

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION

DOUGLAS W. WEITZMAN, and PHILIP  
ZAUDERER, Derivatively on Behalf of J.C.  
PENNEY COMPANY, INC.,

Plaintiff,

v.

MYRON E. ULLMAN III, KENNETH  
H. HANNAH, THOMAS ENGIBOUS,  
COLLEEN BARRETT, KENT FOSTER,  
GERALDINE LAYBOURNE, LEONARD  
ROBERTS, JAVIER TERUEL, R. GERALD  
TURNER, RONALD W. TYSOE, and  
MARY BETH WEST,

Defendant.

And

J.C. PENNEY COMPANY, INC.,

Nominal Defendant.

CIVIL ACTION NO.  
4:13-CV-00585-ALM-KPJ

CONSOLIDATED WITH:  
4:13-CV-00587-ALM-KPJ

SHAREHOLDER  
DERIVATIVE ACTION

**SUMMARY NOTICE OF PENDENCY AND PROPOSED  
SETTLEMENT OF DERIVATIVE ACTION**

**TO: ALL PERSONS OR ENTITIES WHO CURRENTLY HOLD SHARES OF STOCK OF J.C. PENNEY COMPANY, INC. ("JCPENNEY" OR THE "COMPANY"), EITHER OF RECORD OR BENEFICIALLY, EXCLUDING DEFENDANTS AND ANY PERSON, FIRM, TRUST, CORPORATION OR OTHER ENTITY RELATED TO, OR AFFILIATED WITH, ANY OF THE DEFENDANTS**

YOU ARE HERBY NOTIFIED that the parties have reached an agreement to settle all claims in the following derivative lawsuits: *Weitzman v. Myron E. Ullman, III, et al.*, Case No. 4:13-cv-00585-ALM-KPJ (E.D. Tex.) and *Lipsius v. Myron E. Ullman, III, et al.*, Case No. dc-17-06034 (Dallas Cty. Dist. Ct.). Pursuant to an Order of the United States District Court for the Eastern District of Texas, a hearing will be held on **Monday, August 27, 2018 at 1:30 p.m.**, at the United States District Court for the Eastern District of Texas, Sherman Division, Courtroom 108, United States Courthouse, 7940 Preston Road, Plano, Texas, for the purpose of determining: (1) whether the Settlement should be approved by the Court as fair, reasonable, adequate, and in the best interests of JCPenney and its stockholders; (2) whether Judgment should be entered pursuant to the Stipulation; (3) whether Plaintiffs' Counsel's application for an award of attorneys' fees and expenses and incentive awards for Plaintiffs should be granted; and (4) such other matters as the Court may deem appropriate.

If you are a holder of JCPenney common stock, your rights may be affected by this lawsuit and the settlement thereof. If you have not received a detailed Notice of Pendency and Proposed Settlement of Derivative Action, you may obtain copies by writing to Garden City Group at the below address, or by downloading this information at <http://www.choossegcg.com/cases-info/jcp/>.

JCPenney Company, Inc. Derivative Litigation  
C/O GCG  
P.O. Box 10610  
Dublin, Ohio 43017-9210

Any objection to any aspect of the Settlement must include: (a) a written notice of intention to appear; (b) proof of current ownership of JCPenney stock, as well as documentary evidence of when such stock ownership was acquired; (c) a statement of such persons' objections to any matters before the Court, including the Settlement, the Proposed Judgment, or Plaintiffs' Counsel's application for attorneys' fees and expenses and incentive awards for plaintiffs; (d) the grounds for such objections and the reasons that such person desires to appear and be heard, as well as all documents or writings such person desires the Court to consider; (e) a description of any case, providing the name, court, and docket number, in which the objector or his or her attorney, if any, has objected to a settlement in the last three years; and (f) include a proof of service signed under penalty of perjury. Any objection must comply with the Preliminary Approval Order, be filed with the Clerk of the Court no later than August 13, 2018, and be served on the following counsel no later than August 13, 2018:

***Plaintiffs' Counsel:***

Frank J. Johnson  
Johnson Fistel, LLP  
600 West Broadway, Suite 1540  
San Diego, CA 92101

***Defendants' Counsel:***

Jason J. Mendro  
Gibson, Dunn & Crutcher LLP  
1050 Connecticut Ave., N.W.  
Washington, D.C. 20036

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

DATED: June 27, 2018