

## **SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (the “Settlement Agreement”) is entered into by and between Plaintiffs Matthew Grogan (“Grogan”), Chad Severson, LaTia Bryant, and Serge Belozarov (together, “Plaintiffs”), for themselves and the Settlement Class members (as defined below), on the one hand, and Aaron’s, Inc. d/b/a Aaron’s Sales & Lease Ownership and Aarons.com (“Aaron’s” or “Defendant”), on the other hand. Plaintiffs and Defendant are referred to collectively in this Settlement Agreement as the “Parties.”

### **I. RECITALS**

**1.01** On June 8, 2018, Grogan filed a class action in the Northern District of Georgia against Aaron’s. *Grogan v. Aaron’s, Inc.*, No. 1:18-cv-02821 (N.D. Ga.). The Complaint in the Action alleges that Aaron’s violated the Telephone Consumer Protection Act, 47 U.S.C. § 227, *et seq.* (the “TCPA”) by using an automatic telephone dialing system and/or an artificial or prerecorded voice to call cell phones, without the prior express consent of Grogan and the potential class members, at times they were not customers of Aaron’s. On July 23, 2018, Aaron’s answered the Complaint.

**1.02** On October 19, 2018, Bryant filed a class action against Aaron’s in the Northern District of Georgia alleging TCPA claims. *Mahaffey v. Aaron’s, Inc.*, No. 18-cv-4859 (N.D. Ga.). Bryant learned that her claims overlapped completely with the Action. *See Grogan*, Dkt. 55, at 5-6. She dismissed her action without prejudice and retained Grogan’s counsel. *Id.* Severson and Belozarov also retained Grogan’s counsel and materially aided the Action by providing information about their experiences with Aaron’s.

**1.03** Defendant denies all material allegations of the Complaint. Defendant specifically disputes that it used an automatic telephone dialing system or artificial or prerecorded voice message to contact Plaintiffs or potential class members without their prior express consent; that it violated the TCPA; or that Plaintiffs and potential class members are entitled to any relief from Defendant. Defendant further contends that the Action is not

amenable to class certification. Nevertheless, given the risks, uncertainties, burden, and expense of continued litigation, Defendant has agreed to settle this litigation on the terms set forth in this Agreement, subject to Court approval.

**1.04** Discovery in this case has been contested and fulsome, with numerous discovery disputes resolved by the Court. As a result of review of data and documents produced, depositions taken, and Grogan's filed class certification motion, both Plaintiffs and Defendant have a complete understanding of the strengths and weaknesses of their respective cases.

**1.05** This Settlement Agreement resulted from good-faith, arm's-length settlement negotiations, including two in-person negotiations before Rodney A. Max, an experienced and well-respected private mediator. Plaintiffs and Defendant submitted detailed mediation submissions to Mr. Max setting forth their respective views as to the strengths of their cases.

**1.06** Based on complete discovery and the negotiations described above, Class Counsel have concluded, taking into account the sharply contested issues involved, the risks, uncertainty and cost of further prosecution of this litigation, and the substantial benefits to be received by class members pursuant to this Agreement, that a settlement with Defendant on the terms set forth herein is fair, reasonable, adequate and in the best interests of the Settlement Class members.

**1.07** Plaintiffs will file an Amended Complaint, with the consent of Defendant, that will add Severson, Bryant, and Belozarov as additional Class Representatives.

**1.08** The Parties understand, acknowledge, and agree that the execution of this Settlement Agreement constitutes the settlement and compromise of disputed claims. This Settlement Agreement is inadmissible as evidence against any party except to enforce the terms of the Settlement Agreement and is not an admission as to any legal issues, wrongdoing, or liability on the part of any party to this Settlement Agreement. The parties desire and intend to effect a full, complete and final settlement and resolution of all existing disputes and claims as set forth herein.

**1.09** The Settlement contemplated by this Settlement Agreement is subject to preliminary approval and final approval by the Court, as set forth herein. This Settlement Agreement is intended by the Parties to fully, finally and forever resolve, discharge and settle the Released Claims, upon and subject to the terms and conditions hereof.

## **II. DEFINITIONS**

**2.01** “Action” means *Grogan v. Aaron’s, Inc.*, No. 1:18-cv-02821 (N.D. Ga.).

**2.02** “Agreement” or “Settlement Agreement” means this Settlement Agreement and Release.

**2.03** “Approved Claims” means claims that have been timely submitted and approved for payment.

**2.04** “CAFA Notice” refers to the notice requirements imposed by 28 U.S.C. § 1715(b).

**2.05** “Call” or “Called” means voice calls and text messages.

**2.06** “Cash Award” means a cash payment to an eligible Settlement Class Member.

**2.07** “Claim Form” means the claim form attached hereto as Exhibit A.

**2.08** “Claims Deadline” means ninety (90) days from the Settlement Notice Date.

**2.09** “Claims Period” means the ninety (90) day period that begins on the Settlement Notice Date.

**2.10** “Claims Administrator” means Angeion Group.

**2.11** “Class Counsel” means Lief Cabraser Heimann & Bernstein, LLP and Meyer Wilson Co., LPA.

**2.12** “Class Notice” means any type of notice that has been or will be provided to the Settlement Class and any additional notice that might be ordered by the Court.

**2.13** “Class Number” means and represents the Parties’ good faith estimate of the number of telephone numbers that may meet the criteria of the Settlement Class, which was 297,012 as of February 10, 2020.

**2.14** “Class Period” means the period of time as defined in Section 2.31;

**2.15** “Class Representatives” means Plaintiffs Grogan, Severson, Bryant, and Belozarov.

**2.16** “Court” shall mean the United States District Court for the Northern District of Georgia, and the judge to whom the Action has been assigned.

**2.17** “Cy Pres Distribution” means monies that may be distributed in connection with the Settlement pursuant to Section 7.06.f.

**2.18** “Effective Date” means five business days after the last of the following dates: (i) the date upon which the time expires for filing a notice of appeal of the Court’s Final Approval Order, with no appeals having been filed; or (ii) if there is an appeal or appeals of the Final Approval Order, five business days after the date of entry of an order affirming the Final Approval Order without material modification, and the time for review of that order has run, or entry of an order dismissing the appeal(s).

**2.19** “Final Approval Hearing” means the hearing held by the Court to determine whether to finally approve the Settlement set forth in this Settlement Agreement as fair, reasonable and adequate, sometimes referred to herein as the “Fairness Hearing.”

**2.20** “Final Approval Order” means the order to be submitted to the Court in connection with the Final Approval Hearing, substantially in the form attached hereto as Exhibit B.

**2.21** “Final Distribution Date” means the earlier of (i) the date as of which all the checks for Cash Awards have been cashed, or (ii) 180 days after the date on which the last check for a Cash Award was issued.

**2.22** “Funding Date” means five (5) business days after the Effective Date.

**2.23** “Notice” means the notices to be provided to members of the Settlement Class as set forth in Section 8 including, without limitation, “Email Notice,” “Mail Notice,” and “Publication Notice.” The forms of the Email Notice, Mail Notice, and Publication Notice are attached hereto collectively as Exhibit C.

**2.24** “Notice Database” means the database containing Class Members’ telephone numbers that Defendant will provide pursuant to Section 7.03.

**2.25** “Objection Deadline” means sixty (60) days from the Settlement Notice Date.

**2.26** “Opt-Out Deadline” means sixty (60) days from the Settlement Notice Date.

**2.27** “Preliminary Approval Order” means the proposed order to be submitted to the Court in connection with preliminary approval, in the form attached hereto as Exhibit D.

**2.28** “Released Claims” means the released claims identified in Section 13.

**2.29** “Released Parties” means Defendant and each and all of its respective past, present, and future, direct and indirect, parents, subsidiaries, affiliated companies and corporations, agents, successors, and predecessor’s in interest, and each of their respective past, present, and future directors, officers, managers, employees, general partners, limited partners, principals, insurers, reinsurers, shareholders, attorneys, advisors, representatives, predecessors, successors, divisions, assigns, or related entities, and each of their respective executors, successors, and legal representatives.

**2.30** “Settlement” or “Settlement Agreement” means this Agreement between Plaintiffs and Defendant and each and every exhibit attached hereto.

**2.31** “Settlement Class” means: All persons in the United States (1) who were the subscribers or customary users of a telephone number that was Called by Defendant; (2) with the Genesys Interactive Intelligence System and/or an artificial or prerecorded voice; (3) from June 8, 2014 through the date the Court grants preliminary approval of the Settlement; (4) where that telephone number has been associated with a wrap-up code of “wrong party” at any time in Defendant’s records.

**2.32** “Settlement Class Members” means those persons who are members of the Settlement Class, as set forth in the Settlement Class definition in Section 2.31 above, and who do not timely and validly request exclusion from the Settlement Class.

**2.33** “Settlement Costs” means all costs incurred by the Class and their attorneys, including but not limited to Plaintiffs’ attorneys’ fees, costs of suit, Plaintiffs’ expert or

consultant fees, any incentive payments paid to the Class Representatives, notice costs, costs of claims administration and all other costs of administering the Settlement.

**2.34** “Settlement Fund” means the non-reversionary cash sum of \$2,175,000.00 (two million one hundred seventy-five thousand dollars) that Defendant or its insurer will pay to settle this Action and obtain a release of all Released Claims in favor of the Released Parties.

**2.35** “Settlement Notice Date” means no more than forty (40) days after a Preliminary Approval Order is issued.

**2.36** “Settlement Website” means the Internet website operated by the Claims Administrator as described in Section 8.05.

**2.37** “Supplemental Agreement” means the separate agreement between the parties designating the number of valid and timely requests for exclusion (opt-outs) that will give the Defendant the right to terminate the Agreement, as well as the procedure for exercising that right. The Supplemental Agreement shall be filed under seal.

**2.38** “TCPA” means the Telephone Consumer Protection Act, 47 U.S.C. § 227, *et seq.*, and any regulations or rulings promulgated under it.

### **III. BOTH SIDES RECOMMEND APPROVAL OF THE SETTLEMENT**

**3.01** Defendant’s Position on Certification of Settlement Class. Defendant disputes that a class would be manageable and further denies that a litigation class properly could be certified on the claims asserted in this Action. However, solely for purposes of avoiding the expense and inconvenience of further litigation, Defendant does not oppose the certification for settlement purposes only of the Settlement Class. Certification of the Settlement Class shall not be deemed a concession that certification of a litigation class is appropriate, nor would Defendant be precluded from challenging class certification in further proceedings in this Action or in any other action if the Settlement Agreement is not finalized or finally approved. If the Settlement Agreement is not finally approved by the Court for any reason whatsoever, the Settlement Class will not be certified, and no doctrine of waiver, estoppel or preclusion will be

asserted in any litigated certification proceedings in this Action. No agreements made by or entered into by Defendant in connection with the Settlement Agreement may be used by Plaintiffs, any person in the Settlement Class, or any other person to establish any of the elements of class certification in any litigated certification proceedings, whether in this Action or any other judicial proceeding.

**3.02 Plaintiffs' Belief in the Merits of Case.** Plaintiffs believe that the claims asserted in this Action have merit and that the evidence developed to date supports those claims. This Settlement shall in no event be construed or deemed to be evidence of or an admission or concession on the part of Plaintiffs that there is any infirmity in the claims asserted by Plaintiffs, or that there is any merit whatsoever to any of the contentions and defenses that Defendant has asserted.

**3.03 Plaintiffs Recognize the Benefits of Settlement.** Plaintiffs recognize and acknowledge, however, the expense and amount of time which would be required to continue to pursue this Action against Defendant, as well as the uncertainty, risk, and difficulties of proof inherent in prosecuting such claims on behalf of the Class. Plaintiffs have concluded that it is desirable that this Action and any Released Claims be fully and finally settled and released as set forth in this Settlement. Plaintiffs and Class Counsel believe that the agreement set forth in this Settlement confers substantial benefits upon the Class and that it is in the best interests of the Class to settle as described herein.

#### **IV. SETTLEMENT TERMS AND BENEFITS TO THE SETTLEMENT CLASS**

**4.01 Final Class Number.** Based on data provided by, and representations by, Defendant, as of February 10, 2020, approximately 297,012 telephone numbers meet the Settlement Class criteria described in Section 2.31. The Parties expect that this number will continue to grow in the roughly linear fashion that it has grown through the Class Period until the date of preliminary approval. The Parties will work together to confirm the final number of members of the Settlement Class to a reasonable degree of certainty.

**4.02 Monetary Consideration.** Defendant or its insurer shall pay \$2,175,000 (two million one hundred seventy-five thousand dollars) in connection with the Settlement. This sum will be used to pay Approved Claims and any Settlement Costs. In no event will Defendant or its insurer be required to pay any more than \$2,175,000 (two million one hundred seventy-five thousand dollars) in connection with the Settlement.

**4.03 Eligibility for Cash Awards.** Cash Awards shall be made to eligible Settlement Class Members who make claims. Each Settlement Class Member shall be entitled to make one claim for a Cash Award, regardless of the number of calls received.

**4.04 Amount Paid per Claim.** Each Settlement Class Member who makes a valid and timely claim shall receive a Cash Award. The amount of each Cash Award shall be determined by the following formula:  $(\text{Total Settlement Fund} - \text{Settlement Costs}) \div (\text{Total Number of Valid and Timely Claims}) = \text{Cash Award}$ . Therefore, the Cash Award for each Settlement Class Member who makes a valid and timely claim is the Settlement Class Member's pro rata share of the total payments to Settlement Class Members.

**V. ATTORNEYS' FEES, COSTS AND PAYMENT TO CLASS REPRESENTATIVES**

**5.01 Class Representative and Class Counsel Appointment.** For settlement purposes, and subject to Court approval, Matthew Grogan, Chad Severson, LaTia Bryant, and Serge Belozarov are appointed as the Class Representatives for the Class.

**5.02 Attorneys' Fees and Costs.** Class Counsel shall move the Court for an award of attorneys' fees and expenses to be paid from the Settlement Fund. Class Counsel shall be entitled to payment of the fees awarded by the Court out of the Settlement Fund within five (5) business days of the Funding Date. No interest will accrue on such amounts at any time.

**5.03 Payment to Class Representatives.** The Class Representatives will ask the Court to award them incentive payments for the time and effort they have personally invested in the Action and their actions on behalf of the Settlement Class. Plaintiff Grogan will request up to \$10,000, and each of the remaining Plaintiffs will request up to \$5,000. Within five (5) business



days of the Funding Date, and after receiving W-9 forms from the Class Representatives, the Claims Administrator shall pay to Class Counsel the amount of incentive payments awarded by the Court out of the Settlement Fund, and Class Counsel shall disburse such funds. No interest will accrue on such amounts at any time.

**5.04** Settlement Independent of Award of Fees, Costs and Incentive Payments. The payments of attorneys' fees, costs, and incentive payments set forth in Sections 5.02 and 5.03 are subject to and dependent upon the Court's approval as fair, reasonable, adequate and in the best interests of Settlement Class Members. However, this Settlement is not dependent or conditioned upon the Court's approving Plaintiffs' requests for such payments or awarding the particular amounts sought by Plaintiffs. In the event the Court declines Plaintiffs' requests or awards less than the amounts sought, this Settlement shall continue to be effective and enforceable by the Parties.

## **VI. PRELIMINARY APPROVAL**

**6.01** Order of Preliminary Approval. As soon as practicable after the execution of this Agreement, Plaintiffs shall move the Court for entry of the Preliminary Approval Order in substantially the form attached as Exhibit D. Pursuant to the motion for preliminary approval, the Plaintiffs will request that:

- a. the Court find it will likely be able to approve the Settlement as fair, reasonable, and adequate;
- b. the Court find it will likely be able to certify the Settlement Class;
- c. the Court approve the form(s) of Notice and find that the notice program set forth herein constitutes the best notice practicable under the circumstances, and satisfies due process and Rule 23 of the Federal Rules of Civil Procedure;
- d. the Court direct that Notice be sent to the Class;
- e. the Court set the date and time for the Final Approval Hearing, which may be continued by the Court from time to time without the necessity of further notice; and,

f. the Court set the Claims Deadline, the Objection Deadline and the Opt-Out Deadline.

**VII. ADMINISTRATION AND NOTIFICATION PROCESS**

**7.01 Settlement Funding.** If the Court has entered a Final Approval Order consistent with the order described in Section 2.20 and the Effective Date has occurred, then by the Funding Date, Defendant shall transfer the sum of \$2,175,000 – minus any credit Defendant receives from payments it has already made – to the fund that the Claims Administrator establishes to hold the Settlement Fund.

**7.02 Third-Party Claims Administrator.** The Settlement will be administered by the Claims Administrator, who will be jointly chosen and overseen by Class Counsel and Defendant, subject to Court approval. The Claims Administrator's responsibilities include, but are not limited to, giving notice, obtaining Settlement Class Member contact information using telephone numbers provided by Defendant; obtaining new addresses for returned email and mail, setting up and maintaining the Settlement Website and toll-free telephone number, fielding inquiries about the Settlement, processing claims, acting as a liaison between Settlement Class Members and the Parties regarding claims information, approving claims, rejecting any invalid Claim Form, including those where there is evidence of fraud, directing the mailing of Cash Awards to Settlement Class Members, and any other tasks reasonably required to effectuate the foregoing. The Claims Administrator will provide monthly updates on the status of administration, including claims, exclusions, and objections, to counsel for all Parties.

**7.03 Notice Database.** To facilitate the notice and claims administration process, Defendant will provide to the Claims Administrator as soon as practicable and, in any case, no later than 10 days after the Court's entry of the Preliminary Approval Order, in an electronically searchable and readable format, the telephone numbers that it called with the Genesys Interactive Intelligence System and/or an artificial or prerecorded voice, from June 8, 2014 through the date the Court grants preliminary approval of the Settlement, where that telephone number has been

associated with a wrap-up code of “wrong party” at any time in Defendant’s records. Defendant will also provide, to the extent reasonably available in Defendant’s computerized account records, names, e-mail addresses, and mailing addresses associated with each telephone number referenced above.

**7.04** Any personal information relating to members of the Settlement Class provided to the Claims Administrator or Class Counsel pursuant to this Settlement shall be provided solely for the purpose of providing notice to members of the Settlement Class and allowing them to recover under this Settlement. This information shall be kept in strict confidence, shall not be disclosed to any third party, and shall not be used for any other purpose besides administration of the Settlement. Should the Effective Date not occur for any reason, the Claims Administrator and Class Counsel shall delete any personal information they receive relating to members of the Settlement Class in connection with the Settlement within ten (10) days of any demand Defendant makes.

**7.05** Payment of Notice and Claims Administration Costs. Before the entry of the Final Approval Order, the Claims Administrator shall only take such action toward notice and settlement administration that is reasonable and absolutely necessary. Defendant or its insurer shall fund the reasonable and necessary costs of notice and settlement administration that are incurred prior to the Funding Date. Defendant will be given credit for all such payments, which shall be deducted from the amount ultimately transferred to fund the Settlement Fund on the Funding Date. No later than four (4) days after Class Counsel submits the Motion for Preliminary Approval of the Settlement, the Claims Administrator shall provide an estimate – for Defendant’s and Class Counsel’s review and approval – of the amount of reasonable and necessary costs required to identify members of the Settlement Class, mail and email notice, establish the Settlement Website, and establish a toll-free telephone number, as well as any other initial administration costs. Assuming there is no objection to the amount of the proposed costs, Defendant or its insurer shall pay the estimated amount to the Claims Administrator within ten (10) days after the entry of the Preliminary Approval Order. After that upfront payment of

administration costs by Defendant or its insurer, the Claims Administrator shall bill Defendant monthly for any reasonable and necessary additional costs of settlement administration, until such time as the Settlement Fund is established. Any amounts paid by Defendant for the estimated costs of administration which are not actually incurred by the Claims Administrator shall be used for other necessary administration costs, or shall be deducted from future billings by the Claims Administrator. The Claims Administrator shall maintain detailed records of the amounts spent on the administration of the Settlement and shall provide those to the Parties monthly. At the time Defendant funds the Settlement Fund, all amounts previously paid to the Claims Administrator by Defendant shall be deducted from the total payment which it is required to pay to create the Settlement Fund. After Defendant has funded the Settlement, Defendant shall have no further obligation to pay any amount under this Settlement Agreement, and any additional Settlement Costs shall be paid out of the Settlement Fund.

**7.06 Distribution of the Settlement Fund.** The Claims Administrator shall distribute the funds in the Settlement Fund in the following order and within the time period set forth with respect to each such payment:

a. first, no later than five (5) business days after the Funding Date, the Claims Administrator shall pay to Class Counsel the attorneys' fees, costs, and expenses ordered by the Court as set forth in Section 5.02;

b. next, no later than five (5) business days after the Funding Date, the Claims Administrator shall pay to the Class Representatives any incentive awards ordered by the Court, as described in Section 5.03;

c. next, no later than twenty (20) days after the Funding Date, the Claims Administrator shall be paid for any previously unreimbursed costs of administration;

d. next, no later than thirty (30) days after the Funding Date, the Claims Administrator shall mail the Cash Awards to eligible Settlement Class Members pursuant to Section 9;

e. next, if checks that remain uncashed after 180 days of the first distribution yield an amount that, after deducting administration costs, would allow a second pro rata distribution to the qualifying claimants equal to or greater than \$1.00 per qualifying claimant, the Claims Administrator shall distribute any such funds on a pro rata basis to Settlement Class Members who cashed settlement checks.

f. finally, if a second pro rata distribution is not made, the uncashed amount remaining in the Settlement Fund will be paid to a non-profit(s) to be determined by the Parties and approved by the Court. The non-profit must be one in which the Parties represent that they do not have any financial interest or otherwise have a relationship sufficient to create any conflict of interest. If a second pro rata distribution is made, the amount of any checks in the second distribution that remain uncashed after 180 days will be distributed to the identified non-profit(s) on the Final Distribution Date. If, for any reason, the Parties determine that the proposed non-profit recipient is no longer an appropriate recipient, or the Court determines that the proposed recipient is not or is no longer an appropriate recipient, the Parties shall agree on a replacement recipient of such monies, subject to Court approval.

## **VIII. NOTICES**

**8.01 Settlement Class Member Identification.** The Claims Administrator, in consultation with Defendant and Class Counsel, shall perform a “reverse lookup” of telephone numbers provided by Defendant in the Notice Database to identify the names, mailing addresses, and email addresses of individuals who were or may have been the user or subscriber of each telephone number during the Class Period.

**8.02 Timing of Class Notice.** The Claims Administrator shall provide the Notice to all persons in the Settlement Class within forty (40) days following entry of the Preliminary Approval Order in the manner described herein.

**8.03 Mailing of Settlement Notice.** The Claims Administrator shall send the Mail Notice and Email Notice via first class mail and email, respectively, to the best available and

most recent mailing and email addresses reflected in the Notice Database or generated through the process for settlement class member identification in Section 8.01.

a. Address Confirmation. The last known mailing address of persons in the Settlement Class will be subject to confirmation or updating as follows: (a) the Claims Administrator will check each address against the United States Post Office National Change of Address Database before the initial mailing; (b) the Claims Administrator will conduct a reasonable search to locate an updated address for any person in the Settlement Class whose Mail Notice is returned as undeliverable; (c) the Claims Administrator shall update addresses based on any forwarding information received from the United States Post Office; and, (d) the Claims Administrator shall update addresses based on any requests received from persons in the Settlement Class. The last known email address will be subject to confirmation or updating as follows: (i) for each email address that is either missing, or returned as undeliverable with no forwarding email address provided, the Claims Administrator will conduct a search using the corresponding telephone number in the Notice Database and, provided a reasonable match is found showing a new email address, update the email address accordingly, and (ii) the Claims Administrator will update email addresses based on verified requests received from Settlement Class Members. The Claims Administrator will promptly re-email the Notices to the updated email addresses provided under scenarios (i) and (ii) above. All costs of email address confirmation shall be considered Settlement Administration Costs and deducted from the Settlement Fund.

b. Re-Mailing of Returned Settlement Notices. The Claims Administrator shall promptly re-mail and/or re-email any Notices that are returned as non-deliverable with a forwarding address to such forwarding address. The Claims Administrator shall perform skip tracing for all returned email and mail.

c. Costs Considered Settlement Costs. All costs of address confirmation, skip tracing, re-mailing, and/or re-emailing of returned Notices will be considered Settlement Costs and deducted from the Settlement Fund.

**8.04 Publication Notice.** The Claims Administrator shall design and conduct a nationwide publication website-based notice program, which the Parties believe will fully satisfy the requirements of due process. The nationwide publication website-based notice program will be developed by the Claims Administrator and will be subject to approval by all Parties. The nationwide publication website-based notice program will be submitted to the Court with Plaintiffs' Motion for Preliminary Approval. The nationwide publication website-based notice program will be initiated on the Settlement Notice Date.

**8.05 Internet Notice.** By the Settlement Notice Date, the Claims Administrator shall maintain and administer a dedicated Settlement Website containing information regarding the Settlement Class and related documents, along with information necessary to file a claim, and an electronic version of the Claim Form members can download, complete, and submit electronically. At a minimum, such documents shall include the Settlement Agreement and attached exhibits, Mail Notice, Email Notice, a downloadable Claim Form for anyone wanting to print a hard copy and mail in the Claim Form, the operative complaint in the Action, and when filed, the Final Approval Order.

**8.06 Toll-Free Telephone Number.** Within ten (10) days of entry of the Preliminary Approval Order, the Claims Administrator shall set up a toll-free telephone number for receiving toll-free calls related to the Settlement. That telephone number shall be maintained until thirty (30) days after the Claims Deadline. After that time, and for a period of ninety (90) days thereafter, a recording will advise any caller to the toll-free telephone number that the Claims Deadline has passed and the details regarding the Settlement may be reviewed on the related Settlement Website.

**8.07 CAFA Notice.** Defendant shall be responsible for serving the Class Action Fairness Act ("CAFA") Notice required by 28 U.S.C. § 1715 within ten (10) days of the filing of the Preliminary Approval Motion. Defendant may use the Claims Administrator to facilitate the CAFA Notice.

**IX. CLAIMS PROCESS**

**9.01 Potential Claimants.** Each member of the Settlement Class who does not timely and validly request exclusion from the Settlement as required in this Agreement shall be a Settlement Class Member and entitled to make a claim. Each Settlement Class Member shall be entitled to make one claim regardless of the number of times the Settlement Class Member was Called.

**9.02 Conditions for Claiming Cash Award.** To make a claim, Settlement Class Members must submit by the Claims Deadline a valid and timely Claim Form, which shall contain the information set forth in Exhibit A hereto, including the following: (i) the Settlement Class Member's full name; (ii) the telephone number at which Defendant allegedly contacted the Settlement Class Member; (iii) affirmation that the Settlement Class Member received a call on behalf of Defendant to a telephone number that the Settlement Class Member used or subscribed to; and (iv) affirmation that the Settlement Class Member was not a customer of Defendant at the time of the call(s). If a Settlement Class Member fails to fully complete a Claim Form, the Claim Form will be invalid. Defendant shall have the right to review and research the submitted Claim Forms and to suggest denial of claims if Defendant has a good faith belief that such claims are improper or fraudulent. Any suggestion of denial of claims shall be provided to Class Counsel in writing. If the Parties cannot agree upon which claims should be denied then they shall submit the issue to the Court for determination.

**9.03 Mailing of Settlement Check.** Settlement checks shall be sent to Settlement Class Members who submit valid and timely claims by the Claims Administrator via U.S. mail no later than thirty (30) days after the Funding Date. If any settlement checks are returned, the Claims Administrator shall attempt to obtain a new mailing address for that Settlement Class Member by taking the steps described in Section 8.03. If, after a second mailing, the settlement check is again returned, no further efforts need be taken by the Claims Administrator to resend the check. The Claims Administrator shall advise Class Counsel and counsel for Defendant of the names of the claimants whose checks are returned by the postal service as soon as practicable. Each



settlement check will be negotiable for one hundred eighty (180) days after it is issued. If checks that remain uncashed after 180 days of the first pro rata distribution yield an amount that, after administration costs, would allow a second pro rata distribution to the qualifying claimants equal to or greater than \$1.00 per qualifying claimant, a second pro rata distribution will be made. If a second pro rata distribution is made, the amount of any checks that remain uncashed after 180 days will be distributed to the non-profit indicated in Sections 7.06.f.

**X. OPT-OUTS AND OBJECTIONS**

**10.01 Opting Out of the Settlement.** Any members of the Settlement Class who wish to exclude themselves from the Settlement Class must advise the Claims Administrator in writing of that intent, and their opt out request must be postmarked no later than the Opt-Out Deadline.

**10.02 Opt-Out Information.** The Claims Administrator shall provide the Parties with copies of all opt-out requests it receives, and shall provide a list of all Settlement Class members who timely and validly opted out of the Settlement in its declaration filed with the Court, as required by Section 11.01. Members of the Settlement Class who do not properly and timely submit an opt-out request will be bound by this Agreement and the judgment, including the releases in Section 13 below.

a. In the written request for exclusion, the Settlement Class member must state: (1) his or her full name, address, and telephone number where he or she may be contacted; (2) the telephone number(s) on which he or she maintains he or she was called; and (3) a statement in the written request that he or she wishes to be excluded from the Settlement. The request for exclusion must be personally signed by the member of the Settlement Class submitting the request. A request to be excluded that does not include all of the foregoing information, that is not sent to the Claims Administrator, that is not postmarked by the Opt-Out Deadline, or that is not personally signed, shall be invalid.

b. Any member of the Settlement Class who submits a valid and timely request for exclusion will not be a Settlement Class Member and shall not be bound by the terms

of this Agreement. If the Claims Administrator believes any opt-out request is ambiguous as to its validity, the Claims Administrator shall provide that request to Class Counsel and Defendant for review.

**10.03 Objections.** Any Settlement Class Member who intends to object to the fairness of this settlement must file a written objection with the Court by the Objection Deadline.

a. In the written objection, the Settlement Class Member must state: (1) his or her full name; (2) his or her address; (3) the telephone number where he or she may be contacted; (4) the telephone number(s) that he or she maintains were called; (5) all grounds for the objection, with specificity and with factual and legal support for each stated ground; (6) the identity of any witnesses he or she may call to testify; (7) copies of any exhibits that he or she intends to introduce into evidence at the Final Approval Hearing; (8) a statement of the identity (including name, address, law firm, phone number and email) of any lawyer who will be representing the individual with respect to any objection; (9) a statement of whether he or she intends to appear at the Final Approval Hearing with or without counsel; and (10) a statement as to whether the objection applies only to the objector, a specific subset of the Settlement Class, or the entire Settlement Class. Such objection must be filed with the Court with a postmark date on or before the Objection Deadline.

**10.04** Any Settlement Class Member who objects may appear at the Fairness Hearing, either in person or through an attorney hired at the Settlement Class Member's own expense, to object to the fairness, reasonableness, or adequacy of this Agreement or the Settlement.

## **XI. FINAL APPROVAL AND JUDGMENT ORDER**

**11.01** No later than fourteen (14) calendar days prior to the Final Approval Hearing, the Claims Administrator shall file with the Court and serve on counsel for all Parties a declaration stating that the Notice required by the Agreement has been completed in accordance with the terms of the Preliminary Approval Order.

**11.02** If the Settlement is approved preliminarily by the Court, and all other conditions precedent to the settlement have been satisfied, no later than fourteen (14) calendar days prior to Final Approval Hearing:

a. Plaintiffs shall request that the Court enter the Final Approval Order in substantially the form attached as Exhibit B, with Class Counsel filing a memorandum in support of the motion; and,

b. Class Counsel and/or Defendant may file a memorandum addressing any objections submitted to the Settlement.

**11.03** At the Final Approval Hearing, the Court will consider and determine whether the provisions of this Agreement should be approved, whether the Settlement Class should be certified, whether the Settlement should be finally approved as fair, reasonable and adequate, whether any objections to the Settlement should be overruled, whether the fee award and incentive payments to the Class Representatives should be approved, and whether a judgment finally approving the Settlement should be entered.

**11.04** This Agreement is subject to and conditioned upon the issuance by the Court of a Final Approval Order which grants final approval of this Agreement and:

a. finds that the Notice provided satisfies the requirements of due process and Federal Rule of Civil Procedure Rule 23(e)(1);

b. finds that Settlement Class Members have been adequately represented by the Class Representatives and Class Counsel;

c. certifies the Settlement Class;

d. finds that the Settlement Agreement is fair, reasonable and adequate to the Settlement Class, that each Settlement Class Member shall be bound by this Agreement, including the release in Sections 13.01, the bar in Section 13.02, and the covenant not to sue in Section 13.03, and that this Settlement Agreement should be and is approved;

e. dismisses on the merits and with prejudice all claims of the Settlement Class Members asserted in the Action;

f. permanently enjoins each and every Settlement Class Member from bringing, joining, or continuing to prosecute any Released Claims against Defendant or the Released Parties; and,

g. retains jurisdiction of all matters relating to the interpretation, administration, implementation, effectuation and enforcement of this Settlement.

## **XII. FINAL JUDGMENT**

**12.01** The judgment entered at the Final Approval Hearing shall be deemed final:

a. Thirty (30) days after entry of the judgment approving the Settlement if no document is filed within that time seeking appeal, review or rehearing of the judgment; or

b. If any such document is filed, then five (5) days after the date upon which all appellate and/or other proceedings resulting from such document have been finally terminated in such a manner as to permit the judgment to take effect in substantially the form described in Section 11.04.

## **XIII. RELEASE OF CLAIMS**

**13.01 Released Claims.** Plaintiffs and each and all Settlement Class Members, on behalf of themselves and their respective heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors-in-interest, assigns, and any customary or authorized users of their accounts or telephones, will be deemed to have fully released and forever discharged the Released Parties from any and all rights, duties, obligations, claims, actions, causes of action or liabilities, whether arising under local, state or federal law, whether by Constitution, statute, contract, rule, regulation, any regulatory promulgation (including, but not limited to, any opinion or declaratory ruling), common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive or compensatory that arise out of or are related in any way to the actual or alleged use by Defendant of an artificial or prerecorded voice and/or any automatic telephone dialing system (to the fullest extent that those terms are used, defined or

interpreted under the Telephone Consumer Protection Act, 47 U.S.C. § 227, et seq., relevant regulatory or administrative promulgations and case law), including, but not limited to, claims under or for violations of the Telephone Consumer Protection Act or state law analogs arising from the use of automatic telephone dialing systems and/or an artificial or prerecorded voice (the “Released Claims”).

**13.02 Stay/Bar of Proceedings:** All proceedings in the Action shall be stayed following entry of the Preliminary Approval Order, except as may be necessary to implement the Settlement or comply with the terms of the Settlement. Pending determination of whether the Settlement should be granted final approval, the Parties agree not to pursue any claims or defenses otherwise available to them, and further agree that the Final Approval Order shall include an injunction that no person who has not opted out of the Settlement Class and no person acting or purporting to act directly or on behalf of a Settlement Class Member, or acting on a representative basis or in any other capacity, will commence or prosecute against any of the Released Parties any action or proceeding asserting any of the Released Claims. The Settlement will be conditioned upon the entry of such an injunction in the Final Approval Order. Class Members are not precluded from addressing, contacting, dealing with, or complying with requests or inquiries from any governmental authorities relating to the issues raised in this Settlement.

**13.03 Covenant Not To Sue.** Plaintiffs agree and covenant, and each Settlement Class Member will be deemed to have agreed and covenanted, not to sue any Released Party with respect to any of the Released Claims, or otherwise to assist others in doing so, and agree to be forever barred from doing so, in any court of law or equity, or any other forum. Settlement Class Members are not precluded from addressing, contacting, dealing with, or complying with requests or inquiries from any governmental authorities relating to the issues raised in this Settlement.

**XIV. TERMINATION OF AGREEMENT**

**14.01 Either Side May Terminate the Agreement.** Plaintiffs and Defendant shall each have the right to unilaterally terminate this Agreement by providing written notice of his, their or its election to do so (“Termination Notice”) to all other Parties hereto within ten (10) calendar days of any of the following occurrences:

- a. the Court rejects, materially modifies, materially amends or changes, or declines to preliminarily or finally approve the Settlement Agreement;
- b. an appellate court reverses the Final Approval Order, and the Settlement Agreement is not reinstated without material change by the Court on remand;
- c. any court incorporates into, or deletes or strikes from, or modifies, amends, or changes, the Preliminary Approval Order, Final Approval Order, or the Settlement Agreement in a way that is material, unless such modification or amendment is accepted in writing by all Parties;
- d. the Effective Date does not occur; or
- e. any other ground for termination provided for elsewhere in this Agreement occurs.

In addition to the mutual termination rights above, Defendant shall have the right to terminate the Agreement, in its sole discretion, if the number of valid and timely requests for exclusion (opt-outs) by members of the Settlement Class equals or exceeds the amount specified in the Supplemental Agreement filed with the Court under seal.

**14.02 Revert to Status Quo.** If either Plaintiffs or Defendant terminate this Agreement as provided herein, the Agreement shall be of no force and effect and the Parties' rights and defenses shall be restored, without prejudice, to their respective positions as if this Agreement had never been executed, and any orders entered by the Court in connection with this Agreement shall be vacated. However, any payments made to the Claims Administrator for services rendered up to the date of termination shall not be refunded to Defendant.

**XV. NO ADMISSION OF LIABILITY**

**15.01** Defendant denies any liability or wrongdoing of any kind associated with the alleged claims in Action. Defendant has denied and continues to deny each and every material factual allegation and all claims asserted against it in the Action. Nothing herein shall constitute an admission of wrongdoing or liability, or of the truth of any allegations in the Action. Nothing herein shall constitute an admission by Defendant that the Action is properly brought on a class or representative basis, or that classes may be certified in those actions, other than for settlement purposes. To this end, the settlement of the Action, the negotiation and execution of this Agreement, and all acts performed or documents executed pursuant to or in furtherance of the Settlement: (i) are not and shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendant or of the truth of any of the allegations in the Action; (ii) are not and shall not be deemed to be, and may not be used as an admission or evidence of any fault or omission on the part of Defendant in any civil, criminal or administrative proceeding in any court, arbitration forum, administrative agency or other tribunal; and, (iii) are not and shall not be deemed to be and may not be used as an admission of the appropriateness of these or similar claims for class certification.

**15.02** Pursuant to Federal Rules of Evidence Rule 408 and any similar provisions under the laws of other states, neither this Agreement nor any related documents filed or created in connection with this Agreement shall be admissible in evidence in any proceeding, except as necessary to approve, interpret or enforce this Agreement.

**XVI. MISCELLANEOUS**

**16.01 No Representation.** Class Counsel warrant that, to their knowledge, they do not currently represent any individuals besides Plaintiffs who have claims, or who have contemplated claims, against Defendant.

**16.02 Entire Agreement.** This Agreement and the exhibits hereto constitute the entire agreement between the Parties. Besides the terms of this Settlement Agreement and the exhibits

hereto, there are no other agreements required to be identified under Rule 23(e)(3) of the Federal Rules of Civil Procedure. No representations, warranties or inducements have been made to any of the Parties, other than those representations, warranties, and covenants contained in this Agreement.

**16.03 Governing Law.** This Agreement shall be governed by the laws of the State of Georgia.

**16.04 Future Changes in Laws or Regulations.** To the extent Congress, the Federal Communications Commission or any other relevant regulatory authority or court promulgates different requirements under the Telephone Consumer Protection Act, 47 U.S.C. § 227, et seq., or any other law or regulatory promulgation that would govern any conduct affected by the Settlement, those laws and regulatory provisions shall control. However, the Parties agree that changes in law shall not provide any basis for any attempt to alter, modify or invalidate this Settlement.

**16.05 Jurisdiction.** The Court shall retain continuing and exclusive jurisdiction over the Parties to this Agreement, including the Plaintiffs and all Settlement Class members, for purposes of the administration and enforcement of this Agreement.

**16.06 No Construction Against Drafter.** This Agreement was drafted jointly by the Parties and, in construing and interpreting this Agreement, no provision of this Agreement shall be construed or interpreted against any Party based upon the contention that this Agreement or a portion of it was purportedly drafted or prepared by that Party.

**16.07 Resolution of Disputes.** The Parties shall cooperate in good faith in the administration of this Settlement and agree to use their best efforts to promptly file a motion for preliminary approval with the Court. Any unresolved dispute regarding the administration of this Agreement shall be decided by the Court, or by a mediator upon agreement of the Parties.

**16.08 Counterparts.** This Agreement may be signed in counterparts and the separate signature pages executed by the Parties and their counsel may be combined to create a document binding on all of the Parties and together shall constitute one and the same instrument.



**16.09 Time Periods.** The time periods and dates described herein are subject to Court approval and may be modified upon order of the Court or written stipulation of the Parties.

**16.10 Authority.** Each person executing this Settlement Agreement on behalf of any of the Parties hereto represents that such person has the authority to so execute this Agreement.

**16.11 No Oral Modifications.** This Agreement may not be amended, modified, altered or otherwise changed in any manner, except by a writing signed by a duly authorized agent of Defendants and Plaintiffs, and approved by the Court.

**16.12 Notices.** Unless otherwise stated herein, any notice required or provided for under this Agreement shall be in writing and may be sent by electronic mail, fax or hand delivery, postage prepaid, as follows:

If to Class Counsel:

Matthew Wilson  
Meyer Wilson  
1320 Dublin Road, Suite 1000  
Columbus, OH 43215  
Telephone: (614) 384-7031  
[mwilson@meyerwilson.com](mailto:mwilson@meyerwilson.com)

Daniel M. Hutchinson  
Lieff Cabraser Heimann & Bernstein, LLP  
275 Battery Street, 29th Floor  
San Francisco, CA 94111-3339  
Telephone: (415) 956-1000  
[dhutchinson@lchb.com](mailto:dhutchinson@lchb.com)

If to counsel for Defendant

John C. Lynch  
David M. Gettings  
Troutman Sanders LLP  
222 Central Park Avenue, Suite 2000  
Virginia Beach, VA 23462  
Telephone: (757) 687-7500  
[John.lynch@troutmansanders.com](mailto:John.lynch@troutmansanders.com)  
[David.gettings@troutmansanders.com](mailto:David.gettings@troutmansanders.com)

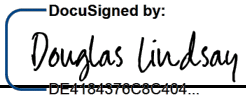
IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be executed, dated as of April 27, 2020.

DATED: \_\_\_\_\_ Plaintiff Matthew Grogan  
\_\_\_\_\_

DATED: \_\_\_\_\_ Plaintiff Chad Severson  
\_\_\_\_\_

DATED: \_\_\_\_\_ Plaintiff LaTia Bryant  
\_\_\_\_\_

DATED: \_\_\_\_\_ Plaintiff Serge Belozarov  
\_\_\_\_\_

DATED: 4/28/2020 Defendant Aaron's, Inc.  
By:  \_\_\_\_\_  
DE4164370C8C404...

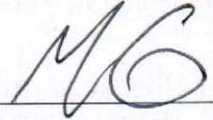
Name: Douglas Lindsay

Title: President

IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be executed, dated as of \_\_\_\_\_, 2020.

DATED: 4-27-20

Plaintiff Matthew Grogan



DATED: \_\_\_\_\_

Plaintiff Chad Severson

\_\_\_\_\_

DATED: \_\_\_\_\_

Plaintiff LaTia Bryant

\_\_\_\_\_

DATED: \_\_\_\_\_

Plaintiff Serge Belozarov

\_\_\_\_\_

DATED: \_\_\_\_\_

Defendant Aaron's, Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be executed, dated as of \_\_\_\_\_, 2020.

DATED: \_\_\_\_\_

Plaintiff Matthew Grogan

\_\_\_\_\_

DATED: 4/27/2020

Plaintiff Chad Severson

  
\_\_\_\_\_

DATED: \_\_\_\_\_

Plaintiff LaTia Bryant

\_\_\_\_\_

DATED: \_\_\_\_\_

Plaintiff Serge Belozarov

\_\_\_\_\_

DATED: \_\_\_\_\_

Defendant Aaron's, Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_


Title: \_\_\_\_\_

John C. Lynch  
David M. Gettings  
Troutman Sanders LLP  
222 Central Park Avenue, Suite 2000  
Virginia Beach, VA 23462  
Telephone: (757) 687-7500  
[John.lynch@troutmansanders.com](mailto:John.lynch@troutmansanders.com)  
[David.gettings@troutmansanders.com](mailto:David.gettings@troutmansanders.com)

IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be executed, dated as of \_\_\_\_\_, 2020.

DATED: \_\_\_\_\_ Plaintiff Matthew Grogan  
\_\_\_\_\_

DATED: \_\_\_\_\_ Plaintiff Chad Severson  
\_\_\_\_\_

4/27/2020  
DATED: \_\_\_\_\_ Plaintiff LaTia Bryant  
\_\_\_\_\_  \_\_\_\_\_

DATED: \_\_\_\_\_ Plaintiff Serge Belozarov  
\_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be executed, dated as of \_\_\_\_\_, 2020.

DATED: \_\_\_\_\_

Plaintiff Matthew Grogan

\_\_\_\_\_

DATED: \_\_\_\_\_

Plaintiff Chad Severson

\_\_\_\_\_

DATED: \_\_\_\_\_

Plaintiff LaTia Bryant

\_\_\_\_\_

DATED: 4/28/2020

Plaintiff Serge Belozarov

DocuSigned by:  
*Serge Belozarov*

446CAD59C1084DB...  
\_\_\_\_\_

DATED: \_\_\_\_\_

Defendant Aaron's, Inc.

By: \_\_\_\_\_


Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM AND CONTENT:


DATED: April 28, 2020

TROUTMAN SANDERS LLP

By   
\_\_\_\_\_  
John C. Lynch  
David M. Gettings  
Attorneys for Defendant Aaron's, Inc.

DATED: April 27, 2020

LIEFF CABRASER HEIMANN & BERNSTEIN  
LLP

By   
\_\_\_\_\_  
Daniel M. Hutchinson  
Class Counsel

DATED: \_\_\_\_\_, 2020

MEYER WILSON CO., LPA

By \_\_\_\_\_  
Matthew R. Wilson  
Class Counsel

APPROVED AS TO FORM AND CONTENT:

DATED: \_\_\_\_\_, 2020

TROUTMAN SANDERS LLP

By \_\_\_\_\_  
John C. Lynch  
David M. Gettings  
Attorneys for Defendant Aaron's, Inc.

DATED: \_\_\_\_\_, 2020

LIEFF CABRASER HEIMANN & BERNSTEIN  
LLP

By \_\_\_\_\_  
Daniel M. Hutchinson  
Class Counsel

DATED: 4/28/20 \_\_\_\_\_, 2020

MEYER WILSON CO., LPA

By  \_\_\_\_\_  
Matthew R. Wilson  
Class Counsel