

MEMORANDUM OF UNDERSTANDING

The parties, Plaintiffs MARY RUTH HUGHES and KEVIN SHENKMAN, for themselves and all others similarly situated, ("Plaintiffs") and Defendant AutoZone Parts, Inc., AutoZone Inc., and AutoZone.Com, Inc. ("Defendant") agree that Los Angeles Superior Court Case No. BC631080 (the "Action"), is settled, subject to court approval, on the terms and conditions set forth in this Memorandum of Understanding ("MOU"):

To resolve all claims in the Action against Defendant and its subsidiaries, parents, affiliates, assigns, officers, employees, directors, insurers and underwriters (hereafter collectively "Defendant") the parties agree to the following:

1. Defendant agrees that with respect to the certified class (i.e. all members of the certified subclasses):
 - a. All of the class's expired \$20 Rewards will be reinstated;
 - b. All of the class's expired Credits will be converted to Rewards, using the following formula:
 - i. Class members with one or two credits which expired will receive a \$5 Reward;
 - ii. Class members with three or four credits which expired will receive a \$10 Reward; and
 - iii. Class members with five or more credits which expired will receive a \$15 Reward.
 - c. The reinstated \$20 Rewards and the Credits that are converted into Rewards as described in Paragraphs 1(a) and 1(b) will automatically be put into members' Rewards accounts without members having to submit a claim.
 - d. The reinstated \$20 Rewards and the Credits that are converted into Rewards as described in Paragraphs 1(a) and 1(b) shall be valid for one year following reinstatement/issuance.
2. Defendant shall pay for all costs of notice, settlement administration, reasonable litigation costs incurred by Plaintiffs (estimated to be \$85,000 paid prior to the mediation, but to be documented by Class Counsel), reasonable incentive awards for the class representatives, and reasonable attorney's fees in amount to be negotiated by the parties but ultimately decided by the Court.
3. The parties agree that the appropriate incentive awards for the class representatives shall be determined by the Court.

4. The parties will confer and agree, if possible, on all remaining terms. To the extent mutual agreement on any of the remaining terms is not achieved, the item(s) will be presented to the Court for binding resolution. The remaining terms are:

- a. Notice to the class, including the scope of and duties of the Class Administrator;
- b. The amount of an incentive award to be paid to each class representative; and
- c. Attorney fees. Class counsel agree that fees will be based on the Lodestar methodology as used in class action litigation (i.e. prevailing market rate in Los Angeles for similar services times hours worked, adjusted up or down by a positive or negative multiplier in the Court's discretion) and will, in good faith, negotiate with defense counsel in an effort to reach consensus on the amount of those fees, including providing Defendant reasonable information regarding the amounts claimed as fees.

5. This settlement will not be invalid regardless of the outcome of any court ruling on items 4(a)-(c), or any un-sustained objections to the settlement.

6. Defendant admits no wrongdoing or liability whatsoever.

7. Settlement Class members release any and all claims that were or could have been brought in the Action based on the same factual predicate relating to the claims identified in the Action.

8. Defendant shall cooperate with class counsel, including providing reasonable confirmatory information necessary for class counsel to proceed with preliminary and final court approval regarding the class.

9. The parties agreed to negotiate attorneys' fees after all other terms were agreed to and memorialized by the parties.

10. The Rewards and Credits identified above shall be deposited to the appropriate accounts thirty (30) days after the Court's entry of final judgment, provided there are no objectors to the settlement. If a class member objects, the accounts shall be credited thirty (30) days after the Court's entry of judgment becomes final and non-appealable by any party or class member.

11. The parties shall execute all further documentation and any filings necessary to effectuate the terms of this agreement.

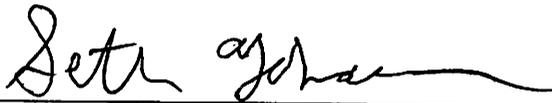
12. No party will issue any press release or make any public announcement relating to this MOU or the subject matter of this MOU without the prior written approval of the other parties; provided, however, that any party may make any public disclosure it believes in good faith is required by applicable law. Nothing herein shall impose any limitations on the parties following final settlement approval at the trial court level.

13. Any disputes arising under this MOU shall be submitted for resolution to the Court.

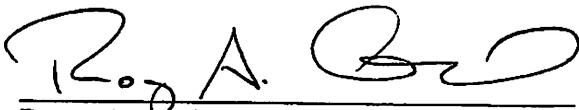
14. The parties agree that this MOU was created from discussion of terms with the mediator and was put together by the mediator and revised by the parties. It is not intended nor do the parties consider it as the mediator's document. Counsel represent and warrant that they have received authority from their clients to sign this document. By authorizing their counsel to sign on their behalves, the parties agree they are adopting each of its terms and language as their own.

Dated: August 1, 2019

Agreed to:



Seth Yohalem
Counsel for Plaintiffs



Roger A. Cerda
Counsel for Defendant