

## A Federal Court Approved This Legal Notice

### **You May Obtain a Payment of Approximately \$174 from a Class Action Settlement with Aaron's, Inc.**

A proposed class action settlement has been reached in a lawsuit called *Korrow v. Aaron's, Inc.*, Case No. 10-6317. The case is before the United States District Court for the District of New Jersey, which approved this notice to inform you of your rights. The lawsuit claims that Aaron's, Inc. violated several New Jersey consumer protection laws by charging certain fees in its rent-to-own contracts. Aaron's denies that it violated any laws.

The Court will hold a Fairness Hearing to consider whether to approve the proposed Settlement on March 12, 2018 at 2:00 p.m. You don't have to appear at the hearing, although you may if you would like.

The Settlement Class is made up of 22,145 persons identified by Aaron's as having entered into a rent-to-own contract with Aaron's, Inc. at one of its corporate-owned New Jersey stores between March 16, 2006 and March 31, 2011. If you were sent the Settlement Notice, you are part of the Settlement Class. If you did not receive the Settlement Notice and believe you should have received it, you may contact the Settlement Administrator: Aaron's Settlement, c/o A.B. Data, Ltd.; phone: 877-227-6101; PO Box 170500, Milwaukee, WI 53217; info@AaronsConsumerAction.com.

#### What Will the Settlement Class Receive?

Aaron's, Inc. will create a Settlement Fund of \$5,800,000. Approximately two-thirds of the fund, \$3,866,666.67, will be shared by the 22,145 Settlement Class Members, who will receive approximately \$174 each. Of the remaining one-third, subject to Court approval, \$10,000 will be paid to the Plaintiff as an award for her efforts on behalf of the Settlement Class, and \$1,923,333.33 will be paid to Settlement Class Counsel for attorneys' fees and costs, including an estimated \$120,000.00 for the cost of the previous class notice and the current settlement administration.

#### What Will You Receive from the Settlement?

If you remain in the Settlement Class, after the Court approves the Settlement you will receive a check for approximately \$174 in exchange for releasing (giving up) certain claims related to all rent-to-own agreements you entered into from March 16, 2006 to March 31, 2011 at a New Jersey store owned by Aaron's, Inc. If the Court approves the settlement, you should receive a check within 6-12 months of your receipt of this notice. Funds from uncashed checks will be donated to Legal Services of New Jersey, which provides civil legal services to low-income New Jersey residents.

#### As a Member of the Settlement Class, You Have Three Options

- 1) Do nothing and stay in the Settlement Class: If you do nothing, you will stay in the Settlement Class and receive the benefits described in this notice in exchange for releasing (giving up) certain legal claims.
- 2) Remove yourself from the Settlement Class by **January 15, 2018**: This means you will not receive the settlement benefits and will not release (give up) any claims. The answer to question 8 on page 6 explains how you may remove yourself.
- 3) Stay in the Settlement Class and file an objection with the Court by **January 15, 2018**: If you stay in the Class, and wish to object, you may do so by filing an objection with the Court no later than **January 15, 2018**. The answer to question 9 on page 6 explains how you may file an objection.

#### More Information and What Happens Next

The Court will decide whether to approve the Settlement at the Fairness Hearing. You do not need to attend unless you file an objection. More information is available at [www.AaronsConsumerAction.com](http://www.AaronsConsumerAction.com). You may also contact the Court-appointed Settlement Class Counsel who represent the Settlement Class whose information is in the answer to question 4 on page 4.

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# BASIC INFORMATION

## 1. What is this lawsuit about?

This lawsuit is about whether New Jersey laws forbid Aaron's from charging two disputed fees in its rent-to-own contracts. These fees have been referred to in Aaron's contracts as: a "Service Plus" fee, and a "Return Check" fee charged when a customer's check is returned "for any reason." These two charges are referred to in this Notice as the "disputed fees."

The lawsuit had sought money under several New Jersey consumer laws. The lawsuit had sought \$100 per contract per person under the Truth-in-Consumer Contract, Warranty, and Notice Act (TCCWNA), which provides \$100, actual damages, or both, when a contract violates clearly established rights of consumers. An example of this claim is that the contracts included a "Return Check" fee that is charged when a customer's check is returned "for any reason." The lawsuit claimed that New Jersey's Retail Installment Sales Act (RISA) prohibited this fee, and therefore the contract violated the TCCWNA. All Settlement Class Members entered contracts that included this type of "Return Check" fee.

The lawsuit had also sought money under New Jersey's Consumer Fraud Act (CFA) based on a claim that the "Service Plus" fees paid to Aaron's also violated RISA. Ms. Korrow claimed that the CFA required Aaron's to pay triple the amount a consumer paid for these fee payments, plus interest.

Aaron's denied that it did anything wrong and that the disputed fees violate New Jersey laws. Aaron's position is that the "Service Plus" fee was a completely voluntary charge, which its customers had agreed to in writing in order to receive certain services. Aaron's position is that the "Return Check" fee is allowed by New Jersey law and is less than the maximum fee allowed by New Jersey law. Aaron's denies that this fee is unlawful in any respect. The Court denied Aaron's motions to dismiss both claims and for summary judgment on the Service Plus fee claim.

Aaron's filed a counterclaim against Ms. Korrow and asked the Court to decide whether Ms. Korrow owed it money. Aaron's also claimed that some Class members owe it money and any money obtained for those persons should be reduced by that amount. The Court ruled that Aaron's cannot claim money from Class members in this case.

The Plaintiff and Aaron's, Inc. have agreed to a settlement before going to trial in order to avoid the costs and uncertainties of litigation. The Class Representative and Settlement Class Counsel believe the proposed Settlement is in the best interest of the Settlement Class.

## 2. What is a class action and who is involved?

In a class action lawsuit, one or more people called "Class Representatives" (in this case, Margaret Korrow) sue on behalf of other people who have similar claims.

A court can determine that people with similar claims are a "Settlement Class" or "Settlement Class Members." Since everyone in the Settlement Class has the same or similar claims, one court case can

resolve the issues for everyone in the Settlement Class. In this case, Defendants have identified 22,145 persons who meet the definition of the Settlement Class.

More information about why the Court is allowing this Settlement Class to be considered is in the Court's Order Preliminarily Approving the Class Action Settlement available at [www.AaronsConsumerAction.com](http://www.AaronsConsumerAction.com).

### 3. Am I a Member of the Settlement Class?

The Settlement Class is made up of 22,145 persons identified by Aaron's as having entered into a rent-to-own contract with Aaron's, Inc. at one of its corporate-owned New Jersey stores between March 16, 2006 and March 31, 2011.

If you were sent the Settlement Notice, you are part of the Settlement Class. If you did not receive the Settlement Notice and believe you should have received it, you may contact the Settlement Administrator:

Aaron's Settlement, c/o A.B. Data, Ltd.,  
PO Box 170500, Milwaukee, WI 53217  
phone: 877-227-6101  
[info@AaronsConsumerAction.com](mailto:info@AaronsConsumerAction.com).

### 4. Who represents me and the other Settlement Class Members?

The Court appointed these attorneys as "Settlement Class Counsel" to represent the Settlement Class who may be reached through the Settlement Administrator at 877-227-6101 or [info@AaronsConsumerAction.com](mailto:info@AaronsConsumerAction.com).

Andrew R. Wolf, Esq. Henry P. Wolfe, Esq. THE WOLF LAW FIRM, LLC 1520 U.S. Highway 130, Ste. 101 North Brunswick, NJ 08902	Christopher J. McGinn, Esq. THE LAW OFFICE OF CHRISTOPHER J. MCGINN 20 Nassau Street, Ste. 250W-2 Princeton, NJ 08542-4509
Michael J. Quirk, Esq. c/o BEREZOFSKY LAW GROUP, LLC Woodland Falls Corporate Ctr. 210 Lake Drive East, Suite 101 Cherry Hill, NJ 08002-1163	Mark R. Cuker, Esq. CUKER LAW FIRM, LLC One Commerce Square, Suite 1120 Philadelphia, PA 19103

Together, these attorneys are called "Settlement Class Counsel." They are experienced in handling similar consumer class actions. If you have questions about the Settlement or the information in this notice you may contact any of the attorneys listed above. If you remove yourself from the Settlement Class, they will no longer represent you. You may hire your own attorney to represent you. If you want to be represented by your own lawyer, you will be responsible for paying his or her fees.

## THE TERMS OF THE SETTLEMENT

### 5. What is the proposed Settlement and what will I receive?

Under the Settlement, Aaron's, Inc. will create a Settlement Fund of \$5,800,000. Approximately two-thirds of the fund, \$3,866,666.67, will be shared by the 22,145 Settlement Class Members, who will receive approximately \$174 each. If people remove themselves from the Settlement Class, their money will be divided among the people who remain in the Settlement Class. Funds from uncashed checks will be donated to Legal Services of New Jersey, which provides civil legal services to low-income New Jersey residents.

If you remain in the Settlement Class and the Court approves the Settlement, you will receive a check for approximately \$174 in exchange for releasing (giving up) certain claims related to all rent-to-own agreements you entered into from March 16, 2006 to March 31, 2011 at a New Jersey store owned by Aaron's, Inc. If the Court approves the settlement, you should receive your check within 6 months of the March 12, 2018 Fairness Hearing.

Of the remaining one-third, subject to Court approval, \$10,000 will be paid to the Plaintiff as an award for her efforts and to resolve her individual claims, and \$1,923,333.33 will be paid to Settlement Class Counsel for attorneys' fees and costs, including an estimated \$120,000.00 for the cost of the initial Court-Ordered Notice provided in early 2017 and the cost of this settlement administration. The amount sought by Settlement Class Counsel is to compensate Settlement Class Counsel for attorneys' fees and costs incurred in the case from when they began investigating the case before it was filed in October of 2010 through the implementation of the Settlement after final approval of the Settlement.

### 6. What claims am I giving up by staying in the Settlement Class and receiving benefits?

If you remain in the Settlement Class and the Settlement is approved by the Court, you will be releasing certain claims against Aaron's, Inc. and other parties. This means that you are agreeing not to bring any such claim in a lawsuit or other proceeding. If you remain in the Settlement Class, you will release your legal claims as follows:

Each member of the Settlement Class, for themselves, their heirs, successors and assigns, shall and will have released, relinquished, remised, acquitted, and forever discharged the Aaron's, Inc., its parents, subsidiaries, predecessors, successors, present and former officers, directors, employees, shareholders, and representatives of and from any and all claims, counterclaims, remedies, liabilities, debts, demands, costs, expenses, attorneys' fees, set-offs, and third party actions of any kind whatsoever, including all claims for declaratory relief, injunctive relief, statutory damages, punitive damages, and liquidated damages, whether known or unknown, matured or un-matured, foreseen or unforeseen, suspected or unsuspected, accrued or unaccrued, based on any federal, state, or local law, statute, regulation, or common law, arising out of, or in any way connected to, the claims that were made or could have been made in the Complaint concerning the subject matter of the Complaint including, but not limited to, any and all such claims relating to Aaron's alleged violations of the Truth-in-Consumer Contract, Warranty, and Notice Act, N.J.S.A. § 56:12-14 et seq. ("TCCWNA"), the Consumer Fraud Act, N.J.S.A. § 56:8-1, et seq. ("CFA"), the Retail Installment Sales Act, N.J.S.A. § 17:16C-1, et seq. ("RISA"), New Jersey Usury Statute, N.J.S.A. § 2C:21-19, and the New Jersey Uniform Commercial Code ("NJUCC"), Article 2A, N.J.S.A. § 12A:2A-101, et seq. but only as any claim is related to an

agreement that the Settlement Class Member entered into at a New Jersey store owned by Aaron's, Inc. during the period from March 16, 2006 to March 31, 2011.

This release does not prevent you or your heirs, successors or assigns from raising any legal claims, including any released claim, in defense to an action to collect any alleged debt by Aaron's, Inc. or any person or entity to whom Aaron's may have assigned any alleged debt related to any rent-to-own agreement you entered into from March 16, 2006 to March 31, 2011 at a New Jersey store owned by Aaron's, Inc.

The Settlement only addresses consumer contract(s) with Aaron's, Inc. entered by Settlement Class Members during the period from March 16, 2006 to March 31, 2011 in Aaron's, Inc. New Jersey stores. The Settlement does not relate to any rights customers may have with any other contracts with Aaron's, Inc. or with any Aaron's franchise store.

## YOUR RIGHTS AND OPTIONS

### 7. How do I participate in the Settlement and receive the benefits?

You will be automatically included in the proposed Settlement unless you remove yourself. If you do not remove yourself and the Settlement is approved, you will receive the benefits described in the answer to Question 5.

### 8. What if I want to remove myself from the Settlement Class?

If you don't want to give up your claims in exchange for receiving the benefits described in this notice, then you must take steps to remove yourself from the Settlement Class. You may remove yourself by timely submitting a removal request as follows.

Your removal request must include: (1) Your printed name, signature, and mailing address and (2) the statement "I request to be removed from the Aaron's Settlement Class." **Your removal request must be postmarked or received by the Settlement Administrator at the following address by January 15, 2018.**

Aaron's Consumer Action, c/o A.B. Data, Ltd.,  
EXCLUSIONS  
PO Box 173001  
Milwaukee, WI 53217

Late requests for removal from the Settlement Class may be considered untimely, which would mean you would continue to be a member of the Settlement Class.

### 9. How may I object to the terms of the Settlement?

Objecting is telling the Court that you do not approve of the Settlement. Only those who have not removed themselves from the Settlement Class may object to the Settlement. At the Fairness Hearing, anyone who stayed in the Settlement Class and who wishes to object must appear in person or through counsel of his or her own choosing, and at his or her own expense, to be heard to the extent allowed by the Court.

Any Class member who does not object in the manner provided above may be deemed to have waived his or her objection and may not be able to object to the fairness, reasonableness, or adequacy of the proposed Settlement or any payment of Settlement Class attorneys' fees and expenses and payment of the Class Representative's incentive awards.

**If you stay in the Class, and wish to object, you may do so by, no later than January 15, 2018, filing an objection with the Court, and providing copies to Settlement Class Counsel and attorney for Aaron's at the following addresses:**

<b><u>The Court</u></b>	<b><u>Aaron's Attorney</u></b>	<b><u>Settlement Class Counsel</u></b>
Clerk of the United States District Court Aaron's Settlement, Civil Action No.: No. 10-6317 Room 7E, District Court of New Jersey 402 East State Street, Trenton, NJ 08608	Michael R. McDonald Caroline E. Oks GIBBONS, P.C. One Gateway Center Newark, NJ 07102	Andrew R. Wolf, Esq. Henry P. Wolfe, Esq. THE WOLF LAW FIRM, LLC 1520 U.S. Highway 130, Ste. 101 North Brunswick, NJ 08902

Any objection must:

- 1) describe each objection, the related facts, and any related legal authorities;
- 2) state whether you intend to appear at the Fairness Hearing; and
- 3) include a list of any witnesses and the facts or opinions to which they will testify, any oral deposition testimony or affidavit that will be presented, and copies of any exhibits you may offer.

**Any written objection and supporting documentation must be received by the Court, Settlement Class Counsel, and Defendants by January 15, 2018.** Objections that are not filed and sent to Settlement Class Counsel and Aaron's attorney by this deadline may be considered untimely and not heard by the Court.

## **10. What is the difference between objecting and removing yourself from the Settlement Class?**

Only Settlement Class Members may object. Persons who remove themselves are no longer Settlement Class Members. You may not object and then remove yourself. You may not remove yourself and then object.

## **11. What will happen at the Fairness Hearing?**

At the Fairness Hearing, presently scheduled for 2:00 p.m. on March 12, 2018, or at a later time as scheduled by the Court, the Judge will decide whether the settlement is fair, reasonable, and adequate and whether it should be given final approval. The Judge will also consider any objections and determine the amount that Settlement Class Counsel will receive in attorneys' fees and expenses and whether payment of the award to the Class Representative should be approved.



You are not required to attend the Fairness Hearing, unless you wish to object to the settlement. You are welcome to attend at your own expense. The Court may adjourn the Fairness Hearing and reschedule it for a different date without further written notice to the Settlement Class.

## **12. How will I know if the Settlement is approved by the Court?**

If the settlement is approved, checks will be mailed to those who did not remove themselves from the Settlement Class. If the Court approves the settlement, you should receive your check within 6 months of the March 12, 2018 Fairness Hearing. You may also contact Settlement Class Counsel for information.

## **ADDITIONAL INFORMATION**

## **13. How may I get more information?**

The website [www.AaronsConsumerAction.com](http://www.AaronsConsumerAction.com) contains more information, including the Court's Order Preliminarily Approving the Class Action Settlement, the Complaint, Aaron's Answer, and other documents. You may also contact the lawyers appointed by the Court to represent the Settlement Class Members who may be reached through the Settlement Administrator at 877-227-6101 or [info@AaronsConsumerAction.com](mailto:info@AaronsConsumerAction.com). Their contact information is also in the response to Question #4.