

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION**

Lead No. 3:18-cv-00347-MOC-DCK

(Consolidated with Nos. 3:18-cv-00349-MOC-DCK and 3:18-cv-00350-MOC-DCK)

IN RE BABCOCK & WILCOX)
ENTERPRISES, INC. SHAREHOLDER)
DERIVATIVE LITIGATION)

)
This Document Relates to:)
)
ALL ACTIONS.)
_____)

NOTICE OF PROPOSED SETTLEMENT

TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF COMMON STOCK OF BABCOCK & WILCOX ENTERPRISES, INC. ("B&W" OR THE "COMPANY") WHO CURRENTLY OWN B&W COMMON STOCK AND WHO OWNED IT AS OF JULY 22, 2019 ("CURRENT B&W STOCKHOLDERS") (EXCLUDING DEFENDANTS) AND THEIR SUCCESSORS-IN-INTEREST.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT AND DISMISSAL OF STOCKHOLDER DERIVATIVE LITIGATION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS. YOUR RIGHTS MAY BE AFFECTED BY LEGAL PROCEEDINGS IN THESE ACTIONS.

PLEASE NOTE THAT THIS ACTION IS NOT A "CLASS ACTION" AND NO INDIVIDUAL STOCKHOLDER HAS THE RIGHT TO BE COMPENSATED AS A RESULT OF THE SETTLEMENT OF THESE ACTIONS.

YOU ARE HEREBY NOTIFIED, pursuant to an order of the United States District Court for the Western District of North Carolina (the "Court"), that a proposed Settlement¹ has been reached between and among Defendants and plaintiffs Mike DeAngelis, Dan Hegeman, and Bud and Sue Frashier Family Trust in the above-captioned consolidated stockholder derivative action (the "Federal Derivative Action"), and between and among Defendants and plaintiff Pamela Marks in an additional stockholder derivative action captioned, *Pamela Marks v. E. James Ferland et al.*, Case No. 18-CVS-21193 (N.C. Super. Ct.—Mecklenburg Cty.) (the "State Derivative Action") (together with the Federal Derivative Action, the "Actions"). This Notice of Proposed Settlement ("Notice") is not an expression of any opinion by the Court with respect to the truth of the allegations in the Federal and State Derivative Actions or the merits of the claims or defenses asserted by or against any party. It is solely to notify you of the terms of the proposed Settlement, and your rights related thereto. The terms of the proposed Settlement are set forth in the Stipulation which has been filed with the Court and is attached hereto. This summary should be read in conjunction with, and is qualified in its entirety by reference to, the text of the Stipulation.

I. WHY THE COURT HAS ISSUED THIS NOTICE

Your rights may be affected by the Settlement of the Federal and State Derivative Actions. The Parties have agreed upon terms to settle the Federal and State Derivative Actions and have signed the Stipulation setting forth the Settlement terms.

II. SUMMARY OF THE STOCKHOLDER MATTERS SUBJECT TO THE SETTLEMENT

The Federal Derivative Action

The Federal Derivative Action was commenced by plaintiffs DeAngelis and Hegeman in

¹ All capitalized terms that are not otherwise defined shall have the same definitions as set forth in the Stipulation and Agreement of Settlement, dated July 22, 2019 and filed with the Court on August 12, 2019 (the "Stipulation").

the United States District Court for the District of Delaware with the filing of two separate but similar complaints on February 16, 2018. On February 22, 2018, Plaintiff Frashier Family Trust also filed a complaint in United States District Court for the District of Delaware containing allegations substantially similar to the complaints filed by DeAngelis and Hegeman.

On April 23, 2018, the United States District Court for the District of Delaware entered an order consolidating the related derivative actions and designating co-lead and co-liaison counsel. On June 1, 2018, plaintiffs DeAngelis, Hegeman, and Frashier Family Trust filed a verified consolidated derivative complaint ("Consolidated Complaint"). The Consolidated Complaint alleged that the Individual Defendants—current and former officers and directors of the Company—breached their fiduciary duties of loyalty and good faith by materially misrepresenting the true condition and business prospects of the Company's renewable business segment and failing to adequately oversee the Company's renewable business, wasted corporate assets, were unjustly enriched, and violated certain federal securities laws by causing the Company to repurchase its stock at artificially inflated prices and by causing the issuance of false and misleading proxy statements.

On June 28, 2018, the Federal Derivative Action was transferred to the United States District Court for the Western District of North Carolina and is pending before the Honorable Max O. Cogburn, Jr. The parties filed a motion to stay the Federal Derivative Action, which Judge Cogburn granted on August 13, 2018. As a condition of the stay, Defendants agreed to and have provided to plaintiffs DeAngelis, Hegeman, and Frashier Family Trust copies of documents produced by the defendants in the related federal securities class action currently pending in the United States District Court for the Western District of North Carolina, captioned *Ollila v. Babcock & Wilcox Enterprises, Inc., et al.*, Case No. 3:17-cv-00109-MOC-DCK.

The State Derivative Action

The State Derivative Action traces back to plaintiff Marks' demand for the inspection of certain Company books and records pursuant to title 8, section 220 of the Delaware General Corporation Law Code dated March 16, 2018 (the "Demand"). On March 30, 2018, counsel for B&W responded to the Demand, noting that the Company would produce certain non-privileged Board of Directors (the "Board") and Audit and Finance Committee's minutes and materials dated January 1, 2016 through March 16, 2018 (the "220 Materials"). The Company completed production of the 220 Materials on August 30, 2018.

On November 14, 2018, plaintiff Marks filed a verified stockholder derivative complaint in the State of North Carolina's General Court of Justice, Superior Court Division, County of Mecklenburg (the "*Marks* Complaint"). The *Marks* Complaint alleges that the Individual Defendants breached their fiduciary duties of loyalty and good faith by failing to adequately oversee the Company. These breaches, according to Plaintiff Marks, allowed the Company to: (i) disseminate false and misleading statements regarding its renewable business; and (ii) operate with deficient internal controls over financial reporting. Finally, the *Marks* Complaint alleges that the Individual Defendants were unjustly enriched as a result of compensation they received while they allegedly breached the fiduciary duties they owed to B&W. The parties to the State Derivative Action filed a joint motion to temporarily stay the case in order to facilitate settlement discussions, which Judge Conrad granted on April 10, 2019.

III. REASONS FOR THE SETTLEMENT

The Parties have determined that it is desirable and beneficial that the Federal and State Derivative Actions and all of their disputes related thereto be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation.

A. How Was the Settlement Negotiated?

On April 17, 2019, Plaintiffs' Counsel and counsel for the Individual Defendants held a mediation session in New York City. The Mediation was supervised by Michelle Yoshida of Phillips ADR ("Mediator"). Prior to the Mediation, the Parties exchanged mediation briefs addressing the claims, available defenses, and remedial issues. Plaintiffs' Counsel submitted a settlement demand to counsel for the Individual Defendants on April 10, 2019. Working with the Company, including current members of B&W's Board and its Chief Accounting Officer, counsel for the Individual Defendants responded to Plaintiffs' settlement demand with a counter-offer, which they presented to Plaintiffs' Counsel at the start of the Mediation. In addition to counsel for the Parties, a representative of the Company's insurer, and the insurer's counsel attended and participated in the mediation, and the Company's counsel consulted with the Company's General Counsel throughout the course of the mediation. Despite their good faith efforts, after a full day of hard fought, arm's-length negotiations, the Parties were unable to reach agreement on the substantive consideration for a settlement. At the end of the day, the Mediator issued a Mediator's recommendation to resolve the Federal and State Derivative Actions on the terms summarized herein, which the Parties accepted.

B. Why Did the Plaintiffs Agree to Settle?

Plaintiffs believe that the claims asserted in the Federal and State Derivative Actions on behalf of B&W have merit. The Plaintiffs, however, recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Actions. Plaintiffs and Plaintiffs' Counsel have also taken into account the uncertain outcome and the risk of continued litigation as well as the difficulties and delays inherent in such litigation. Based on their evaluation, Plaintiffs and Plaintiffs' Counsel have determined that the Settlement set forth in the Stipulation is in the best interests of B&W and that it confers substantial benefits upon B&W and its stockholders.

C. Why Did the Defendants Agree to Settle?

Defendants have denied, and continue to deny, each and all of the allegations made by the Plaintiffs in the Federal and State Derivative Actions and maintain that they have meritorious defenses thereto. Defendants also have denied and continue to deny, among other allegations, the allegations that B&W or any its stockholders were harmed in any way as a result of the conduct of the Individual Defendants alleged in the Actions. The Individual Defendants have further asserted and continue to assert that at all times they acted in good faith and in a manner they reasonably believed to be and that was in the best interests of B&W and its stockholders. Nonetheless, Defendants have concluded that further litigation may be protracted and expensive and that it is desirable that the Actions be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Defendants have, therefore, determined that it is desirable that the Federal and State Derivative Actions be fully and finally settled in the manner

and upon the terms and conditions set forth in the Stipulation.

IV. TERMS OF THE PROPOSED SETTLEMENT

The terms and conditions of the proposed Settlement are set forth fully in the Stipulation. As part of the proposed Settlement, B&W has agreed to adopt practices, resolutions, and/or amend certain committee charters and/or the Company's Bylaws within forty-five (45) days of the Effective Date of the Settlement to ensure the adoption, implementation, and maintenance of the following corporate governance reforms (the "Reforms"), except as set forth below. The negotiated and comprehensive Reforms directly address certain of Plaintiffs' allegations in the Actions, are designed to reduce the likelihood that similar alleged wrongdoing that gave rise to the Actions recurs and strengthens the Company's overall corporate governance practices and internal controls generally. The Parties agree that the initiation, prosecution, and settlement of the Actions was the primary factor in the implementation of Reforms (A) through (I) set forth below and a significant factor in the adoption of the Reforms (J) through (Q) set forth below. The Parties further agree that the Reforms confer a substantial benefit to the B&W as part of the Settlement of the Actions.

The Reforms set forth below shall remain in effect for five years after the Settlement, except as otherwise set forth in the Stipulation.

A. Enhanced Board Independence and Board Responsibilities

i. At Least Two-Thirds of the Board Must Be Independent: The Company shall require that, at all times, at least 66% of the members of the Board are not Company executives and compliant with section (b) of the New York Stock Exchange ("NYSE") independence requirements set forth in NYSE corporate governance standards, section 303A.02, except for subsection (b)(iv); provided further that the composition of the Audit & Finance Committee shall meet all relevant NYSE independence requirements set forth in section 303A.02.

ii. Mandatory Executive Sessions Meetings of the Independent Directors: The Independent Directors shall meet in executive session at least four (4) times annually outside the presence of management directors, in addition to the executive sessions required of specific committees of the Board as set forth below.

iii. Mandatory Board Meetings: The Board shall meet at least once per quarter.

iv. Chairman's Role in Setting the Agenda for Standard, Quarterly Board Meetings: The agenda for standard, quarterly Board meetings shall be established by the Chief Executive Officer ("CEO") and the final version of any such agenda shall not be distributed to the entire Board until the CEO has solicited the input of, received feedback from, and included any items sought to be included by the Chairman on the same.

v. Enhanced Board Responsibilities for Oversight of Strategy and Planning: The Board shall at least annually and more frequently if circumstances or as good governance requires discuss the Company's long-term strategy development and implementation, including:

(a) reviewing the process for development, approval and modification of the Company's strategy and strategic plan;

(b) reviewing the key issues, options and external developments impacting the Company's strategy; and

(c) monitoring enterprise risks that may affect the Company and assisting management of the Company in addressing such risks in the Company's strategic plan.

B. Enhancements to Disclosure and Internal Controls Committee

The Board shall amend the Disclosure Committee's Charter, as reflected in Exhibit A attached hereto.

C. Audit Committee Oversight of Disclosure and Internal Controls

The Audit Committee Charter shall be amended to ensure, among other things, that the Audit Committee more effectively supervises the Company's public disclosures as follows:

i. The Audit Committee shall oversee the work of the Disclosure Committee. The Audit Committee shall meet separately with and review reports from management and the Disclosure Committee at least once each quarter and more frequently if necessary to effectively supervise the Company's disclosure function and specific disclosure issues of particular importance. At least on a quarterly basis, the Audit Committee shall meet with the Chairman of the Disclosure Committee to review the Disclosure Committee's process and recommendations and to evaluate any concerns and recommendations the Disclosure Committee may have.

ii. The Audit Committee shall, in conjunction with the Chair of the Disclosure Committee, review any financial statements, including, but not limited to, any Form 10-Q, Form 10-K, Form 8-K pertaining to financial statements, or annual proxy statement issued by the Company, to ensure sufficient material risk disclosures. Prior to the issuance of earnings guidance, the Audit Committee shall review and approve any such guidance with the Disclosure Committee to ensure that proposed guidance has a reasonable basis and that all material risks and contingencies are properly disclosed. This review shall include consideration of management representation letters.

iii. The Audit Committee shall review at least quarterly the critical assumptions and material factors on which published financial forecasts or guidance are based, including those relating to the status of any of the Company's contracts/projects. The Audit Committee shall oversee the decision-making pertaining to the potential modification or withdrawal of previously published forecasts or guidance.

iv. The Audit Committee shall receive a written report from the appropriate member of management in any quarter in which a Red Team Review was conducted by the Company. The written report shall include the meeting minutes from the Red Team Review(s).

v. The Audit Committee shall, at least annually, meet with management, the head of the internal audit function, and the independent auditors.

vi. The Audit Committee shall, at least annually, review and evaluate the capabilities and performance of the lead partner of the independent auditors and confirm the regular rotation of the audit partners. The Audit Committee shall, at least quarterly, meet with management to review and discuss the Company's major financial risk exposures.

vii. The Audit Committee shall review, in consultation with the full Board, reports from management regarding B&W's material risks and assess the efforts in place to manage such risks at least annually.

D. Management Assessment of Disclosure and Internal Controls

i. Management, including the CEO, Chief Financial Officer ("CFO"), and/or Chief Administrative Officer, shall annually assess the adequacy of the Company's internal controls, and, in consultation with the Disclosure Committee and the Audit Committee, shall report to the Audit Committee as to the same, and shall report in the Company's Annual Report on Form 10-K any identified material weaknesses, including (without limitation) material weaknesses concerning each of the following:

(a) the communications process regarding the status, progress, costs, and prospects of the Company's pending contracts/projects; and

(b) the Company's subcontractor reconciliation processes.

ii. Should management identify any material weaknesses with regard to these or other controls, they shall take corrective action and/or recommend that the Board take corrective action. Such corrective action and/or recommendations shall be summarized in the Company's Annual Report on Form 10-K.

E. Enhanced Governance Committee Duties

i. The Charter of the Governance Committee shall be amended to reflect the following additional duties and responsibilities:

(a) The Governance Committee shall meet in person or telephonically at least once each quarter.

(b) The Company shall publicly disclose the specific criteria for assessing director performance and skills.

(c) In accordance with its duties to develop material principles of corporate governance and recommend such principles to the Board, the Governance Committee shall ensure that any agreed upon corporate governance principles or guidelines are widely available to the public, through the Company's website or otherwise.

F. Enhanced Compensation Committee Duties

i. The Charter of the Compensation Committee shall be amended to reflect the following additional duties and responsibilities:

(a) The Compensation Committee shall continuously seek ways to improve the compensation structure for the Company's officers and directors to ensure compensation packages are competitive but not grossly excessive.

(b) The Compensation Committee shall adopt measures by which executive compensation can be measured against strict, easy-to-understand performance criteria, and shall publish those measures in the Company's annual proxy statement for the preceding year as well as its assessment of performance against those measures, including use by the Compensation Committee of discretionary factors that allow the Compensation Committee to reduce executive compensation for poor performance and/or for causing B&W to undertake excessive risk, in a manner consistent with applicable SEC rules or listing standards. In particular, and among other things, the Board shall present this information in the Company's annual proxy statement in the Compensation Discussion & Analysis ("CD&A") section in a clear, easy-to-understand format, subject to applicable regulatory requirements. Further, the Board shall retain independent legal counsel at the Company's expense to review the quality, accuracy, and completeness of the Company's CD&A disclosures for the Company's annual proxy statements.

(c) The Compensation Committee shall adopt measures by which incentive compensation shall be tied primarily to performance criteria, and length-of-service criteria shall be used sparingly, if at all. Incentive compensation also shall include risk adjustments where appropriate. Among other things, a percentage of the stock-based awards granted to the CEO and other section 16 officers shall be performance-based with such percentage being consistent with generally recognized compensation practices, and appropriate to the size and scope of the particular individual's position, and multiple long-term financial performance metrics consistent with the Company's long-term business plan must be utilized in determining what is ultimately earned.

(d) A director shall not serve on the Compensation Committee for more than five (5) consecutive years.

(e) B&W shall implement a standard practice, consistent with the independence of the Compensation Committee under applicable law, to allow a full Board discussion of B&W's compensation philosophy, programs and implementation on a periodic basis to improve the full Board awareness and understanding of executive compensation. At one Board meeting each year, the Board shall be briefed on the structure of B&W's executive compensation plans and the compensation philosophy upon which such plans are based.

(f) Where B&W identifies a significant risk that potentially affects executive compensation in a material way, the Compensation Committee shall assess whether and how that risk should be assessed for compensation purposes.

(g) B&W shall post the amended Compensation Committee Charter on its website.

G. Site Visits and/or Onsite Inspections

i. B&W shall require certain B&W management and at least one independent director to conduct at least one on-site inspection/visit each year of a significant project, as determined by the Board or a committee thereof. These visits will be conducted by Internal Audit and will be designed to help to educate senior management and the Company's directors regarding the operating culture of the field, and will provide them a better understanding what happens on site. Following each visit/inspection, Internal Audit or management shall prepare a report regarding the visit, which shall include a detailed summary of the visit, an explanation of how any information gathered may impact the Company's operations, and recommendations as to any changes that may be necessary or advisable. The term "Internal Audit" as used in this provision shall include any "Internal Audit" personnel that are engaged on an outsourced basis.

H. Executive Reports

i. At each regularly scheduled Board meeting, the Company's CFO (or his or her designee) shall provide a report as to the Company's financial condition and prospects, including, but not limited to, a discussion of all reasons for material increases in expenses and liabilities, if any, and material decreases in revenues and earnings, if any, management plans for ameliorating or reversing such negative trends and the success or failure of any such plans presented in the past. All Executive Vice Presidents and the CFO shall make reports to the Board regarding their respective areas of responsibility at least quarterly and shall meet at least annually with the non-employee directors of the Company.

I. Continuing Director Education

i. The Company shall implement and maintain a mandatory orientation and continuing education program designed to familiarize new directors with the Company, its management structure and operations, the industry in which the Company operates, and key legal, financial, and operational issues. Directors shall be provided with information regarding corporate governance and the structure and procedures of the Board and the committees on which the directors will serve.

ii. At the Company's expense, provided such expenditure is reasonable, and subject to advance approval in writing by the Company's CEO or CFO, the directors shall periodically attend at least once every two years appropriate Company or external continuing director education programs to help them stay current on corporate governance, best Board practices, financial reporting practices, ethical issues for directors and management, and similar matters.

J. The Company's retention of the services of a nationally recognized Project Management Consultant to assist with completion of certain U.K. Renewables Projects in the third quarter of 2018, which consultant reports directly to the Board.

K. The adoption in the second quarter of 2018 of an enhanced process for documenting sub-contractor reconciliation on Babcock & Wilcox Volund A/S ("Volund") projects to address issues arising when Volund receives out of period sub-contractor invoices that exceed end of period estimates for services performed in prior period.

L. The adoption of a new "Red Team Review" Procedure (Procedure No: B&W 1117-01, effective March 2, 2018), an additional independent, focused review of a proposal or project.

M. The adoption of a new "Pricing Approval Request" Procedure (Procedure No: B&W 1118-01, effective March 2, 2018), which is designed to establish a consistent review and pre-approval process for proposals prior to submission to the customer.

N. The adoption of a new "Project Scope Management" Procedure (Procedure No: B&W 1114-01, effective June 1, 2018), which defines the process for identification, classification, documentation, evaluation and authorization of deviations on all B&W projects.

O. The adoption of a new "Project Risk and Opportunity Management" Procedure (Procedure No: B&W 1106-01, effective June 1, 2018), which is designed to provide guidance for implementation of project risk and opportunity management through the project lifecycle.

P. The appointment of an additional independent director, non-defendant Kenneth Siegel, to the Board, effective September 6, 2018.

Q. The appointment of a new CFO, non-defendant Louis Salamone, effective February 1, 2019.

V. ATTORNEY FEES AND EXPENSES FOR PLAINTIFFS' COUNSEL

To date, Plaintiffs' Counsel have not received any payments for their efforts or for the expenses they incurred on behalf of B&W and its stockholders. Subject to court approval, Defendants have agreed for their insurer(s) to pay Plaintiffs' Counsel the aggregate amount of \$1,000,000 as fees and expenses ("Fee and Expense Amount"). Any fee awarded by the Court is designed to compensate Plaintiffs' Counsel for the results achieved on behalf of the Company in response to the Federal and State Derivative Actions, and the fees and costs associated with the development, prosecution, and settlement of the Actions. As part of the Settlement, Plaintiffs will each receive a service award of \$1,500 to be paid out of the Fee and Expense Amount, subject to the Court's approval.

VI. DISMISSAL OF THE ACTION AND RELEASE OF CLAIMS

As part of the Settlement, the Parties to the Federal Derivative Action will jointly request the Court to enter the Order and Final Judgment that dismisses with prejudice all claims that Plaintiffs have alleged in the Federal Derivative Action. Pursuant to the terms of the Stipulation

and after the entry of the Order and Final Judgment in the Federal Derivative Action, Plaintiff Marks will file a notice of voluntary dismissal in the State of North Carolina, County of Mecklenburg, requesting an Order dismissing with prejudice the case captioned, *Pamela Marks v. E. James Ferland, et al.*, Case No. 18-CVS-21193. If approved by the Court, the Settlement will permanently bar and enjoin the institution and prosecution by any of B&W's stockholders on behalf of B&W against Defendants' Released Persons of any of Plaintiffs' Released Claims and any claims arising out of, relating to or in connection with the institution, prosecution, assertion, defense, settlement, or resolution of the Federal and State Derivative Actions.

VII. SETTLEMENT HEARING

On December 16, 2019 at 10:30 a.m., a hearing (the "Settlement Hearing") will be held in the Federal Derivative Action before the Judge Max O. Cogburn, Jr. in the United States District Court for the Western District of North Carolina, 401 W. Trade St, Charlotte, NC 28202 to: (i) determine whether the proposed Settlement of the Actions is fair, reasonable, and adequate and in the best interests of B&W and its stockholders; (ii) hear and rule on any objections to the proposed Settlement, including the attorneys' fees and expenses Defendants' insurer agreed to pay Plaintiffs' Counsel; (iii) determine whether to approve the agreed-to Fee and Expense Amount; and (iv) determine whether the Court should enter the Order and Final Judgment, attached as Exhibit E to the Stipulation, which would dismiss with prejudice the Federal Derivative Action and release the Plaintiffs' Released Claims and Defendants' Released Claims including any claims related to the Federal and State Derivative Actions that have been brought or could have been brought against the Defendants' Released Persons. If the Settlement is approved, you will be subject to and bound by the provisions of the Stipulation, the releases contained therein, and by all orders, determinations, and judgments, including the Order and Final Judgment, pertaining to the Settlement.

Pending final determination of whether the Settlement should be approved, all proceedings in the Federal Derivative Action and all further activity between the Parties regarding or directed toward the Federal Derivative Action, save for those activities and proceedings relating to the Stipulation and the Settlement, shall be stayed, and Plaintiffs and all B&W stockholders derivatively on behalf of B&W are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any of Plaintiffs' Released Claims against Defendants' Released Persons.

VIII. RIGHT TO ATTEND FINAL HEARING

You may enter an appearance in the Federal Derivative Action, at your own expense, individually or through counsel of your choice. If you want to object at the Settlement Hearing, then you must first comply with the procedures for objecting that are set forth below. The Court has the right to change the Settlement Hearing date or time without further notice. Thus, if you are planning to attend the Settlement Hearing, you should confirm the date and time before going to the Court. If you have no objection to the Settlement, you do not need to appear at the Settlement Hearing or take any other action.

IX. THE PROCEDURES FOR OBJECTING TO THE SETTLEMENT

Any Current B&W Stockholder may object to the Settlement of the Actions, the proposed Order and Final Judgment, and/or the proposed Fee and Expense Amount, and may also (but need not) appear in person or by his, her, or its attorney at the Settlement Hearing. To object, any such stockholder must submit copies of: (a) a written statement identifying such person's or entity's name, address, and telephone number, and, if represented by counsel, the name, address, and telephone number of counsel; (b) proof of current ownership of B&W common stock, including the number of shares of B&W common stock and the date or dates of purchase; (c) a written statement explaining the person's or entity's objection and the reasons for such objection; and (d) any documentation in support of such objection. Any objection should not exceed 25 pages in length. If the stockholder wishes to appear at the Settlement Hearing, he, she, or it must also include a statement of intention to appear at the Settlement Hearing. **Such materials must be filed with the Clerk of the United States District Court for the Western District of North Carolina and sent by first class mail to the following addresses and postmarked no later than November 25, 2019 (21 days before the Settlement Hearing):**

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-and-

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David N. Kelley
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Counsel for Nominal Defendant Babcock & Wilcox Enterprises, Inc. in the Federal and State Derivative Actions

Any person or entity who fails to object in the manner described above shall be: (i) deemed to have waived any objection to the Settlement, Order and Final Judgment, and Fee and Expense Amount; (ii) barred from raising such objection in the Federal and State Derivative Actions; and (iii) bound by the Order and Final Judgment and the releases of claims set forth therein.

Current B&W Stockholders who have no objection to the Settlement, Order and Final Judgment, or Fee and Expense Amount do not need to appear at the Settlement Hearing or take any other action.

X. HOW TO OBTAIN ADDITIONAL INFORMATION

This Notice summarizes the Stipulation. This summary should be read in conjunction with, and is qualified in its entirety by reference to, the text of the Stipulation, which has been filed with the Court and may be viewed on the Investor Relations portion of B&W's website at: www.babcock.com/questions

Inquiries about the Federal and State Derivative Actions or the Settlement may be made to: Robbins Arroyo LLP, 5040 Shoreham Place, San Diego, CA 92122; The Brown Law Firm, P.C., 240 Townsend Square, Oyster Bay, NY 11771; and Holzer & Holzer, LLC, 1200 Ashwood Parkway, Suite 410, Atlanta, GA 30338.

DATED: August 14, 2019

BY ORDER OF THIS COURT
UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA

DO NOT CONTACT THE CLERK OF THE COURT
REGARDING THIS NOTICE