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FILED-Central District
SUPERIOR COURT
SAN BERNARDINO COUNTY
JUN 01 2007
Dave A. Anderson
Deputy

Attorneys for Plaintiff the People of the State of California

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

CENTRAL DIVISION

THE PEOPLE OF THE STATE OF CALIFORNIA, Plaintiff, v. **AUTOZONE, INC., a Nevada corporation; AUTOZONE STORES, INC., a Nevada Corporation; AUTOZONE WEST, INC., a Delaware Corporation: AUTOZONE PARTS, INC., a Nevada Corporation; and DOES 1-10, inclusive,** Defendants.	CASE NO. SCVSS127459 **STIPULATED FINAL JUDGMENT BY CONSENT**

[ADDITIONAL LIST OF PLAINTIFF'S COUNSEL BY ASSOCIATION]

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STIPULATION

It is hereby stipulated by Plaintiff, the People of the State of California, by and through EDMUND G. BROWN JR., Attorney General of the State of California; MICHAEL A. RAMOS,

District Attorney of San Bernardino County; BONNIE M. DUMANIS, District Attorney of San Diego County; DEAN FLIPPO, District Attorney of Monterey County; and JAMES P. WILLETT, District Attorney of San Joaquin County, and Defendant AUTOZONE, INC, by and through their attorneys, ARCHER NORRIS, that this Stipulated Final Consent Judgment may be signed by the Court.

1. This Stipulation is executed between Plaintiff, the People of the State of California, and Defendants, AUTOZONE, INC., AUTOZONE STORES, INC., AUTOZONE WEST, INC., AUTOZONE PARTS, INC., and DOES 1-10 inclusive (collectively "AUTOZONE").

2. The parties to this Stipulation are parties to a civil suit pending in the Superior Court of the State of California for the County of San Bernardino, entitled *PEOPLE v. AUTOZONE, INC, AUTOZONE STORES, INC., AUTOZONE WEST, INC., AUTOZONE PARTS, INC., and DOES 1-10 inclusive.*

3. The parties have decided to compromise and settle their differences in accordance with this Stipulation. The parties stipulate and consent to the entry of this Stipulated Final Consent Judgment without trial or adjudication of any issue of fact or law alleged in the Complaint.

4. This Stipulation is entered into voluntarily and as a compromise and without any admission of fault or liability by AUTOZONE. In entering into this Stipulation, AUTOZONE represents that any actions on its part which may have violated any statute or regulation of the State of California were inadvertent and not intentional.

5. Since being notified of the alleged violations at issue in this matter, AUTOZONE represents that it has taken steps to institute corrective action, which steps have in many instances exceeded the requirements of California law and represent actions above and beyond those taken by others in similar business endeavors in California. These positive steps have been taken into consideration in fashioning the terms of this compromise Stipulated Judgment.

//

IT IS SO STIPULATED

DATED: 31 May, 2007

EDMUND G. BROWN JR.
Attorney General

By: Brett J. Morris

BRETT J. MORRIS
Deputy Attorney General

DATED: 5/31, 2007

MICHAEL A. RAMOS
District Attorney of San Bernardino County

By:

R. GLENN YABUNO
Deputy District Attorney

DATED: 31 May, 2007

BONNIE M. DUMANIS
District Attorney of San Diego County

By: Karen I. Doty

KAREN I. DOTY
Deputy District Attorney

DATED: 31 May, 2007

DEAN FLIPPO
District Attorney of Monterey County

By:

STEVEN HOLBERT
Deputy District Attorney

DATED: 31 May, 2007

JAMES P. WILLETT
District Attorney of San Joaquin County

By: Karen I. Doty for

DAVID J. IREY
Supervising Deputy District Attorney
Environmental Prosecutions Unit

Attorneys for Plaintiff, the People of the State of California

//

DATED:_____, 2007. ARCHER NORRIS

By: _____
PETER W. MCGAW
Attorneys for Defendants
AUTOZONE, INC., AUTOZONE STORES, INC., AUTOZONE WEST, INC., AUTOZONE PARTS, INC.

Plaintiff, the People of the State of California, and Defendants AUTOZONE, INC., AUTOZONE STORES, INC., AUTOZONE WEST, INC., and AUTOZONE PARTS, INC., (collectively "AUTOZONE"), for the benefit of themselves and their direct and indirect subsidiaries, by and through their attorneys, having stipulated that this Court has jurisdiction over this matter and this Stipulated Consent Judgment may be signed without the taking of proof, without trial or adjudication of any issue of fact or law herein, and without this Stipulation constituting evidence or an admission by Defendants;

IT IS HEREBY STIPULATED, ORDERED, ADJUDGED AND DECREED that:

JURISDICTION AND FINDINGS

1. This action is brought under California law and this Court has jurisdiction of its subject matter and the parties.

2. This Stipulated Judgment shall be admissible in this action, only, and in no other action or proceeding for any purpose whatsoever except to establish that the matters addressed in this action, or which could have been addressed in this action, have been fully and finally resolved by this compromise Stipulated Judgment, or to redress violations of the terms of the Injunction.

INJUNCTION

3. The provisions of this Judgment are applicable to Defendants, AUTOZONE, INC., a Nevada corporation, AUTOZONE STORES, INC., a Nevada corporation, AUTOZONE WEST, INC., a Delaware corporation, and AUTOZONE PARTS, INC., a Nevada corporation, hereinafter collectively "AUTOZONE" and their officers and directors. All obligations imposed upon AUTOZONE by the terms of this Stipulated Judgment are ordered pursuant to Business and Professions Code sections 17203 and 17535, Health and

Safety Code sections, 25189(d), 25514(a) and Fish and Game Code sections 5650 and 5650.1, as may be applicable.

4. AUTOZONE is hereby permanently enjoined from:

A. Representing a price on an item, store shelf or sign near the item and charging a greater price at the time the product is purchased, if doing so would violate Business and Professions Code section 12024.2(a)(1);

B. Computing at the time of sale of a commodity, a value which is more than the price which is then advertised, posted or quoted, if doing so would violate Business and Professions Code section 12024.2(a)(2);

C. Any action that would violate the provisions of Chapter 6.5 of the California Health & Safety Code or their respective implementing regulations;

D. Any action that would violate the provisions of Chapter 6.95 of the California Health & Safety Code or their respective implementing regulations; and

E. Any action that would violate the provisions of California Fish and Game Code sections 5650 and 5650.1 or their respective implementing regulations.

5. AUTOZONE agrees to, and shall, maintain for a period of five years from the date of this Stipulated Judgment in every AUTOZONE store in California a program to identify and correct discrepancies between prices displayed for goods on store shelves and prices contained in its price scanner/cash register system for those same goods ("Scanner Prices"). That program shall require that, at a minimum:

A. AUTOZONE designate a person in its corporate headquarters for the receipt of Consumer Complaints from AUTOZONE's stores in California regarding discrepancies between posted prices and Scanner Prices. Consumer Complaints shall include reports of inspections received from county or state Weights and Measures officials.

B. A managerial level employee in each AUTOZONE store in California, with the assistance of other employees as may be necessary, shall conduct weekly, a random audit of twenty (20) shelf, signage and advertising pricing to ensure that Scanner Prices conform

to the posted or advertised prices. Pricing errors discovered during such audits shall be promptly corrected.

C. A managerial level employee in each AUTOZONE store in California, with the assistance of other employees as may be necessary, shall promptly remove expired pricing signs and advertisements and shall ensure that all items for which there has been a price change have accurate signs and/or shelf tags indicating their price.

6. AUTOZONE agrees to, and shall, maintain for a period of five years from the date of this Stipulated Judgment in every AUTOZONE store in California a program to identify and correct discrepancies from the requirements of Chapter 6.5 of the California Health & Safety Code, Chapter 6.95 of the California Health & Safety Code; or California Fish and Game Code sections 5650 and 5650.1, or all their respective implementing regulations, as they may be applicable to AutoZone stores. That program shall require that, at a minimum:

A. AUTOZONE designate a person in its corporate headquarters for the receipt Notices of Violations of any of the statutory or regulatory provisions referenced in Paragraph 6, above. This person shall have training and experience in environmental compliance matters appropriate to the nature and quantity of hazardous materials normally handled by AUTOZONE stores in California.

1. This person shall be available as a point of contact by the CUPA for any issue arising out of this Judgment, and such person, or his suitably trained designee, shall be available during normal business hours on 24-hour notice for response or discussion regarding any requirement under the statutory or regulatory provisions referenced in Paragraph 6, above.

2. Plaintiff shall designate an individual point of contact with whom AUTOZONE may communicate in the event AUTOZONE changes the person designated under Paragraph 6(A)(1). AUTOZONE shall notify Plaintiff's designated

point of contact, within thirty (30) days of any change in personnel in this position, along with the replacement individual's contact information. Plaintiff's designated point of contact shall disseminate the new contact information to such other representatives of Plaintiff as appropriate.

B. AUTOZONE maintain written policies and procedures for the handling of hazardous materials and/or hazardous waste that may be encountered by employees in the ordinary course of business at AUTOZONE stores in California. AUTOZONE shall train its employees in these policies and procedures commensurate with each employee's employment responsibilities, and shall maintain written records of such training for the period specified below.

C. AUTOZONE conduct an environmental compliance audit of each of its California stores on at least an annual basis. The environmental compliance audit will be conducted by a managerial level employee, or by a designated independent outside party competent to conduct such an audit. Each environmental compliance audit shall cover those areas of the California statutes and regulations cited in Paragraph 6, above, as may be applicable to the operations of each AUTOZONE store in California. Areas of noncompliance identified by such audits shall be corrected promptly.

RECORDS RETENTION AND ACCESS

7. All non-privileged written material relating to compliance with this order or required by this order to be created shall be retained for at least three (3) years from date of the document's generation, or from when it was last utilized, whichever is later, and shall promptly be made available to any representative of Plaintiff on request.

MONETARY RELIEF

8. (A) Pursuant to Business and Professions Code sections 17206 and 17536, and Health and Safety Code Section 25515.2, AUTOZONE shall on the date of the filing of this Judgment, pay to Plaintiff civil penalties of one million dollars ($1,000,000.00), in the form

of twelve checks made payable as follows:

California Attorney General	$ 173,399.80
Monterey County District Attorney	$ 173,399.80
San Bernardino County District Attorney	$ 173,399.80
San Diego County District Attorney	$ 173,399.80
San Joaquin County District Attorney	$ 173,399.80
California Dept. of Toxic Substances Control	$ 22,167.00
California Integrated Waste Management Bd.	$ 22,167.00
Los Angeles County Fire Dept.	$ 22,167.00
Monterey County CUPA	$ 22,167.00
San Bernardino County Fire Dept./Haz. Matls	$ 22,167.00
San Joaquin County Environmental Health Dept.	$ 11,083.00
San Joaquin County Office of Emergency Services	$ 11,083.00

(B) The civil penalty of $173,399.80 received by the California Attorney General, Monterey County District Attorney, San Bernardino County District Attorney, San Diego County District Attorney and San Joaquin County District Attorney shall be apportioned as follows:

(1) $145,799.60 shall be penalties received pursuant to Business and Professions Code Sections 17206 and 17536 and

(2) $27,600.20 shall be penalties received pursuant to Health and Safety Code Section 25515.2

9. Pursuant to Business and Professions Code sections 17206 and 17536, AUTOZONE shall on the date of the filing of this Judgment, pay to Plaintiff costs totaling three hundred thousand dollars ($300,000.00), in the form of twenty-eight (28) money orders payable as follows:

California Attorney General	$105,483.00
Monterey County District Attorney	$ 25,484.00
San Bernardino County District Attorney	$ 29,005.00
San Diego County District Attorney	$ 25,483.00
San Joaquin County District Attorney	$ 25,483.00
California Dept of Food & Agriculture	$ 7,057.00

California Dept. of Toxic Substances Control	$ 11,943.00
California Integrated Waste Management Bd.	$ 1,744.00
Fresno County Dept of Agriculture	$ 295.00
Kern County Dept. of Agriculture	$ 618.00
Los Angeles County Agricultural Commissioner	$ 7,338.00
Los Angeles County Fire Dept.	$ 5,382.00
Merced County Dept. of Agriculture	$ 700.00
Monterey County CUPA	$ 10,875.00
Riverside County Div. of Weights & Measures	$ 2,680.00
San Benito County Agricultural Commissioner	$ 57.00
San Bernardino County Dept. of Agriculture	$ 4,102.00
San Bernardino County Fire Dept/Haz. Matls.	$ 4,690.00
San Diego County Dept. of Agriculture	$ 17,837.00
San Joaquin County Div. of Weights & Meas.	$ 2,550.00
San Joaquin County Envir. Health Dept.	$ 2,100.00
San Joaquin County Office of Emergency Services	$ 820.00
Santa Clara County Weights & Measures	$ 679.00
Santa Cruz County Dept. of Weights & Meas.	$ 468.00
Sonoma County Sealer	$ 1,566.00
Stanislaus County Dept. of Agriculture	$ 1,244.00
Tulare County Dept. of Agriculture	$ 240.00
Ventura County Dept. of Weights & Measures	$ 4,077.00

10. Pursuant to Business and Professions Code sections 17206 and 17536, AUTOZONE shall pay an additional penalty of three hundred thousand dollars ($300,000.00) within sixty (60) days after the entry of this Judgment. If AUTOZONE provides a letter certifying that it has made improvements to its California stores in order to comply with this Judgment, it will receive a credit against this portion of the penalty at the rate of one dollar credit for one dollar spent on improvements, up to three hundred thousand dollars ($300,000.00).

11. The letter certifying improvements to AUTOZONE stores in California shall be delivered to the attention of Deputy District Attorney R. Glenn Yabuno at the San

Bernardino District Attorney's Office, 412 W. Hospitality Lane, Suite 301, San Bernardino, California 92415.

ADDITIONAL SUPPLEMENTAL PROJECTS

12. Recognizing it would be difficult or impossible to identify particular individuals that may have been damaged by any of the actions AUTOZONE is alleged to have committed, which allegations AUTOZONE has denied, and that any such damages, if they exist, would be minor as to any individual, and that it would be impossible or impractical for consumers to ascertain that they were in fact damaged, for these reasons, in lieu of restitution to individual consumers, AUTOZONE shall contribute to the supplemental projects set out below. Funds in these projects are set aside for the general benefit of the people of the State of California. Accordingly, payment of these amounts by AUTOZONE is intended to represent full restitution to all California consumers. Payment shall be made by AUTOZONE as directed by Plaintiff within thirty (30) days following receipt of notice of the entry of this Judgment.

A. Environmental Protection Prosecution Fund. One hundred fifty thousand dollars ($150,000.00) to be used in the Craig Thompson Environmental Protection Prosecution Fund ("Fund"). The payment made shall be placed in an interest-bearing Special Deposit Fund established by the California Attorney General. Such funds shall be available for use in environmental enforcement actions to benefit the State of California and its citizens. This Fund shall be organized solely and exclusively for the purpose of enhancing the investigation, prosecution, and enforcement of environmental protection actions brought pursuant to the environmental protection statutes of the State of California (including but not limited to Chapter 2 of Division 6 of the Fish & Game Code, Chapters 6.5, 6.7, 6.95 of Division 20 of the Health & Safety Code, and Division 7 of the Water Code as amended from time to time) by the California Attorney General, district attorneys and such city attorneys as are authorized to bring such actions pursuant to those statutes ("eligible city attorneys"). The money transferred into the Special Deposit Fund and any interest derived therefrom shall not be considered part of the budget of the Attorney General's Office and in no manner shall supplant or cause any reduction of any portion of the Attorney General's budget. The details regarding the operation of the Fund shall be set forth in a separate order from the Court.

B. Environmental Training Programs. Fifty thousand dollars ($50,000.00) to be used by the following organizations to assist in the design of and to provide training to California local and state environmental regulators with an emphasis on multi-media/multi-jurisdictional enforcement courses.

1. Thirty thousand dollars ($30,000.00) payable to the California Hazardous Materials Investigators Association (CHMIA) for the purpose of training. A minimum of $25,000.00 of these funds shall be used by CHMIA to assist the Western States Project in conducting the Advanced Environmental Crimes Training Program offered in conjunction with the Federal Law Enforcement Training Center and California Specialized Training Institute.
2. Twenty thousand dollars ($20,000.00) payable to the California District Attorneys Association Environmental Project for the purposes of providing training consistent with the purposes of that project.

    a. Requirements Pertaining to Environmental Training Programs: The payments made pursuant to this section shall be used by each of the designated organizations, upon acceptance, to design and to provide training to California local and state regulators on multi-media/multi-jurisdictional enforcement courses with emphasis on courses related to enforcement actions taken by regulators utilizing local prosecutors or the Attorney General's Office. Such training shall take place, to the extent reasonably possible, within two years following entry of the Consent Judgment. The California Environmental Protection Agency, the California District Attorneys Association, the Western States Project working in close cooperation with the United States Environmental Protection Agency Federal Law Enforcement Training Center personnel, the California Specialized Training Institute, and the California Hazardous Materials Investigators Association shall, whenever possible, coordinate their training monies and training dates in order to advance the immediate training needs of local and state regulators who work with local prosecutors and/or the Attorney General's

Office in the environmental enforcement arena. If the payment is accepted by a designated entity, it shall provide annual letter reports, until the exhaustion of the funds describing the specific use of the funds and the type of training provided. The reports shall be submitted to the Plaintiff's representatives of this Judgment.

RETENTION OF JURISDICTION

13. In the event of default by AUTOZONE as to any amount due hereunder, the whole amount due hereunder shall be deemed immediately due and payable, and Plaintiff shall be entitled to pursue any and all remedies provided by law for the enforcement of this Judgment. Further, any amount in default shall bear interest at the prevailing legal rate from the date of default until paid.

14. Jurisdiction is retained for the purpose of enabling any party to this Judgment to apply to the Court at any time for such further orders and directions as may be necessary and appropriate for the construction or carrying out of this Judgment, for the modification of any of its injunctive provisions, and for the enforcement of, compliance with, and for the punishment of intentional violations of the injunction.

15. The allegations as to the DOES 1-10 inclusive are dismissed.

16. The clerk is directed to immediately enter this Judgment.

Dated: JUN 0 1 2007, 2007

CHRISTOPHER J. WARNER

JUDGE OF THE SAN BERNARDINO SUPERIOR COURT