EXELON CORP
Form 424B2
April 05, 2016
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Calculation of Registration Fee

Title of each class of securities to be registered	Proposed maximum offering price	Amount of registration fee
Senior Debt Securities	$1,795,653,000	$180,822.26

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-196220

PROSPECTUS SUPPLEMENT

(To Prospectus Dated May 23, 2014)

$1,800,000,000

Exelon Corporation

$300,000,000 2.450% Notes due 2021

$750,000,000 3.400% Notes due 2026

$750,000,000 4.450% Notes due 2046

Exelon Corporation (Exelon) is offering $300,000,000 of its 2.450% notes due 2021 (the 2021 notes), $750,000,000 of its 3.400% notes due 2026 (the 2026 notes) and $750,000,000 of its 4.450% notes due 2046 (the 2046 notes and, together with the 2021 notes and the 2026 notes, the notes).

The 2021 notes will mature on April 15, 2021, the 2026 notes will mature on April 15, 2026 and the 2046 notes will mature on April 15, 2046. We will pay interest on the 2021 notes, the 2026 notes and the 2046 notes semi-annually on April 15 and October 15 of each year, beginning on October 15, 2016.

The notes are being issued for general corporate purposes, which may include the repayment of outstanding indebtedness. We may also redeem any series of the notes at any time prior to maturity, in whole or in part, upon at least 15 days and not more than 60 days notice, at the redemption prices described in this prospectus supplement under Description of the Notes Optional Redemption.

The notes will be our direct unsecured general obligations and will rank equally with all of our existing and future unsecured and unsubordinated debt.

Investing in our notes involves certain risks. You should carefully read this prospectus supplement and the accompanying base prospectus, including the documents incorporated by reference herein and therein, before you make your investment decision. See the Risk Factors section beginning on page S-9 of this prospectus supplement, as well as under Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2015, which is incorporated by reference herein, for more information.

	Price to Public(1)		Underwriting Discount		Proceeds, before expenses, to Exelon	
	Per Note	**Total**	**Per Note**	**Total**	**Per Note**	**Total**
Per 2021 note	99.976%	$ 299,928,000	0.600%	$ 1,800,000	99.376%	$ 298,128,000
Per 2026 note	99.940%	$ 749,550,000	0.650%	$ 4,875,000	99.290%	$ 744,675,000
Per 2046 note	99.490%	$ 746,175,000	0.875%	$ 6,562,500	98.615%	$ 739,612,500

(1) Plus accrued interest from April 7, 2016, if settlement occurs after that date.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes are expected to be delivered in book-entry form only through the facilities of The Depository Trust Company (DTC), including Clearstream Banking, *société anonyme* (Clearstream), and/or Euroclear Bank S.A./N.V. (Euroclear), against payment in New York, New York on or about April 7, 2016.

Joint Book-Running Managers

Barclays **Goldman, Sachs & Co.** **J.P. Morgan** **Scotiabank**

Credit Suisse **RBC Capital Markets** **TD Securities**

Senior Co-Manager

BNY Mellon Capital Markets, LLC

Co-Managers

Lebenthal Capital Markets **Mischler Financial Group, Inc.** **Ramirez & Co., Inc.** **The Williams Capital Group, L.P.**

The date of this prospectus supplement is April 4, 2016.

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We urge you to carefully read this prospectus supplement and the accompanying prospectus, which describe the terms of the offering of the notes, before you make your investment decision. You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any related free writing prospectus required to be filed with the SEC. We have not, and the underwriters have not, authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date that the document incorporated by reference was filed with the SEC.

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Prospectus Supplement

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus contain information about Exelon and the notes offered hereby. This prospectus supplement and the accompanying prospectus also refer to information contained in other documents that we file with the SEC. To the extent the information in this prospectus supplement is inconsistent with information in the prospectus, you should rely on this prospectus supplement.

The accompanying prospectus also includes information about our subsidiaries Exelon Generation Company, LLC (Generation), Commonwealth Edison Company (ComEd), PECO Energy Company (PECO), and Baltimore Gas and Electric Company (BGE) and their securities. Exelon, Generation, ComEd, PECO and BGE file combined reports under the Securities Exchange Act of 1934, as amended (the Exchange Act). Information contained in the combined reports relating to each registrant is filed separately by such registrant on its own behalf and only the information related to Exelon is incorporated by reference in this prospectus supplement and the accompanying prospectus. Exelon does not make any representations as to information relating to any other registrant or securities issued by any other registrant and you should not rely on any information relating to any registrant other than Exelon in determining whether to invest in the notes offered hereby.

When we refer to Exelon, the Company, we, us or our in this prospectus supplement, we mean Exelon and, unle context otherwise indicates, does not include any of our subsidiaries or affiliates.

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FORWARD LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated or deemed incorporated by reference as described under the heading Where You Can Find More Information contain forward-looking statements that are not based entirely on historical facts and are subject to risks and uncertainties. Words such as believes, anticipates, expects, intends, plans, predicts, estimates and similar expressions are intended to id forward-looking statements but are not the only means to identify those statements. These forward-looking statements are based on assumptions, expectations and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Any forward-looking statements are not guarantees of our future performance and are subject to risks and uncertainties.

This prospectus supplement and the accompanying prospectus contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. The factors that could cause actual results to differ materially from the forward-looking statements include: (a) any risk factors discussed in this prospectus supplement or the accompanying prospectus; (b) those factors discussed in the following sections of Exelon s Annual Report on Form 10-K for the year ended December 31, 2015, which are incorporated herein by reference: (1) ITEM 1A. Risk Factors, (2) ITEM 7. Management s Discussion and Analysis of Financial Condition and Results of Operations and (3) ITEM 8. Financial Statements and Supplementary Data: Note 23; and (c) other factors discussed herein and in other filings with the SEC by Exelon, as applicable.

You are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date on the front of this prospectus supplement or, as the case may be, as of the date on which we make any subsequent forward-looking statement that is deemed incorporated by reference. We do not undertake any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date as of which any such forward-looking statement is made.

SUMMARY

The following summary is provided solely for your convenience. It is not intended to be complete and may not contain all of the information that you should consider before investing in the notes. You should read carefully this entire prospectus supplement, the accompanying prospectus and all the information included or incorporated by reference herein or therein.

Our Company

Exelon, incorporated in Pennsylvania in February 1999, is a utility services holding company engaged, through Generation, in the energy generation business and, through ComEd, PECO and BGE, and now the Pepco Holdings Utilities (defined below), in the energy delivery business. Exelon s principal executive offices are located at 10 South Dearborn Street, Chicago, Illinois 60603, and its telephone number is 312-394-7398.

Generation s integrated business consists of the generation, physical delivery and marketing of power across multiple geographical regions through its customer-facing business, Constellation Energy Group, Inc. (Constellation), which sells electricity and natural gas to both wholesale and retail customers. Generation also sells renewable energy and other energy-related products and services, and engages in natural gas and oil exploration and production activities. Generation has six reportable segments consisting of the Mid-Atlantic, Midwest, New England, New York, ERCOT and Other Regions.

ComEd s energy delivery business consists of the purchase and regulated retail sale of electricity and the provision of electricity transmission and distribution services to retail customers in northern Illinois, including the City of Chicago.

PECO s energy delivery business consists of the purchase and regulated retail sale of electricity and the provision of electricity transmission and distribution services to retail customers in southeastern Pennsylvania, including the City of Philadelphia, as well as the purchase and regulated retail sale of natural gas and the provision of natural gas distribution services to retail customers in the Pennsylvania counties surrounding the City of Philadelphia.

BGE s energy delivery business consists of the purchase and regulated retail sale of electricity and the provision of electricity transmission and distribution services to retail customers in central Maryland, including the City of Baltimore, as well as the purchase and regulated retail sale of natural gas and the provision of natural gas distribution services to retail customers in central Maryland, including the City of Baltimore.

Pepco Holdings Utilities

On March 23, 2016 (the Closing Date), Exelon, completed its previously announced acquisition of Pepco Holdings, Inc., a Delaware corporation (PHI) through a merger (the Merger) of Purple Acquisition Corp., an indirect, wholly-owned subsidiary of Exelon, with PHI pursuant to the Amended and Restated Agreement and Plan of Merger, dated as of July 18, 2014, by and among Exelon, PHI and Purple Acquisition Corp. (the Merger Agreement). As a result of the Merger, PHI became an indirect, wholly-owned subsidiary of Exelon at 4:58 pm Eastern Daylight Time (the Effective Time) on the Closing Date. After the Effective Time, PHI was converted to a limited liability company under Delaware law. Pursuant to the conversion, the name of PHI was changed to Pepco Holdings LLC (PH LLC).

PH LLC is a holding company. Through its regulated public utility subsidiaries, Potomac Electric Power Company (Pepco), Delmarva Power & Light Company (Delmarva), and Atlantic City Electric Company (ACE, and together with Pepco and Delmarva, the Pepco Holdings Utilities), PH LLC is engaged primarily

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in the transmission, distribution and default supply of electricity, and, to a lesser extent, the distribution and supply of natural gas. Following the Merger, Pepco, Delmarva and ACE will remain as separate companies and retain their local headquarters in Washington DC, Newark, DE., and Mays Landing, NJ, respectively.

Pepco s electric distribution service territory consists of the District of Columbia and major portions of Prince George s County and Montgomery County in Maryland. Delmarva is engaged in the transmission, distribution and default supply of electricity in portions of Delaware and Maryland. In northern Delaware, Delmarva also supplies and delivers natural gas to retail customers and provides transportation-only services to retail customers that purchase natural gas from another supplier. ACE s electric distribution service territory consists of Gloucester, Camden, Burlington, Ocean, Atlantic, Cape May, Cumberland and Salem counties in southern New Jersey.

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SUMMARY FINANCIAL INFORMATION

We have provided the following summary financial information for your reference. We have derived the summary information presented here as of and for the years ended December 31, 2015, 2014 and 2013 from our audited consolidated financial statements, incorporated herein by reference. You should read this summary information together with our audited consolidated financial statements, each incorporated herein by reference. See Where You Can Find More Information in this prospectus supplement.

	For the Year Ended December 31,		
	2015	2014[(a)]	2013
	($ in millions)		
Statement of Operations Data			
Operating revenues	$ 29,447	$ 27,429	$ 24,888
Operating income	4,409	3,096	3,669
Net income	2,250	1,820	1,729
Cash Flow Data			
Net cash flows provided by operating activities	7,616	4,457	6,343
Net cash flows used in investing activities	(7,822)	(4,599)	(5,394)
Net cash flows provided by (used in) financing activities	4,830	411	(826)

	As of December 31,		
	2015	2014	2013
	($ in millions)		
Balance Sheet Data			
Property, plant and equipment, net	$ 57,439	$ 52,170	$ 47,330
Noncurrent regulatory assets	6,065	6,076	5,910
Goodwill	2,672	2,672	2,625
Other deferred debits and other assets	13,874	13,645	13,816
Total assets	95,384	$ 86,416	$ 79,243
Long-term debt, including long-term debt to financing trusts	24,286	19,853	18,165
Noncurrent regulatory liabilities	4,201	4,550	4,388
Other deferred credits and other liabilities	30,457	29,118	26,064
Shareholders equity	25,793	22,608	22,732
Total liabilities and shareholders equity	95,384	$ 86,416	$ 79,243

(a) On April 1, 2014, Generation assumed operational control of Constellation Energy Nuclear Group, LLC s (CENG) nuclear fleet. As a result, the 2014 financial results include CENG s results of operations on a fully consolidated basis.

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THE OFFERING

The following summary contains basic information about the notes and this offering. It does not contain all of the information that may be important to you. For a more complete understanding of this offering, we encourage you to read this entire prospectus supplement and the accompanying prospectus, including Description of the Notes.

Issuer	Exelon Corporation
Securities Offered	$300,000,000 aggregate principal amount of 2.450% notes due 2021;
	$750,000,000 aggregate principal amount of 3.400% notes due 2026; and
	$750,000,000 aggregate principal amount of 4.450% notes due 2046.
Maturity Date	The 2021 notes will mature on April 15, 2021;
	The 2026 notes will mature on April 15, 2026; and
	The 2046 notes will mature on April 15, 2046.
Interest Rate	2.450% per annum for the 2021 notes;
	3.400% per annum for the 2026 notes; and
	4.450% per annum for the 2046 notes.
Interest Payment Dates	Interest on the notes will be paid semi-annually on April 15 and October 15 of each year, beginning on October 15, 2016, and on the maturity date for each series of notes.
Optional Redemption	At our option, any or all of the notes may be redeemed, in whole or in part, at any time prior to maturity at a redemption price equal to the greater of:

100% of the principal amount of the notes then outstanding to be redeemed; and

the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed (exclusive of interest accrued to the redemption date) in the case of the 2021 notes, the 2026 notes and the 2046 notes, to March 15, 2021, January 15, 2026 or October 15, 2045, as applicable, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined herein) plus 20 basis points in the case of the 2021 notes, plus 25 basis points in the case of the 2026 notes and plus 30 basis points in the case of the 2046 notes, plus, in each case, accrued and unpaid interest on the principal amount being redeemed to but excluding the date of redemption.

If we elect to redeem the 2021 notes at any time on or after March 15, 2021 (one month prior to the maturity date of the 2021 notes), the 2026 notes at any time on or after January 15, 2026 (three months prior to the maturity date of the 2026 notes) or the 2046 notes at any time on or after October 15, 2045 (six months prior to the maturity date of the 2046 notes), we may redeem some or all of the 2021 notes, the 2026 notes and the 2046 notes, respectively, in each case upon at least 15 days and not more than 60 days notice at a redemption price equal to 100% of the principal amount of the notes then outstanding to be redeemed plus accrued and unpaid interest on the principal amount being redeemed to but excluding the redemption date. See Description of the Notes Optional Redemption.

Ranking	The notes will be our direct unsecured general obligations and will rank equally with all of our existing and future unsecured and unsubordinated debt, will be senior in right of payment to all of our existing and future subordinated debt and will be junior to any of our future secured debt to the extent of the value of the collateral securing such secured debt. Because we are a holding company with no material assets other than our ownership interests in our subsidiaries and all of our operations are conducted by our subsidiaries, our debt is effectively subordinated to all existing and future debt, trade creditors, and other liabilities of our subsidiaries. Our rights, and hence the rights of our creditors, to participate in any distribution of assets of any subsidiary upon its liquidation or reorganization or otherwise would be subject to the prior claims of that subsidiary s creditors, except to the extent that our claims as a creditor of such subsidiary may be recognized. As of December 31, 2015, our subsidiaries had outstanding approximately $20.6 billion of long-term debt, including long-term debt to financing trusts and the portion of long-term debt due within one year. The notes will not be obligations of or guaranteed by any of our subsidiaries. The Indenture (as defined below) does not limit our ability to issue debt senior to the notes or the amount of debt we or our subsidiaries may issue.
Denominations	The notes will be issued in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Additional Notes	Subject to the limitations described in this prospectus supplement and the accompanying prospectus, we may issue additional notes under the Indenture with the same priority as the notes offered hereby, including notes having the same series designation and terms (except for the public offering prices and the issue date) as the notes offered hereby, without the approval of the holders of outstanding notes under the Indenture, including the holders of the outstanding notes offered hereby.
No Listing	We do not intend to list the notes on any securities exchange or automated dealer quotation system. The notes will be new securities for

which there currently is no public market. See Risk Factors There may be no public market for the notes.

Use of Proceeds

We estimate that the net proceeds from the sale of the notes in this offering will be approximately $1,782,415,500, after deducting the

	underwriting discounts and commissions but before deducting other offering expenses. A portion of the net proceeds from the sale of the notes will be used to repay commercial paper issued by PH LLC having an approximate weighted average interest rate of 1.05% per annum as of April 1, 2016. As of April 1, 2016, PH LLC had $446 million of outstanding commercial paper obligations. The remainder of the net proceeds will be used for general corporate purposes, which may include the repayment of outstanding indebtedness. See Use of Proceeds.
Risk Factors	You should consider carefully all the information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, you should evaluate the specific factors set forth under the heading Risk Factors beginning on page S-9 of this prospectus supplement, as well as the other information contained or incorporated herein by reference, before investing in the notes offered hereby.
Trustee	The Bank of New York Mellon Trust Company, N.A.
Governing Law	The Indenture and the notes will be governed by the laws of the State of New York.

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RISK FACTORS

Investing in the notes involves risks. You should carefully consider the following discussion and the risks described under Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2015, incorporated by reference in this prospectus supplement and the accompanying prospectus, the factors listed under Forward Looking Statements in this prospectus supplement and the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before making a decision to invest in the notes. See Where You Can Find More Information.

There may be no public market for the notes.

We can give no assurances concerning the liquidity of any markets that may develop for the notes offered by this prospectus supplement, the ability of any investor to sell any of the notes or the price at which investors would be able to sell them. If markets for the notes do not develop, investors may be unable to resell the notes for an extended period of time, if at all. If markets for the notes do develop, they may not continue or it may not be sufficiently liquid to allow holders to resell any of the notes. Consequently, investors may not be able to liquidate their investment readily, and lenders may not readily accept the notes as collateral for loans.

The Indenture does not restrict the amount of additional debt that we may incur.

The notes and Indenture pursuant to which the notes will be issued do not place any limitation on the amount of indebtedness that we or our subsidiaries may incur. Our incurrence of additional debt may have important consequences for you as a holder of the notes, including making it more difficult for us to satisfy our obligations with respect to the notes, a loss in the trading value of your notes and a risk that one or more of the credit ratings of the notes are lowered or withdrawn.

Our debt, including the notes, is effectively subordinated to the debt of our subsidiaries.

Because we are a holding company with no material assets other than our ownership interests in our subsidiaries and all of our operations are conducted by our subsidiaries, our debt is effectively subordinated to all existing and future debt, trade creditors, and other liabilities of our subsidiaries. Our rights, and hence the rights of our creditors, to participate in any distribution of assets of any subsidiary upon its liquidation or reorganization or otherwise would be subject to the prior claims of that subsidiary s creditors, except to the extent that our claims as a creditor of such subsidiary may be recognized. As of December 31, 2015, our subsidiaries had outstanding approximately $20.6 billion of long-term debt, including long-term debt to financing trusts and the portion of long-term debt due within one year. The Indenture does not restrict our or our subsidiaries ability to incur additional indebtedness.

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USE OF PROCEEDS

We estimate that the net proceeds from the sale of the notes in this offering will be approximately $1,782,415,500, after deducting the underwriting discounts and commissions but before deducting other offering expenses. A portion of the net proceeds from the sale of the notes will be used to repay commercial paper issued by PH LLC having an approximate weighted average interest rate of 1.05% per annum as of April 1, 2016. As of April 1, 2016, PH LLC had $446 million of outstanding commercial paper obligations. The remainder of the net proceeds will be used for general corporate purposes, which may include the repayment of outstanding indebtedness.

To the extent we do not use the net proceeds immediately, we may temporarily invest them in short-term, interest bearing obligations.

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RATIO OF EARNINGS TO FIXED CHARGES

The following are Exelon s consolidated ratios of earnings to fixed charges for each of the periods indicated:

	Years Ended December 31,				
	2015	2014	2013	2012	2011
Ratio of earnings to fixed charges	3.3x	2.7x	2.6x	2.4x	4.9x

The ratio of earnings to fixed charges represents, on a pre-tax basis, the number of times earnings cover fixed charges. Earnings consist of pre-tax net income from continuing operations after adjustment for income from equity investees and capitalized interest or allowance for funds used during construction, to which has been added fixed charges. Fixed charges consist of interest costs and amortization of debt discount and premium on all indebtedness and estimated interest portion of all rental expense.

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CAPITALIZATION AND SHORT-TERM BORROWINGS

The following table shows our consolidated capitalization and short-term borrowings as of December 31, 2015 and as adjusted to reflect the issuance of the notes offered by this prospectus supplement and the application of the net proceeds thereof. See Use of Proceeds. This table is qualified in its entirety by, and should be considered in conjunction with, the more detailed information incorporated by reference or provided in this prospectus supplement or in the accompanying prospectus.

	As of December 31, 2015	
(in millions)	**Actual**	**As Adjusted**
Short-term borrowings	$ 533	$ 533
Long-term debt:		
Long-term debt, including long-term debt to financing trusts[(a)]	25,786	25,786
2021 notes offered hereby		300
2026 notes offered hereby		750
2046 notes offered hereby		750
Shareholders equity	25,793	25,793
Total capitalization and short-term borrowings	$ 52,112	$ 53,912

(a) Includes approximately $1.5 billion of long-term debt due within one year.

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DESCRIPTION OF THE NOTES

The following description of the notes is only a summary and is not intended to be comprehensive. In the event that information in this prospectus supplement is inconsistent with information in the accompanying prospectus, you should rely on this prospectus supplement.

General

We will issue $300,000,000 of the 2.450% notes due 2021, $750,000,000 of the 3.400% notes due 2026 and $750,000,000 of the 4.450% notes due 2046 under an indenture, which is a contract between us and the trustee, The Bank of New York Mellon Trust Company, N.A. (the Trustee), dated June 11, 2015 as will be supplemented by the supplemental indenture dated April 7, 2016 and as it may be further supplemented from time to time, which is referred to herein collectively as the Indenture. Subject to the limitations described in this prospectus supplement and the accompanying prospectus, we may issue additional notes under the Indenture with the same priority as the notes offered hereby, including notes having the same series designation and terms (except for the public offering prices and the issue date) as the notes offered hereby, without the approval of the holders of outstanding notes under the Indenture, including the holders of any series the outstanding notes offered hereby.

The terms of the notes will not necessarily afford you protection in the event of particular transactions or upon the occurrence of particular events that may adversely affect you, including a reorganization, recapitalization, restructuring, merger or other similar transactions involving us or our subsidiaries, whether or not in connection with a change of control. As a result, we could enter into such transactions even though the transaction could adversely affect our capital structure or credit ratings or otherwise adversely affect the holders of the notes. The notes will not contain any provisions that will require us to redeem, or permit the holders of the notes to cause a redemption or purchase of, the notes upon the occurrence of any particular event. However, we may redeem some or all of the notes at any time or from time to time prior to maturity, at our option, as described in this prospectus supplement under Optional Redemption below.

Interest Rate and Maturity

The 2021 notes will pay interest at the fixed rate of 2.450% per annum, the 2026 notes will pay interest at the fixed rate of 3.400% per annum and the 2046 notes will pay interest at the fixed rate of 4.450% per annum. Interest on the notes will be payable semi-annually on April 15 and October 15 of each year, beginning on October 15, 2016. The 2021 notes will mature on April 15, 2021, the 2026 notes will mature on April 15, 2026 and the 2046 notes will mature on April 15, 2046.

Interest on the notes will accrue from and include the date that the notes are issued to and excluding the date of maturity or redemption. Interest will be computed on the basis of a 360-day year of twelve 30-day months. On each interest payment date, we will pay interest on each note to the person in whose name the note is registered at the close of business on the record date for such interest. The record date for each interest payment date in respect of the notes will be the close of business on the Business Day immediately preceding the applicable interest payment date. If any interest payment date falls on a day that is not a Business Day, payment will be made on the next Business Day and no additional interest or other payment will be paid in respect of such delay. Business Day means any day that is not a Saturday, a Sunday or a day on which commercial banking institutions in New York City are generally authorized or required by law or executive order to be closed.

Ranking

The notes will be our direct unsecured general obligations and will rank equally with all of our existing and future unsecured and unsubordinated debt, will be senior in right of payment to all of our existing and future subordinated debt and will be junior to any of our future secured debt to the extent of the value of the collateral securing such secured debt. Because we are a holding company with no material assets other than our ownership

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interests in our subsidiaries and all of our operations are conducted by our subsidiaries, our debt is effectively subordinated to all existing and future debt, trade creditors, and other liabilities of our subsidiaries. Our rights, and hence the rights of our creditors, to participate in any distribution of assets of any subsidiary upon its liquidation or reorganization or otherwise would be subject to the prior claims of that subsidiary s creditors, except to the extent that our claims as a creditor of such subsidiary may be recognized. As of December 31, 2015, our subsidiaries had outstanding approximately $20.6 billion of long-term debt, including long-term debt to financing trusts and the portion of long-term debt due within one year. The Indenture does not restrict our or our subsidiaries ability to incur additional indebtedness. In addition, the notes will not be obligations of or guaranteed by any of our subsidiaries. The Indenture does not limit our ability to issue secured debt senior to the notes or the amount of debt we or our subsidiaries may issue, whether secured or unsecured.

Please see Capitalization and Short-Term Borrowings in this prospectus supplement for information with respect to the long-term debt and short-term borrowings of us and our subsidiaries as of December 31, 2015.

Form and Denomination

The notes will be issued in registered form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The notes will initially be issued in book-entry only form, represented by a permanent global debt security registered in the name of DTC, including Clearstream and/or Euroclear, or its nominee. However, we reserve the right to issue notes in certificated form registered in the name of the noteholders. For so long as the notes are registered in the name of DTC or its nominee, we will pay the principal, premium, if any, and interest due on the notes to DTC for payment to its participants for subsequent disbursement to the beneficial owners. For further information on DTC and its practices, see Book-Entry System below.

Optional Redemption

General

At our option, any or all of the notes may be redeemed, in whole or in part, at any time prior to maturity at a redemption price equal to the greater of:

- 100% of the principal amount of the notes then outstanding to be redeemed; and

- the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed (exclusive of interest accrued to the redemption date) in the case of the 2021 notes, the 2026 notes and the 2046 notes, to March 15, 2021, January 15, 2026 or October 15, 2045, as applicable, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined herein) plus 20 basis points in the case of the 2021 notes, plus 25 basis points in the case of the 2026 notes and plus 30 basis points in the case of the 2046 notes, plus, in each case, accrued and unpaid interest on the principal amount being redeemed to but excluding the date of redemption.

If we elect to redeem the 2021 notes at any time on or after March 15, 2021 (one month prior to the maturity date of the 2021 notes), the 2026 notes at any time on or after January 15, 2026 (three months prior to the maturity date of the

2026 notes) or the 2046 notes at any time on or after October 15, 2045 (six months prior to the maturity date of the 2046 notes), we may redeem some or all of the 2021 notes, the 2026 notes and the 2046 notes, respectively, in each case upon at least 15 days and not more than 60 days notice at a redemption price equal to 100% of the principal amount of the notes then outstanding to be redeemed plus accrued and unpaid interest on the principal amount being redeemed to but excluding the redemption date.

Any optional redemption may be conditioned upon the consummation of one or more other transactions, including any debt or equity issuance by us or any of our parent companies or subsidiaries. The Trustee shall not have responsibility for calculating any redemption price.

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Certain Definitions

Comparable Treasury Issue means the United States Treasury security or securities selected by an Independent Investment Banker (as defined below) as having an actual or interpolated maturity comparable to the remaining term of the notes being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the notes.

Comparable Treasury Price means, with respect to any redemption date, the average of the Reference Treasury Dealer Quotations (as defined below) for such redemption date.

Independent Investment Banker means one of the Reference Treasury Dealers (as defined below) appointed by us.

Reference Treasury Dealer means (1) any of Barclays Capital Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC or Scotia Capital (USA) Inc. or their respective affiliates or successors and (2) one other primary U.S. Government securities dealer in the United States of America (each, a Primary Treasury Dealer) selected by us; provided, however, that if any of the foregoing shall cease to be a Primary Treasury Dealer, or is unwilling or unable to serve in such role, we shall substitute therefor another Primary Treasury Dealer.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us at 3:30 p.m. New York City time on the third Business Day preceding such redemption date.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to actual or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Events of Default

An Event of Default with respect to a series of debt securities issued under the Indenture means any of the following:

- we fail to pay the principal of (or premium, if any, on) any debt security of that series when due and payable;

- we fail to pay any interest on any debt security of that series for 30 days after such is due;

- we fail to observe or perform any other covenants or agreements set forth in the debt securities of that series, or in the Indenture in regard to such debt securities, continuously for 90 days after notice (which must be sent either by the Trustee or holders of at least 33% of the principal amount of the affected series);

- our failure to pay principal at maturity or acceleration following a default in an aggregate amount of $100 million or more with respect to any Indebtedness (as defined below) of Exelon Corporation (not including

Indebtedness of our subsidiaries), or the acceleration of any of our Indebtedness aggregating $100 million or more which default is not cured, waived or postponed pursuant to an agreement with the holders of the Indebtedness within 30 days after written notice as provided in the Indenture, or the acceleration is not rescinded or annulled within 30 days after written notice as provided in the Indenture; or

we file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur.

As used in the immediately preceding paragraph, Indebtedness means all obligations for borrowed money.

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An Event of Default for a particular series of debt securities does not necessarily mean that an Event of Default has occurred for any other series of debt securities issued under the Indenture. If an Event of Default has occurred and has not been cured, the Trustee or the holders of not less than 33% of the principal amount of the debt securities of the affected series may declare the entire principal of the debt securities of such series due and payable immediately. Subject to certain conditions, if we deposit with the Trustee enough money to remedy the default and there is no default continuing, this acceleration of payment may be rescinded by the holders of at least a majority in aggregate principal amount of the debt securities of such series.

The Trustee must, within 90 days after a default occurs, notify the holders of the debt securities of the series of the default if we have not remedied it (default is defined to include the events specified above without the grace periods or notice). The Trustee may withhold notice to the holders of such debt securities of any default (except in the payment of principal or interest) if it in good faith considers such withholding in the interest of the holders. We are required to file an annual certificate with the Trustee, signed by an officer, stating any default by us under any provisions of the Indenture.

Prior to any declaration of acceleration of maturity, the holders holding a majority of the principal amount of the debt securities of the particular series affected, on behalf of the holders of all debt securities of that series, may waive any past default or Event of Default. We cannot, however, obtain a waiver of a payment default.

Other than the duty to act with the required standard of care during an event of default, the Trustee is not required to take any action under the Indenture at the request of any holders unless such holders offer the Trustee reasonable indemnity. Subject to the provisions for indemnification and certain other limitations, the holders of a majority in principal amount of the debt securities of any series may direct the time, method and place of conducting any proceedings for any remedy available to the Trustee with respect to such debt securities.

In order to bypass the Trustee and take steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

- you must give the Trustee written notice that an Event of Default has occurred and remains uncured;

- the holders of 33% of the principal amount of all outstanding debt securities of the relevant series must make a written request that the Trustee take action because of the default, and must offer reasonable indemnity to the Trustee against the cost and other liabilities of taking that action; and

- the Trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity.

However, you are entitled at any time to bring a lawsuit for the payment of money due on your debt security on or after its due date.

Street name and other indirect holders should consult their banks or brokers for information on how to give notice or direction to, or make a request of, the Trustee and to make or cancel a declaration of acceleration.

Supplemental Indentures

There are three types of changes we can make to the Indenture and the debt securities issued thereunder, including the notes.

Changes Requiring Each Holder s Approval

The following changes require the approval of each holder of debt securities of the series affected then outstanding: