

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

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|---|---|--------------------------------------|
| DENNIS KRYSTEK, Individually and on Behalf of All Others Similarly Situated, |) | Civil Action No. 3:14-cv-01119 |
| |) | |
| Plaintiff, |) | Judge Bernard A. Friedman |
| |) | Magistrate Judge Jeffery S. Frensley |
| vs. |) | <u>CLASS ACTION</u> |
| |) | |
| RUBY TUESDAY, INC., et al., |) | |
| |) | |
| Defendants. |) | |
| |) | |
| _____ |) | |

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED OR ACQUIRED RUBY TUESDAY, INC. (“RUBY TUESDAY” OR THE “COMPANY”) COMMON STOCK BETWEEN APRIL 10, 2013 AND OCTOBER 9, 2013, INCLUSIVE (THE “CLASS”)

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE JULY 17, 2017.**

This Notice of Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Middle District of Tennessee, Nashville Division (the “Court”). The purpose of this Notice is to inform you of the proposed settlement of the Litigation (the “Settlement”) and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and the proposed Plan of Allocation of the Settlement proceeds, as well as counsel’s application for fees and expenses. This Notice describes the rights you may have in connection with your participation in the Settlement, what steps you may take in relation to the Settlement and this Litigation, and, alternatively, what steps you must take if you wish to be excluded from the Class and this Litigation.¹

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT | |
|---|---|
| SUBMIT A PROOF OF CLAIM | The only way to receive a payment. Proofs of Claim must be postmarked or submitted online on or before July 17, 2017. |
| EXCLUDE YOURSELF | Receive no payment. This is the only option that allows you to ever be part of any other lawsuit against the Defendants or any other Released Persons about the legal claims related to the issues raised in this Litigation. Exclusions must be received no later than July 17, 2017. |
| OBJECT | Write to the Court about why you oppose the Settlement, the Plan of Allocation, the request for attorneys’ fees and expenses, and/or the expenses of Lead Plaintiff. You will still be a Member of the Class. Objections must be received by counsel no later than July 17, 2017 and be filed with the Court no later than July 31, 2017. |
| GO TO A HEARING | Ask to speak in Court about the fairness of the Settlement. Requests to speak must be included in your written objection received by counsel no later than July 17, 2017 and filed with the Court no later than July 31, 2017. |
| DO NOTHING | Receive no payment. Give up your rights. |

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement, which is available on the settlement website, www.rubytuesdaysecuritieslitigation.com.

SUMMARY OF THIS NOTICE

Statement of Class Recovery

Pursuant to the Settlement described herein, the Settlement Amount is \$5 million. Lead Plaintiff's damages consultant estimates that approximately 28.7 million shares of Ruby Tuesday common stock may have been damaged. If 100% of those shares submit a claim, the average distribution per damaged share under the Settlement is \$0.17 per share, before deduction of any Taxes on any income earned on the Settlement Amount, Tax Expenses, Notice and Administration Costs, the attorneys' fee and expense award and the expenses of Lead Plaintiff, as determined by the Court. A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's claim as compared to the total claims of all Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than this estimated average amount depending on the number of claims submitted, when during the Class Period a Class Member purchased or acquired Ruby Tuesday common stock, the price paid, and whether those shares were held or sold, and, if sold, when they were sold and the amount received. See Plan of Allocation as set forth at pages 9-11 below for more information on your claim.

Statement of Potential Outcome of Litigation

The parties disagree on both liability and damages and do not agree on the average amount of damages per Ruby Tuesday common stock that would be recoverable if the Class prevailed on each claim alleged. The Defendants deny that they are liable to the Class and deny that the Class has suffered any damages.

Statement of Attorneys' Fees and Expenses Sought

Lead Counsel will apply to the Court for an award of attorneys' fees of thirty percent (30%) of the Settlement Amount, plus expenses not to exceed \$200,000, plus interest earned on both amounts at the same rate as earned on the Settlement Fund. Since the Litigation's inception, Lead Counsel have expended considerable time and effort in the prosecution of this Litigation on a contingent fee basis and advanced the expenses of the Litigation in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees. The requested fees and expenses amount to approximately \$0.06 per damaged share. The average cost per damaged share will vary depending on the number of acceptable Proofs of Claim submitted. In addition, the Lead Plaintiff may seek payment for time and expenses in representing the Class in an amount not to exceed \$7,500.

Further Information

For further information regarding the Litigation, this Notice or to review the Stipulation of Settlement, please contact the Claims Administrator toll-free at 1-866-680-5370, or visit the website www.rubytuesdaysecuritieslitigation.com.

You may also contact a representative of Lead Counsel: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, www.rgrdlaw.com.

Please Do Not Call the Court or Defendants with Questions About the Settlement.

Reasons for the Settlement

The principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved after a contested trial and likely appeals, possibly years into the future.

BASIC INFORMATION

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| 1. Why did I get this notice package? |
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You or someone in your family may have purchased or acquired Ruby Tuesday common stock during the time period April 10, 2013 through October 9, 2013, inclusive ("Class Period").

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement.

This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the Litigation is the United States District Court for the Middle District of Tennessee, Nashville Division, and the case is known as *Dennis Krystek v. Ruby Tuesday, Inc., et al.*, Civil Action No. 3:14-cv-01119. The case has been assigned to the Honorable Bernard A. Friedman. Dennis Krystek representing the Class is the "Lead Plaintiff," and the parties sued and who have now settled are called the Defendants.

2. What is this lawsuit about?

This is a federal securities class action brought on behalf of all Persons who purchased or acquired the common stock of Ruby Tuesday during the Class Period. Lead Plaintiff alleges that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act") by, among other things, engaging in a fraudulent course of conduct that misled investors about the financial condition of the Company's Lime Fresh Mexican Grill ("Lime Fresh") chain and about the progress of the Company's repositioning plan. Defendants² deny that they violated the securities laws.

The initial complaint was filed on May 6, 2014. A Consolidated Complaint for Violation of the Federal Securities Laws (the "Complaint") was filed on December 15, 2014, and is the operative complaint.

On February 13, 2015, Defendants moved to dismiss the Complaint. After the motion was fully briefed, on March 31, 2016, the Court denied in part and granted in part Defendants' motion to dismiss. Specifically, the Court denied Defendants' motion to dismiss as to the allegations concerning the Company's Lime Fresh chain. The Court granted Defendants' motion to dismiss as to the allegations in the Complaint concerning the Company's repositioning plan. As a result of its partial granting of Defendants' motion, the proposed class period for the surviving Lime Fresh claims was shortened to April 10, 2013 to July 24, 2013, inclusive. Thereafter, the Court set deadlines for fact and expert discovery, as well as other pre-trial events.

Lead Plaintiff filed his motion for class certification on June 3, 2016. Defendants took discovery from Lead Plaintiff, the proposed Class Representative, and on September 27, 2016, Defendants filed their opposition to the class certification motion. After taking the deposition of Defendants' expert, Lead Plaintiff filed his reply on December 2, 2016. The motion was pending, with a hearing date set for February 8, 2017, at the time this Settlement was reached.

The parties conducted fact discovery between May 2016 up to the date of Settlement. The parties engaged in numerous meet-and-confer discussions to reach an agreement on the scope of discovery, including numerous negotiations on search terms and custodians for use in collection and production of Defendants' electronically stored information. As of the date of Settlement, Defendants had produced over 36,000 pages of documents, and 30,000 pages of documents were produced by third party KPMG LLP, Ruby Tuesday's external auditor. The fact discovery cut-off was scheduled for May 2, 2017.

On September 6, 2016, the parties' counsel attended a one day mediation session in New York with an experienced mediator, but were unable to resolve the Litigation. On January 27, 2017, following further discussion with the parties' counsel, the mediator presented the parties with a Mediator's Proposal. The Mediator's Proposal was ultimately accepted by both parties. Following additional negotiations, the parties reached an agreement to resolve the Litigation on the specific terms set forth herein.

Defendants denied and continue to deny each and all of the claims and contentions of wrongdoing alleged by Lead Plaintiff in the Litigation and maintain that their conduct was at all times proper and in compliance with all applicable provisions of the law. Defendants contend that they did not make any materially false or misleading statements, and that they disclosed all material information required to be disclosed by the federal securities laws. Defendants also contend that any losses suffered by Members of the Class were not caused by any allegedly false or misleading statements by Defendants.

² "Defendants" means Ruby Tuesday, James J. Buettgen, Michael O. Moore and Kimberly S. Grant.

3. Why is this a class action?

In a class action, one or more people called a plaintiff sues on behalf of people who have similar claims. All of the people with similar claims are referred to as a Class or Class Members. One court resolves the issues for all Class Members, except for those Class Members who exclude themselves from the Class.

4. Why is there a settlement?

The Court has not decided in favor of the Defendants or the Class. Instead, both sides agreed to the Settlement to avoid the costs and risks of further litigation, including trial and post-trial appeals, and Lead Plaintiff agreed to the Settlement in order to ensure that Class Members will receive compensation. Lead Plaintiff and Lead Counsel believe the Settlement is in the best interest of all Class Members in light of the real possibility that continued litigation could result in no recovery at all.

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the Settlement?

The Court directed that everyone who fits this description is a Class Member: ***all Persons who purchased or acquired the common stock of Ruby Tuesday between April 10, 2013 and October 9, 2013, inclusive***, except those Persons and entities that are excluded, as described below.

6. Are there exceptions to being included?

Excluded from the Class are: (i) Ruby Tuesday, its parents, subsidiaries and any other entity owned or controlled by Ruby Tuesday; (ii) James J. Buettgen, Michael O. Moore and Kimberly S. Grant; (iii) all other executive officers and directors of Ruby Tuesday or any of its parents, subsidiaries or other entities owned or controlled by Ruby Tuesday; (iv) all immediate family members of the foregoing; and (v) all predecessors and successors-in-interest or assigns of any of the foregoing. Also excluded from the Class are those Persons who timely and validly exclude themselves in accordance with the requirements set forth in Question 13 below. Ruby Tuesday or any entity in which Ruby Tuesday has or had a controlling interest (for purposes of this paragraph, together a "Ruby Tuesday-Controlled Entity") are excluded from the Class only to the extent that such Ruby Tuesday-Controlled Entity itself purchased a proprietary (*i.e.*, for its own account) interest in the Company's common stock. To the extent that a Ruby Tuesday-Controlled Entity purchased Ruby Tuesday stock in a fiduciary capacity or otherwise on behalf of any third-party client, account, fund, trust, employee or employee benefit plan that otherwise falls within the Class, neither such Ruby Tuesday-Controlled Entity nor the third-party client, account, fund, trust, employee or employee benefit plan shall be excluded from the Class with respect to such Ruby Tuesday stock.

If one of your mutual funds owns Ruby Tuesday common stock, that alone does not make you a Class Member. You are a Class Member only if you directly purchased or acquired Ruby Tuesday common stock during the Class Period. Contact your broker to see if you have purchased or acquired Ruby Tuesday common stock during the Class Period.

If you sold Ruby Tuesday common stock during the Class Period, that alone does not make you a Class Member. You are a Class Member only if you purchased or acquired Ruby Tuesday common stock during the Class Period, as defined above.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-866-680-5370, or you can fill out and return the Proof of Claim enclosed with this Notice package, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the Settlement provide?

In exchange for the Settlement and the release of the Released Claims (defined below) as well as dismissal of the Litigation, Defendants have agreed that a payment of \$5 million will be made by Defendants (or

on their behalf) to be divided, after taxes, fees, and expenses, among all Class Members who send in a valid Proof of Claim.

9. How much will my payment be?

Your share of the fund will depend on several things, including how many Class Members submit timely and valid Proofs of Claim, the total dollar amount of the claims represented by the valid Proofs of Claim that Class Members send in, the number of shares of Ruby Tuesday common stock you purchased or acquired, how much you paid for the shares, when you purchased or acquired them, and if you sold your shares and for how much.

By following the instructions in the Plan of Allocation, you can calculate your claim. It is unlikely that you will get a payment for the full amount of your claim. After all Class Members have sent in their Proofs of Claim, the payment you get will be a part of the Net Settlement Fund equal to your claim divided by the total of all valid claimants' claims. See the Plan of Allocation at pages 9-11 hereof for more information on your claim.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How can I receive a payment?

To qualify for a payment, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.rubytuesdaysecuritieslitigation.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and return it so that it is **postmarked, if mailed, or received, if submitted online, no later than July 17, 2017**. The Proof of Claim may be submitted online at www.rubytuesdaysecuritieslitigation.com.

11. When would I receive my payment?

The Court will hold a Final Approval Hearing on August 7, 2017, to decide whether to approve the Settlement. If the Court approves the Settlement after that, there might be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up to receive a payment or to stay in the Class?

Unless you exclude yourself, you will remain a Class Member, and that means that, if the Settlement is approved, you will give up all "Released Claims" (as defined below), including "Unknown Claims" (as defined below), against the "Released Persons" (as defined below):

- "Related Parties" means, with respect to each Defendant, present and former parents, subsidiaries, affiliates, predecessors, successors, joint venturers, assigns, officers, directors, employees, partners, controlling shareholders, principals, trustees, attorneys, auditors, accountants, investment bankers, underwriters, consultants, agents, insurers, re-insurers, spouses, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any members of any Defendants' immediate family, any trust of which any Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family, and each of the heirs, executors, administrators, predecessors, successors, and assigns of the foregoing.
- "Released Claims" means any and all claims, debts, demands, losses, rights, causes of action, suits, matters, and issues or liabilities of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether known or unknown, discoverable or undiscoverable, concealed or hidden, suspected or unsuspected, whether arising under federal, state, local, statutory, common or foreign law, or any other law, rule or regulation, which now exists or heretofore has existed, whether contingent or absolute, accrued or un-acrued, liquidated or un-liquidated, at law or in equity, mature or un-mature, whether class or individual in nature, that Lead Plaintiff or any other Member of the Class asserted in the Litigation or could have asserted in any forum that arise out of or are based upon or related in any way to (i) the purchase or acquisition of Ruby Tuesday common stock, and (ii) the allegations, transactions, facts, matters, occurrences, representations or omissions involved, set forth, or referred to in the Complaint. "Released Claims" includes "Unknown Claims" as defined below.

- “Released Persons” means each and all of the Defendants and each and all of their Related Parties.
- “Settled Defendants’ Released Claims” means all claims, demands, losses, rights, and causes of action of any nature whatsoever, known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, whether arising under federal, state, common or foreign law, which now exist or heretofore have existed, that have been or could have been asserted in the Litigation or any forum by the Released Persons or any of them against Lead Plaintiff, Plaintiffs, Class Members, or Plaintiffs’ Counsel, that arise out of or relate in any way to the institution, prosecution, or settlement, of the claims against the Released Persons, except for claims related to the enforcement of the Settlement.
- “Unknown Claims” means any of the Released Claims which Lead Plaintiff or any Class Member does not know or suspect to exist in such party’s favor at the time of the release of the Released Persons, and any of the Settled Defendants’ Released Claims that the Released Persons do not know or suspect to exist in his, her or its favor at the time of the release of Lead Plaintiff, each and all of the Class Members and Plaintiffs’ Counsel, which, if known by such party, might have affected such party’s settlement with and release of the Released Persons or Lead Plaintiff, each and all of the Class Members and Plaintiffs’ Counsel, or might have affected such party’s decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released Claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Claims and the Settled Defendants’ Released Claims, upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Order and Final Judgment shall have, expressly waived to the fullest extent permitted by law, the provisions, rights, and benefits of California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiff and Defendants shall expressly, and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Order and Final Judgment, shall have expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. Lead Plaintiff, Class Members and the Released Persons may hereafter discover facts in addition to or different from those which such party now knows or believes to be true with respect to the subject matter of the Released Claims and the Settled Defendants’ Released Claims, but Lead Plaintiff and Defendants shall expressly, and each Class Member and Released Persons, upon the Effective Date, shall be deemed to have, and by operation of the Order and Final Judgment shall have fully, finally, and forever settled and released any and all Released Claims, or the Settled Defendants’ Released Claims, as the case may be, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, reckless, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, whether or not previously or currently asserted in any action. Lead Plaintiff and Defendants acknowledge, and the Class Members and Released Persons shall be deemed by operation of the Order and Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

If you remain a Member of the Class, all of the Court’s orders will apply to you and legally bind you.

EXCLUDING YOURSELF FROM THE CLASS

If you do not want a payment from this Settlement, and you want to keep the right to sue the Defendants and the other Released Persons, on your own, about the legal issues in this Litigation, then you must take steps to remove yourself from the Settlement. This is called excluding yourself.

13. How do I get out of the proposed Settlement?

To exclude yourself from the Class, you must send a letter by First-Class Mail stating that you “request exclusion from the Class in the *Ruby Tuesday Securities Litigation*.” To be valid, your letter must include the date(s), price(s) paid or received for each such purchase, acquisition or sale, and number(s) of shares of Ruby Tuesday common stock purchased, acquired or sold during the Class Period. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is received no later than July 17, 2017 to:

Ruby Tuesday Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
EXCLUSIONS
3301 Kerner Blvd.
San Rafael, CA 94901

If you ask to be excluded, you will not get any payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue the Defendants and the other Released Persons in the future.

14. If I do not exclude myself, can I sue the Defendants and the other Released Persons for the same thing later?

No. Unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Persons for any and all Released Claims. If you have a pending lawsuit against the Released Persons, speak to your lawyer in that case immediately. You must exclude yourself from this Litigation to continue your own lawsuit. Remember, the exclusion deadline is July 17, 2017.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, you may not send in a Proof of Claim to ask for any money. But, you may be able to sue or be part of a different lawsuit against the Defendants and the other Released Persons about the claims raised in this Litigation.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court ordered that the law firm of Robbins Geller Rudman & Dowd LLP represents the Class, including you. These lawyers are called Lead Counsel. You will not be charged for these lawyers. They will be paid from the Settlement Fund to the extent the Court approves their application for fees and expenses. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel will move the Court for an award of attorneys' fees of thirty percent (30%) of the Settlement Amount and for expenses in an amount not to exceed \$200,000, which were incurred in connection with the Litigation, plus interest on such fees and expenses at the same rate earned on the Settlement Fund. In addition, the Lead Plaintiff may seek up to \$7,500 for time and expenses in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund.

The attorneys' fees and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel have not been paid for their services for conducting this Litigation on behalf of Lead Plaintiff and the Class nor for the substantial litigation expenses Lead Counsel have incurred. The fee requested will

compensate Plaintiffs' Counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type.

OBJECTING TO THE SETTLEMENT

18. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you can write to the Court to object to the proposed Settlement, the proposed Plan of Allocation, Lead Counsel's fee and expense application, and/or Lead Plaintiff's time and expense request. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed Settlement, the proposed Plan of Allocation, the application for fees and expenses or Lead Plaintiff's time and expense request, in the *Ruby Tuesday Securities Litigation* and the reasons you object. Be sure to include your name, address, telephone number, and your signature, identify the date(s), price(s), and number(s) of shares of Ruby Tuesday common stock you purchased, acquired and sold during the Class Period, and state the reasons why you object. Your objection must be mailed or delivered to each of the following addresses such that it is **received no later than July 17, 2017**:

LEAD COUNSEL

Darren J. Robbins
Laurie L. Largent
ROBBINS GELLER RUDMAN & DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

DEFENDANTS' COUNSEL REPRESENTATIVE

Brian H. Polovoy
SHEARMAN & STERLING LLP
599 Lexington Avenue
New York, NY 10022-6069

Your objection must also be **filed no later than July 31, 2017** with the Court:

Clerk of the Court
United States District Court
Middle District of Tennessee
Nashville Division
Estes Kefauver Federal
Building and United States
Courthouse
801 Broadway, Room 800
Nashville, TN 37203

19. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the proposed Settlement, the Plan of Allocation, the fee and expense application or Lead Plaintiff's time and expense request. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Final Approval Hearing at 10:30 a.m., on August 7, 2017, at the United States District Court for the Middle District of Tennessee, Nashville Division, Estes Kefauver Federal Building and United States Courthouse, 801 Broadway, Nashville, TN 37203. At the hearing the Court will consider whether the Settlement and proposed Plan of Allocation are fair, reasonable, and adequate and whether Lead Counsel's fee and expense application and Lead Plaintiff's time and expense request should be granted. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. After the Final Approval Hearing, the Court will decide whether to approve the Settlement, the Plan of Allocation and the amount of fees and expenses. We do not know how long these decisions will take. The Court may change the date and time of the Final Approval Hearing without another notice being sent to Class Members. If you want to attend the hearing, you may wish to check with Lead Counsel beforehand to be sure that the date and/or time has not changed.

21. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection or statement in support of the Settlement, you are not required to come to Court to discuss it. As long as you mailed your objection on time, the Court will consider it. You may also pay your own lawyer to attend, but you are not required to do so. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

22. May I speak at the hearing?

If you object to the Settlement, the Plan of Allocation or the fee, expense and cost application, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include with your objection (see Question 18 above) a statement saying that it is your "Notice of Intention to Appear in the *Ruby Tuesday Securities Litigation*." Persons who intend to object to the Settlement, the Plan of Allocation, and/or the application for an award of attorneys' fees, expenses and costs and desire to present evidence at the Final Approval Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Final Approval Hearing. You cannot speak at the hearing if you exclude yourself.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit or be part of any other lawsuit against the Released Persons about the legal issues in this case, ever again.

GETTING MORE INFORMATION

24. Are there more details about the proposed Settlement?

This Notice summarizes the proposed Settlement. More details are in a Stipulation of Settlement dated March 29, 2017 (the "Stipulation"). You can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-866-680-5370 or by e-mailing info@rubytuesdaysecuritieslitigation.com. A copy of the Stipulation and other relevant documents are also available on the Claims Administrator's website at www.rubytuesdaysecuritieslitigation.com.

25. How do I get more information?

For even more detailed information concerning the matters involved in this Litigation, reference is made to the pleadings, the Stipulation, the Orders entered by the Court and the other papers filed in the Litigation, which may be inspected at the Office of the Clerk of the United States District Court for the Middle District of Tennessee, Nashville Division, Estes Kefauver Federal Building and United States Courthouse, 801 Broadway, Room 800, Nashville, TN 37203, during regular business hours. For a fee, all papers filed in this Litigation are available at www.pacer.gov.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

The Net Settlement Fund (the Settlement Amount plus interest less Taxes, Tax Expenses, Notice and Administration Costs, attorneys' fees and expenses and Lead Plaintiff's time and expense payment) will be distributed to Class Members who, in accordance with the terms of the Stipulation, are entitled to a distribution from the Net Settlement Fund pursuant to any Plan of Allocation or any order of the Court and who submit a valid and timely Proof of Claim under the Plan of Allocation described below. The Plan of Allocation provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have an overall net loss on all of your transactions in Ruby Tuesday common stock purchased or acquired during the Class Period. The Plan of Allocation was developed by Lead Counsel in consultation with their damages consultant. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

In the event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the

amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The allocation below is based on the following inflation per share amounts for Class Period common stock purchases and sales, as well as the mandatory reduction in recoverable damages per the statutory PSLRA 90-day look back provision. Furthermore, if any of the formulas set forth below yield an amount less than \$0.00, then the claim per share is \$0.00.³

| Inflation Period | Inflation Per Share |
|-------------------------------|----------------------------|
| April 10, 2013 | \$0.00 |
| April 11, 2013-July 24, 2013 | \$1.41 |
| July 25, 2013-October 9, 2013 | \$0.15 |

For shares of Ruby Tuesday common stock purchased, or acquired, on or between April 10, 2013 through October 9, 2013, the recovery per share shall be as follows:

1. if sold on or between April 10, 2013 through October 9, 2013, the recovery per share shall be the lesser of:
 - (a) the inflation per share at the time of purchase less the inflation per share at the time of sale, or
 - (b) the difference between the purchase price and the selling price;
2. if retained at the end of October 9, 2013, and sold on or before January 7, 2014, the recovery per share shall be the least of:
 - (a) the inflation per share at the time of purchase,
 - (b) the difference between the purchase price and the selling price, and
 - (c) the difference between the purchase price and the average closing price up to the date of sale as set forth in the table below;
3. if retained at the close of trading on January 7, 2014, or sold thereafter, the recovery per share shall be the lesser of:
 - (a) the inflation per share at the time of purchase, and
 - (b) the difference between the purchase price and \$6.51.

³ The Plan of Allocation also provides value to those Class Members whose claims are based on the period between July 25, 2013 and October 9, 2013 (the portion of the Class Period that was dismissed) that reflects the significant challenges those Class Members face in obtaining reversal of the Court's March 31, 2016 opinion dismissing such claims (and in obtaining any recovery from the Defendants with respect to these purchases) had the Litigation continued against Defendants.

| Sales Date | Closing Price | Average Closing Price From 10/10/2013 Through Sales Date | | Sales Date | Closing Price | Average Closing Price From 10/10/2013 Through Sales Date |
|-------------------|----------------------|---|--|-------------------|----------------------|---|
| 10/10/2013 | \$6.26 | \$6.26 | | 11/22/2013 | \$6.98 | \$6.16 |
| 10/11/2013 | \$6.12 | \$6.19 | | 11/25/2013 | \$7.07 | \$6.18 |
| 10/14/2013 | \$6.11 | \$6.16 | | 11/26/2013 | \$7.00 | \$6.21 |
| 10/15/2013 | \$6.01 | \$6.13 | | 11/27/2013 | \$6.98 | \$6.23 |
| 10/16/2013 | \$6.05 | \$6.11 | | 11/29/2013 | \$7.05 | \$6.25 |
| 10/17/2013 | \$6.10 | \$6.11 | | 12/2/2013 | \$6.79 | \$6.27 |
| 10/18/2013 | \$6.05 | \$6.10 | | 12/3/2013 | \$6.83 | \$6.28 |
| 10/21/2013 | \$6.14 | \$6.11 | | 12/4/2013 | \$6.80 | \$6.30 |
| 10/22/2013 | \$6.21 | \$6.12 | | 12/5/2013 | \$6.75 | \$6.31 |
| 10/23/2013 | \$6.10 | \$6.12 | | 12/6/2013 | \$6.82 | \$6.32 |
| 10/24/2013 | \$5.93 | \$6.10 | | 12/9/2013 | \$7.18 | \$6.34 |
| 10/25/2013 | \$5.97 | \$6.09 | | 12/10/2013 | \$7.11 | \$6.36 |
| 10/28/2013 | \$5.60 | \$6.05 | | 12/11/2013 | \$6.84 | \$6.37 |
| 10/29/2013 | \$5.74 | \$6.03 | | 12/12/2013 | \$6.84 | \$6.38 |
| 10/30/2013 | \$5.76 | \$6.01 | | 12/13/2013 | \$6.85 | \$6.39 |
| 10/31/2013 | \$5.93 | \$6.01 | | 12/16/2013 | \$6.89 | \$6.40 |
| 11/1/2013 | \$5.89 | \$6.00 | | 12/17/2013 | \$6.89 | \$6.41 |
| 11/4/2013 | \$5.89 | \$5.99 | | 12/18/2013 | \$6.99 | \$6.42 |
| 11/5/2013 | \$5.86 | \$5.99 | | 12/19/2013 | \$6.88 | \$6.43 |
| 11/6/2013 | \$5.99 | \$5.99 | | 12/20/2013 | \$7.02 | \$6.44 |
| 11/7/2013 | \$5.98 | \$5.99 | | 12/23/2013 | \$6.94 | \$6.45 |
| 11/8/2013 | \$6.04 | \$5.99 | | 12/24/2013 | \$7.18 | \$6.47 |
| 11/11/2013 | \$5.94 | \$5.99 | | 12/26/2013 | \$7.07 | \$6.48 |
| 11/12/2013 | \$6.17 | \$5.99 | | 12/27/2013 | \$7.06 | \$6.49 |
| 11/13/2013 | \$6.50 | \$6.01 | | 12/30/2013 | \$7.08 | \$6.50 |
| 11/14/2013 | \$6.50 | \$6.03 | | 12/31/2013 | \$6.93 | \$6.51 |
| 11/15/2013 | \$6.52 | \$6.05 | | 1/2/2014 | \$6.98 | \$6.51 |
| 11/18/2013 | \$6.57 | \$6.07 | | 1/3/2014 | \$7.00 | \$6.52 |
| 11/19/2013 | \$6.60 | \$6.09 | | 1/6/2014 | \$6.37 | \$6.52 |
| 11/20/2013 | \$6.58 | \$6.10 | | 1/7/2014 | \$6.10 | \$6.51 |
| 11/21/2013 | \$6.90 | \$6.13 | | | | |

The date of acquisition or sale is the “contract” or “trade” date as distinguished from the “settlement” date.

For Class Members who made multiple purchases, acquisitions or sales of Ruby Tuesday common stock during the Class Period, the First-In, First-Out (“FIFO”) method will be applied to such purchases, acquisitions and sales for purposes of calculating a claim. Under the FIFO method, sales of Ruby Tuesday common stock will be matched first against any holdings at the beginning of the Class Period, and then in chronological order against Ruby Tuesday common stock purchased or acquired during the Class Period.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Plaintiff, Lead Counsel, Plaintiffs' Counsel, any claims administrator, or other Person designated by Lead Plaintiff's counsel, or Defendants, Released Persons, or Defendants' counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased or acquired Ruby Tuesday common stock during the Class Period for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN FIFTEEN (15) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or acquired such common stock during such time period, or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within fifteen (15) days mail the Notice and Proof of Claim directly to the beneficial owners of the common stock referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

Ruby Tuesday Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 30224
College Station, TX 77842-3224
1-866-680-5370
www.rubytuesdaysecuritieslitigation.com
info@rubytuesdaysecuritieslitigation.com

DATED: MARCH 31, 2017

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION