

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (the "Agreement") is made this 25th day of July, 2019, by and between Plaintiff, the Commonwealth of Kentucky, acting by and through Attorney General Andy Beshear, and Defendants Marathon Petroleum Company LP and Speedway LLC ("Defendants"), in the case styled *Commonwealth of Kentucky, ex rel. Andy Beshear, Attorney General v. Marathon Petroleum Company LP, et al.*, Franklin Circuit Court Civil Action No. 07-CI-00751 (the "Action").

I. RECITALS

1.1 Whereas, the Commonwealth, by and through the Attorney General, commenced the Action by filing a Complaint on May 10, 2007;

1.2 Whereas, the Commonwealth, by and through the Attorney General, filed an Amended Complaint on May 20, 2011;

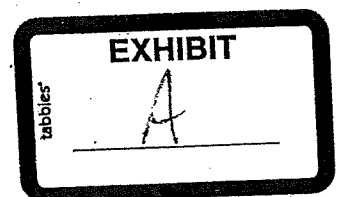
1.3 Whereas, Defendants denied and continue to deny the allegations made by the Commonwealth, by and through the Attorney General, in the Action, including those set out in the Complaint and the Amended Complaint referenced above; and

1.4 Whereas, the Commonwealth, by and through the Attorney General, and Defendants have agreed to resolve all claims and counterclaims asserted, or that could have been asserted as to the Covered Conduct (defined below), in the Action.

Now therefore, in consideration of the mutual promises, covenants and agreements hereafter set forth and the exchange of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

II. DEFINITIONS

2.1 As used in this Agreement, the following words or terms shall have the following meanings:



A. **“Commonwealth”** shall mean Plaintiff, the Commonwealth of Kentucky, *ex rel.* Attorney General Andy Beshear.

B. **“Attorney General Representatives”** shall mean, Attorney General Andy Beshear, and the following representatives of his office: the Deputy Attorney General, the Assistant Deputy Attorneys General, the Executive Director of the Office of Consumer Protection of the Office of the Attorney General, the Communications Director and Deputy Communications Director for the Office of the Attorney General, and all counsel of record in the Action and any other outside counsel.

C. **“Covered Conduct”** shall mean Defendants’ marketing and sale of gasoline and other motor fuels during the emergency periods in 2005 and 2011 as outlined in the Amended Complaint.

D. **“Defendants”** shall mean Marathon Petroleum Company LP and Speedway LLC, along with Defendants’ predecessors in interest, successors and assigns, their officers, and each of Defendants’ agents, representatives, and employees.

E. **“Effective Date”** shall mean the date this Agreement is executed by all parties.

III. GENERAL AGREED TERMS

3.1 The Commonwealth and Defendants are entering into this Agreement solely for the purpose of settlement. Defendants do not admit any of the allegations made in the Complaint, the Amended Complaint, or the Action, and Defendants specifically deny that they violated the price gouging statute or the Consumer Protection Act.

3.2 The Commonwealth and the Attorney General Representatives acknowledge that nothing contained herein may be taken or construed as an admission of any wrongdoing or of

liability by Defendants for any violation of any statute, law, rule, or regulation, and neither the Commonwealth nor the Attorney General Representatives shall state otherwise. Similarly, Defendants acknowledge that nothing contained herein may be taken or construed as a concession by the Commonwealth of no such wrongdoing or liability by Defendants for any violation of any statute, law, rule, or regulation, and neither Defendants nor anyone acting on Defendants' behalf shall state otherwise or state that the Attorney General Representatives have approved, sanctioned or authorized any practice, act, or conduct of Defendants.

IV. PAYMENT

4.1 Defendants agree to pay the Commonwealth a total amount of twenty-two million, five hundred thousand dollars (\$22,500,000) (the "Settlement Payment") as follows: no later than twenty (20) days after the Effective Date of this Agreement, Defendants agree to pay \$11,250,000. On or before July 15, 2020, Defendants shall pay \$5,625,000. On or before July 15, 2021, Defendants shall pay the remaining \$5,625,000. Defendants' obligation to make the Settlement Payment shall be joint and several. It is the intention of the Attorney General and Defendants that the Attorney General will recommend that the proceeds of this settlement that are deposited in the General Fund pursuant to KRS 48.005 be appropriated by the General Assembly for the purpose of improving rural roads, navigable waterways, and/or emergency management to mitigate the impact of weather events.

4.2 The Settlement Payment is made in settlement of the Commonwealth's claims for restitution of amounts alleged to be received in violation of KRS 367.374 and KRS 367.170 and for injunctive relief and constitutes restitution for damages or harm that was or may be caused by alleged violations of the law, and/or is paid to come into compliance with the law that was allegedly violated. This payment has not been designated as fine, penalty or payment in lieu thereof.

V. RELEASE

5.1 The Commonwealth releases and forever discharges to the fullest extent of the law, the Defendants, as defined above, from the following: all civil claims, causes of action, damages, restitution, fines, costs, and penalties that the Attorney General or the Commonwealth asserted or could have asserted against the Defendants resulting from the Covered Conduct; provided, however, this Agreement shall not release any claims asserted in Case No. 15-CV-00354-DJH in the United States District Court for the Western District of Kentucky styled Commonwealth of Kentucky, ex rel. Attorney General, and Andy Beshear v. Marathon Petroleum Company, LP, Marathon Petroleum Corp., and Speedway, LLC. Defendants fully release the Commonwealth and the Attorney General Representatives from all claims asserted in their counterclaim or that could have been asserted in the Action.

VI. ADDITIONAL PROVISIONS

6.1 Within 5 business days of the Effective Date, the Commonwealth and Defendants agree to tender to the Court the Agreed Order of Dismissal attached hereto as Exhibit A in the Action.

6.2 The Attorney General Representatives acknowledge that the Protective Order entered by the Court in the Action on April 3, 2008, as thereafter amended, survives the termination of this litigation and continues to bind the Attorney General Representatives and the Defendants.

VII. CONSTRUCTION

7.1 The titles and headers to each section of this Agreement are for convenience purposes only and are not intended by the parties to lend meaning to the actual provisions of the Agreement.

7.2 If any clause, provision or section of this Agreement shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Agreement, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

7.3 No waiver, modification, or amendment of the terms of this Agreement shall be valid or binding unless made in writing, signed by the Commonwealth and Defendants, and then only to the extent specifically set forth in such written waiver, modification or amendment.

7.4 Time shall be of the essence with respect to each provision of this Agreement that requires action to be taken by the Commonwealth or Defendants within a stated time period or upon a specified date.

7.5 Nothing in this Agreement shall be construed to waive any claims of sovereign immunity the Commonwealth may otherwise have in any action or proceeding.

7.6 This Agreement sets forth the entire agreement between the Commonwealth and Defendants, and there are no representations, agreements, arrangements, or understanding, oral or written, between the Commonwealth and Defendants relating to the subject matter of this Agreement which are not fully expressed hereto or attached hereto.

7.7 This document may be executed in any number of counterparts and by different signatories on separate counterparts, each of which shall constitute an original counterpart hereof and all of which together shall constitute one and the same document. One or more counterparts of this Agreement may be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an original counterpart thereof.

VIII. ENFORCEMENT

8.1 This Agreement may only be enforced by the Commonwealth and Defendants. There are no third-party beneficiaries to this Agreement.

8.2 Any failure by any party to this Agreement to insist upon the strict performance by any other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to seek both specific performance of any and all of the provisions of this Agreement and all other available relief.

8.3 By consent of the parties, the Court shall retain jurisdiction of the Action and the parties hereto for the purpose of enforcing this Agreement, and venue as to all matters between the parties relating hereto or arising out of this Agreement shall be in the Franklin Circuit Court, Frankfort, Kentucky.

IN WITNESS WHEREOF, the parties, intending to be legally bound, and for the mutual consideration set forth above, hereby agrees to the above terms and conditions and hereby executes this Settlement Agreement and General Release.

SIGNATURE PAGE FOLLOWS

MARATHON PETROLEUM COMPANY LP

By: MPC Investment LLC, Its General Partner



By: _____

[Handwritten Signature]
Gary R. Heminger
Chief Executive Officer

7.29.19

(INSERT DATE)

SPEEDWAY LLC

By: _____

Timothy T. Griffith
President

(INSERT DATE)

MARATHON PETROLEUM COMPANY LP

By: MPC Investment LLC, Its General Partner

By: _____

Gary R. Heminger
Chief Executive Officer

(INSERT DATE)

SPEEDWAY LLC



By: _____

Timothy T. Griffith
President

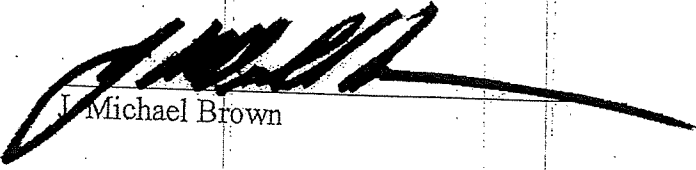
7 29 19

(INSERT DATE)

COMMONWEALTH OF KENTUCKY, *ex rel* ANDY BESHEAR, ATTORNEY
GENERAL

ANDY BESHEAR
ATTORNEY GENERAL
COMMONWEALTH OF KENTUCKY

By:



Michael Brown

Deputy Attorney General

Date

ENTERED
JUL 31 2019
FRANKLIN CIRCUIT COURT
AMY FELDMAN, CLERK

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT, DIVISION II
CIVIL ACTION NO. 07-CI-00751

COMMONWEALTH OF KENTUCKY, *ex rel.*
ANDY BESHEAR, ATTORNEY GENERAL

PLAINTIFF

v.

MARATHON PETROLEUM COMPANY LP, *et al.*

DEFENDANTS

ORDER

Plaintiff, the Commonwealth of Kentucky, has moved this Court to approve settlement of this litigation in consideration of the payment by certain Defendants of the sum of Twenty Two Million Five Hundred Thousand (\$22,500,000.00) Dollars. The Defendants do not oppose Plaintiff's motion.

IT IS HEREBY ORDERED that the Commonwealth's Unopposed Motion to Approve Settlement is GRANTED and the Settlement Agreement is attached hereto as Exhibit A.

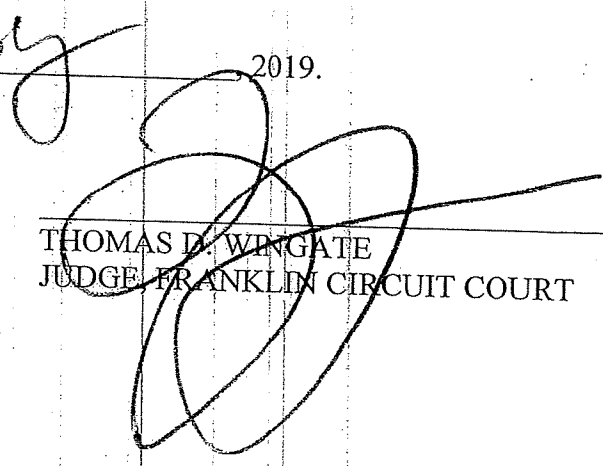
IT IS FURTHER ORDERED that upon receipt of the first payment due under the Settlement Agreement, the funds shall be disbursed as follows:

1. The Office of the Attorney General shall receive \$4,500,000.00 as its reasonable costs of investigation and litigation per KRS 48.005, to be disbursed as payments set forth in Exhibit A are received, as follows:
 - a. \$2,250,000.00 upon receipt of the first payment of \$11,250,000.00; plus
 - b. \$1,125,000.00 upon receipt of the second payment of \$5,625,000.00; plus
 - c. \$1,125,000.00 upon receipt of the third payment of \$5,625,000.00.
2. The law firms of Boies, Schiller, Flexner LLP and Strauss Troy LPA shall receive a contingency fee and reimbursement of advanced litigation fees and expenses as set forth

in the initial Personal Service Contract PON2 040 1600003219 1 and its renewal, effective July 1, 2018 through June 30, 2020; and

3. Any and all remaining amounts after each payment of subsections (1) and (2) above shall be paid to the Commonwealth's General Fund.

SO ORDERED this 31 day of July 2019.


THOMAS D. WINGATE
JUDGE FRANKLIN CIRCUIT COURT

CIRCUIT COURT CLERK'S SERVICE LIST

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Counsel for Defendants

ENTERED
JUL 31 2019
FRANKLIN CIRCUIT COURT
AMY FELDMAN, CLERK

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT, DIV. II
CIVIL ACTION NO. 07-CI-00751

COMMONWEALTH OF KENTUCKY, *ex rel.*
ANDY BESHEAR, ATTORNEY GENERAL

PLAINTIFF

v.

MARATHON PETROLEUM COMPANY LP *et al.*

DEFENDANTS

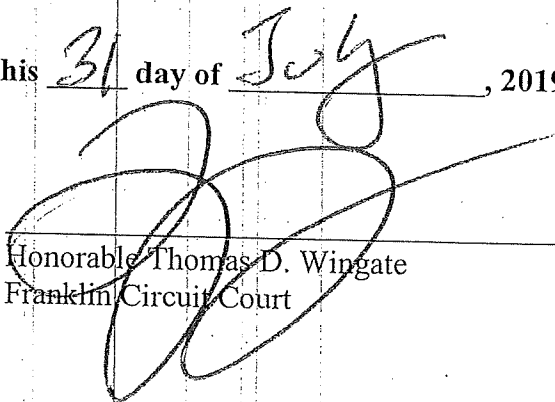
AGREED ORDER OF DISMISSAL WITH PREJUDICE

Plaintiff, the Commonwealth of Kentucky (the "Commonwealth"), acting by and through Attorney General Andy Beshear, (the "Attorney General"), and Defendants Marathon Petroleum Company LP and Speedway LLC ("Defendants"), having reached an agreement for the resolution of all claims the Commonwealth asserted, or could have asserted in this lawsuit against Defendants, and the Court being otherwise sufficiently advised, **THE COURT HEREBY FINDS,**

ORDERS AND ADJUDGES as follows:

1. This action shall be, and hereby is, dismissed in its entirety with prejudice as against all Defendants as set forth in the parties' Settlement Agreement.
2. All counterclaims are dismissed with prejudice.
3. All parties shall bear their own costs and attorneys' fees.
4. This Court shall retain jurisdiction of this action and the Parties hereto for the purpose of enforcing their Settlement Agreement.

SO ORDERED, ADJUDGED AND DECREED this 31 day of July, 2019.



Honorable Thomas D. Wingate
Franklin Circuit Court

HAVING SEEN AND AGREED, SO STIPULATED AND
ACKNOWLEDGED THIS 31 DAY OF July, 2019

HAVE SEEN AND AGREED TO:

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