barred and enjoined from commencing, prosecuting, instigating or in any way participating in the commencement or prosecution of any action asserting any Released Plaintiffs’ Claims, either directly, representatively, derivatively, or in any other capacity, against any Released Defendants’ Persons; and (iii) PPC and Defendants are barred and enjoined from commencing, prosecuting, instigating or in any way participating in the commencement or

prosecution of any action asserting any Released Defendants' Claims, either directly, representatively, derivatively, or in any other capacity, against any Released Plaintiffs' Persons.

HOW WILL THE ATTORNEYS BE PAID?

40. Plaintiffs' Counsel have not received any payment for their services in pursuing the claims asserted in this Action, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Plaintiffs' Counsel invested their own resources for pursuing the claims asserted on a contingency basis, meaning they would only recover their expenses and be compensated for their time if they created benefits through this litigation. In light of the risks undertaken in pursuing this litigation on a contingency basis and the benefits created for PPC and its stockholders through the Settlement and the prosecution of the claims asserted, Plaintiffs' Counsel intend to petition the Court for an award of attorneys' fees and litigation expenses to be paid from (and out of) the Cash Settlement Amount. Plaintiffs' Counsel's fee and expense application will seek an award of attorneys' fees and expenses in a total amount not to exceed 25% of the Cash Settlement Amount.

41. The Court will determine the amount of any attorney fee and expense award to Plaintiffs' Counsel (the "Fee and Expense Award"). Any Court-approved Fee and Expense Award will be paid from the Cash Settlement Amount. PPC stockholders are not personally liable for any such fees or expenses.

WHEN AND WHERE WILL THE SETTLEMENT FAIRNESS HEARING BE HELD? DO I HAVE THE RIGHT TO APPEAR AT THE SETTLEMENT FAIRNESS HEARING? MAY I OBJECT TO THE SETTLEMENT AND SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

42. The Court will consider the Settlement and all matters related to the Settlement at the Settlement Fairness Hearing. The Settlement Fairness Hearing will be held before Vice Chancellor J. Travis Laster on January 28, 2020, at 11:00 a.m., in the Court of Chancery of the State of Delaware, in Courtroom 12B of the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801.

43. At the Settlement Fairness Hearing, the Court will, among other things: (i) determine whether Plaintiffs and Plaintiffs' Counsel have adequately represented

the interests of PPC and its stockholders; (ii) determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to PPC and its stockholders, and should be approved by the Court; (iii) determine whether the Judgment, substantially in the form attached as Exhibit D to the Stipulation, should be entered dismissing the Action with prejudice against Defendants and settling, releasing, and enjoining prosecution of any and all Released Plaintiffs' Claims against the Released Defendants' Persons; (iv) determine whether the application by Plaintiffs' Counsel for an award of attorneys' fees and litigation expenses should be approved; and (v) to consider any other matters that may properly be brought before the Court in connection with the Settlement. PPC stockholders do not need to attend the Settlement Fairness Hearing.

44. Please Note: The Court has reserved the right to adjourn the Settlement Fairness Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees and expenses, without further notice of any kind other than by oral announcement at the Settlement Fairness Hearing or any adjournment thereof. The Court has further reserved the right to approve the Stipulation and the Settlement, at or after the Settlement Fairness Hearing, with such modifications as may be consented to by the Parties and without further notice to PPC stockholders. You should monitor the Court's docket and Plaintiffs' Counsel's websites, as indicated in paragraph 51 below, before making plans to attend the Settlement Fairness Hearing. You may also confirm the date and time of the Settlement Fairness Hearing by contacting Plaintiffs' Counsel as indicated in paragraph 51 below.

45. Any Current PPC Stockholder who or which continues to own shares of PPC common stock as of January 28, 2020, the date of the Settlement Fairness Hearing, may object to the Settlement and/or Plaintiffs' Counsel's application for an award of attorneys' fees and litigation expenses. Objections must be in writing and filed with the Register in Chancery at the address set forth below on or before January 14, 2020. Objections must also be served on counsel for Plaintiffs, Defendants, and PPC by hand, first class U.S. mail, or express service, at the addresses set forth below such that they are received on or before January 14, 2020.

Register in Chancery

Register in Chancery
Delaware Court of
Chancery
Leonard L. Williams
Justice Center
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Wilmington, DE 19801

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46. Any objections, filings, and other submissions must: (i) state the name, address, and telephone number of the objector and, if represented by counsel, the name, address, and telephone number of his, her, or its counsel; (ii) be signed by the objector; (iii) state that the objection is being filed with respect to “*In re Pilgrim’s Pride Corporation Derivative Litigation*, Consol. C.A. No. 2018-0058-JTL”; (iv) contain a specific, written statement of the objection(s) and the specific reason(s) for the objection(s), including any legal and evidentiary support the objector wishes to bring to the Court’s attention, and if the objector has indicated that he, she, or it intends to appear at the Settlement Fairness Hearing, the identity of any witnesses the objector may call to testify and any exhibits the objector intends to introduce into evidence at the hearing; and (v) include documentation sufficient to prove that the objector owned shares of PPC common stock as of the close of business on October 8, 2019 and contain a statement that the objector continues to hold shares of PPC common stock as of the date of filing of the objection and will continue to hold shares of PPC common stock as of the date of the Settlement Fairness Hearing.

47. Current PPC Stockholders who or which continue to own shares of PPC common stock as of the date of the Settlement Fairness Hearing may file a written objection without having to appear at the Settlement Fairness Hearing. Unless the Court orders otherwise, however, such persons may not appear at the Settlement

Fairness Hearing to present their objections unless they first filed and served a written objection in accordance with the procedures described above.

48. Persons who file and serve a timely written objection as described above and who wish to be heard orally at the Settlement Fairness Hearing in opposition to the approval of the Settlement or Plaintiffs' Counsel's application for an award of attorneys' fees and expenses, must also file a notice of appearance with the Register in Chancery and serve it on counsel for Plaintiffs, Defendants, and PPC at the addresses set forth in paragraph 45 above so that it is *received* on or before January 14, 2020. Persons who intend to object and desire to present evidence at the Settlement Fairness Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

49. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Fairness 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 and serve it on counsel for Plaintiffs, Defendants, and PPC at the addresses set forth in paragraph 45 above so that the notice is *received* on or before January 14, 2020.

50. Unless the Court orders otherwise, any person or entity who or which does not make his, her, or its objection in the manner set forth above will: (i) be deemed to have waived and forfeited his, her, or its right to object to any aspect of the proposed Settlement or Plaintiffs' Counsel's application for an award of attorneys' fees and litigation expenses; (ii) be forever barred and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Judgment to be entered approving the Settlement, or the attorneys' fees and expenses; and (iii) be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding, with respect to any matters concerning the Settlement or the requested or awarded attorneys' fees and expenses.

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

51. This Notice does not purport to be a comprehensive description of the Action, the allegations related thereto, or the terms of the Settlement. For a more detailed statement of the matters involved in the Action, you may view a copy of the Stipulation in the "Investor Relations" section of PPC's website,

www.pilgrims.com. You may also inspect the pleadings, the Stipulation, the Orders entered by the Court, and other papers filed in the Action at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801, during regular business hours of each business day. Copies of case documents, including the Stipulation and the Complaint, are also available on Plaintiffs' Counsel's websites: www.blbglaw.com, www.blockesq.com, and www.hegh.law. If you have questions regarding the Action or the Settlement, you may write or call Plaintiffs' Counsel: Mark Lebovitch, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, New York, NY 10020, (800) 380-8496; Jason M. Leviton, Esq., Block & Leviton LLP, 260 Franklin Street, Suite 1860, Boston, MA 02110, (617) 398-5600; or Kurt M. Heyman, Esq., Heyman Enerio Gattuso & Hirzel LLP, 300 Delaware Avenue, Suite 200, Wilmington, DE 19801, (302) 472-7300.

**NOTICE TO PERSONS OR ENTITIES HOLDING RECORD
OWNERSHIP ON BEHALF OF OTHERS.**

52. Brokerage firms, banks, and other persons or entities holding shares of PPC common stock as of the close of business on October 8, 2019 as record holders for the beneficial interest of persons or organizations other than themselves are requested to immediately send this Notice to all such beneficial owners. If additional copies of the Notice are required to forward to such beneficial owners, record holders may (i) request from PPC at Investor Relations, Pilgrim's Pride Corporation, 1770 Promontory Circle, Greeley, CO 8034-9038 (dunham.winoto@pilgrims.com), sufficient copies of this Notice to forward to all such beneficial owners; or (ii) provide a list of the names and addresses of all such beneficial owners to PPC at Investor Relations, Pilgrim's Pride Corporation, 1770 Promontory Circle, Greeley, CO 8034-9038 (dunham.winoto@pilgrims.com). If you choose the second option, PPC will send a copy of the Notice to the beneficial owners. Copies of this Notice may also be obtained from the "Investor Relations" section of PPC's website, www.pilgrims.com.

**DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF
THE REGISTER IN CHANCERY REGARDING THIS NOTICE.**

Dated: October 18, 2019

BY ORDER OF THE COURT