

# EXHIBIT 3

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
(SOUTHERN DIVISION)**

TIFFANY JOHNSON,	*	
Plaintiff,	*	
v.	*	Civil Action No. 8:22-cv-02001-PX
	*	(lead)
CONTINENTAL FINANCE COMPANY, LLC, <i>et al.</i> ,	*	
Defendants.	*	
	*	
TRACEY CRIDER,	*	
Plaintiff,	*	
v.	*	Civil Action No. 8:23-cv-00854-PX
	*	(member)
CONTINENTAL FINANCE COMPANY, LLC, <i>et al.</i> ,	*	
Defendants.	*	
	*	

\* \* \* \* \*

**Declaration of Benjamin H. Carney**

I, Benjamin H. Carney, submit this unsworn declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

1. I am over the age of 18 and competent to testify, and I am lead counsel for the Representative Plaintiffs, Tiffany Johnson and Tracey Crider, and the Class in the above-captioned lawsuit.

2. I graduated from Suitland High School in Prince George’s County in 1995 and received my B.A. from the Johns Hopkins University in 1999. After college, I worked in journalism for two years with PBS’ *NewsHour with Jim Lehrer*. I then received my J.D. from the University of Maryland School of Law in 2004, where I was the recipient of the

Ward & Kershaw Clinical Advocacy Prize. I am now a principal in Gordon, Wolf & Carney, Chtd., a law firm based in Hunt Valley, Maryland. I am a member of the state and federal bars of Maryland, and also a member of the bars of the United States Supreme Court, the United States Court of Appeals for the Fourth Circuit, the United States Court of Appeals for the Ninth Circuit, the United States District Court for the Northern District of Ohio, and the United States District Court for the Northern District of Illinois. I am past Vice-President of the Board of Directors of the Public Justice Center, Inc., a board member of Civil Justice, Inc., and a fellow of both the American Bar Foundation and the Maryland Bar Foundation. I maintain an AV Preeminent peer rating from Martindale-Hubbell and am listed in *SuperLawyers*, *Best Lawyers*, and *The National Trial Lawyers: Top 100*. I was named a “Leader in Law” by the Daily Record in 2019, and was named to the Daily Record’s “VIP List” in 2017. I was named 2024 “Lawyer of the Year” in Mass Tort Litigation/Class Actions for Baltimore by *Best Lawyers*.

3. I have been certified as Class Counsel, including lead counsel, in numerous class actions involving consumer rights, including *Edge v. Stillman Law Office, LLC, et al.*, Case No. 8:21-cv-02813 (D.Md.); *Headen v. Conservice, LLC*, Case No. CAL20-19314 (Cir. Ct. Pr. George’s Co.); *Cottom v. North State Finance, LLC*, Case No. 24C19005874 (Cir. Ct. Balt. City); *Hale v. Mariner Finance, LLC*, Case No. 24C18000053 (Cir. Ct. Balt. City); *Lendmark Financial Services, LLC v. Cruz*, Case No. 24C17000109 (Cir. Ct. Balt. City); *Alewine v. Click Notices, Inc.*, Case No. 24C17005375 (Cir. Ct. Balt. City); *Guy v. Apartment Services, Inc.*, Case No. 03C17006385 (Cir. Ct. Balt. County); *Yang v. G&C Gulf, Inc.*, Case No. 403885V (Cir. Ct. Mont. Co.); *Bogdan v. Rams Head at Baltimore, LLC*, Case No. 24-C-14-001369 (Cir. Ct. Balt. City); *Decohen v. Abbassi, LLC*, 299 F.R.D. 469 (D.Md. 2014); *Smith v. Ace Motor Acceptance Corp.*, Case No. 1:12-cv-02149-JKS (D. Md.); *Baker v. Antwerpen Motorcars Ltd., et al.*, Case No. 03-C-12-004806 (Cir. Ct. Balt. Co.); *Rogers v. Criswell Chevrolet, Inc., et al.*, Case No. 356716V (Cir. Ct. Mont.

Co.); *Schmidt, et al. v. Redwood Capital, Inc.*, Case No. 03-C-11010442 (Cir. Ct. Balt. Co.); *Ripple, et al. v. First United Bank & Trust*, Case No. 354631V (Cir. Ct. Mont. Co.); *Wuerstlin v. Sandy Spring Bank*, Case No. 335030V (Cir. Ct. Mont. Co.); *Jones v. Pohanka Auto North, Inc., et. al*, Case No. 316574V (Cir. Ct. Mont. Co.); *Butler v. C&F Finance Co.*, Case No. 03-C-09002127 (Cir. Ct. Balt. Co.); *Cooper v. United Auto Credit Corp.*, Case No. 03-C-09-000477 (Cir. Ct. Balt. Co.); *Brittingham v. Wells Fargo Home Mortgage*, Civil No. 1:09-cv-00826-WMN (D. Md.); *Watts v. Capital One Auto Finance, Inc.*, Civil Action No. 09-CV-826-WMN (D. Md.); *Shelton v. Crescent Bank & Trust*, Civil No. 1:08-cv-01799-RDB (D. Md.); *Hankins v. CarMax, Inc.*, Case No. 03-C-07-005893 (Cir. Ct. Balt. Co.); *Langley v. Triad Financial Corp.*, Case No. 24-C-06-007959 (Cir. Ct. Balt. City); *Triad Capital Corp. v. Madden*, Case No. 24-C-06006310 (Cir. Ct. Balt. City); *Crowder v. Americredit Financial Services, Inc.*, Civil No. 1:06-cv707-JFM (D. Md.); *Benway v. Resource Real Estate Services, LLC, et al.*, Civil Action No. 1:05-cv-3250-WMN (D. Md.); *Ferrell v. JK III*, Case No. 13-C-03-56836 (Cir. Ct. How. Co.); *Robinson v. Fountainhead Title Group Corp.*, Civil No. 03-cv-03106-WMN (D. Md.); and *Taylor v. Wells Fargo Home Mortgage*, Case No. 24-C-02-001635 (Cir. Ct. Balt. City). I have been counsel in more than 40 published and officially reported trial and appellate decisions in state and federal courts involving consumer claims.

4. Richard S. Gordon is my co-counsel in this case.

**Richard S. Gordon**

5. Richard S Gordon is a principal of and founding partner in Gordon, Wolf & Carney, Chtd. Mr. Gordon received his B.A. from the Johns Hopkins University in 1985. He received his J.D. from the University of Maryland School of Law in 1989, where he was an Assistant Editor of the *Maryland Law Review*. He is a member of the state and federal bars of Maryland, as well as a member of the bars of the United States Supreme Court, the Third, Fourth, Sixth, Ninth and Eleventh Circuits of the United States Court of

Appeals, the United States Court of Federal Claims, and the United States District Court for the Northern District of Ohio.

6. After graduating from law school, he worked as a Staff Attorney and later as Managing Attorney with the Public Justice Center, Inc., a private non-profit law firm located in Baltimore, Maryland that specializes in class action and complex litigation. In 1993, Mr. Gordon joined a 60-lawyer Washington, D.C. law firm where he continued his practice in complex civil litigation. In March 2000, Mr. Gordon founded Quinn, Gordon & Wolf, the predecessor firm to Gordon, Wolf & Carney, Chtd. Mr. Gordon maintains an AV Preeminent peer rating from Martindale-Hubbell and, from 2011 to the present, has been selected for inclusion in the “Best Lawyers in America” for the category Mass Tort/Class Actions-Plaintiffs. In addition, Mr. Gordon has been selected as a Maryland Super Lawyer and as one of the “100 Top Trial Lawyers” by the National Trial Lawyers since 2011. He has three times has been chosen by *Best Lawyers* as the “Lawyer of the Year” in Mass Tort Litigation/Class Actions for Baltimore (2016, 2018 and 2020). He was elected as a Fellow in the American Bar Foundation and the Litigation Counsel of America. He also was one of the Daily Record’s “Leadership in Law” Honorees in 2017, was honored with the Simon K. Walton Civil Justice Award by the Maryland Association for Justice in 2019, and is named in *SuperLawyers*.

7. Since 1990, Mr. Gordon has served as counsel, often as lead counsel, in numerous class actions in both State and Federal Court including the following: *Jones v. Pohanka Auto North, Inc., et. al*, Case No. 316574V (Cir. Ct. Montgomery Co.); *Butler v. C&F Finance Co.*, Case No. 03-C-09002127 (Cir. Ct. Balt. Co.); *Cooper v. United Auto Credit Corp.*, Case No. 03-C-09-000477 (Cir. Ct. Balt. Co.); *Brittingham v. Wells Fargo Bank, N.A.*, Civil Action No. 1:09-cv-00826-WMN (D. Md.); *Shelton v. Crescent Bank & Trust*, Civil Action No. 1:08-cv-01799-RDB (D. Md.); *Hankins v. CarMax, Inc.*, Case No. 03-C-07-005893 (Cir. Ct. Balt. Co.); *Watts v. Capital One Auto Finance, Inc.* 1:07-cv-

03477-CCB (D. Md.); *Langley v. Triad Financial Corp.*, Case No. 24-C-06-007959 (Cir. Ct. Balt. City); *Triad Capital Corp. v. Madden*, Case No. 24-C-06006310 (Cir. Ct. Balt. City); *Crowder v. AmeriCredit Financial Services, Inc.*, Civil Action No. 1:06-cv-707 (D. Md.); *Yates v. All American Abstract Company*, Civil Action No. 06-2174 (E.D. Pa.); *Benway v. Resource Real Estate Services, LLC, et al.*, Civil Action No. 1:05-cv-3250 (D. Md.); *Shahan v. Tower City Title Agency, Inc.*, Civil Action No. 1:05-cv-1983 (D. Ohio); *Ferrell v. JK III*, Case No. 13-C-03-56836 (Cir. Ct. Howard Co.); *Gray v. Fountainhead Title*, Civil Action No. WMN 03-cv-01675 (D. Md.); *Keneipp v. Fountainhead Title Group*, Civil Action No. WMN 03-cv-02813 (D. Md.); *Robinson v. Fountainhead Title Group Corp.*, Civil Action No. WMN 03-cv-03106 (D. Md.); *Greer v. Crown Title*, Case No. 24-C-02001227 (Cir. Ct. Balt. City); *Jones v. NationsCredit Financial Services Corp.*, Case No. 24-C-02-00572 (Cir. Ct. Balt. City); *LeBrun v. Nationwide Motor Sales Corp.*, Case No. 03-C-02-005144 (Cir. Ct. Balt. Co.); *Sumerwell v. Jim Coleman Automotive*, Case No. 03-C-02-006298 (Cir. Ct. Balt. Co.); *Taylor v. Wells Fargo Home Mortgage*, Case No. 24-C-02-001635 (Cir. Ct. Balt. City); *Clark v. Amerix Mortgage*, Civil Action No. WMN 02-cv-2078 (D. Md.); *Naughton v. Millennium Escrow & Title*, Civil Action No. WMN 02-cv-3238 (D. Md.); *Duffy v. Jerry's Chevrolet*, Case No. 03-C-00-008650 (Cir. Ct. Balt. Co.); *Brown v. Lustine Chevrolet, Inc.*, Case No. 99-18474 (Cir. Ct. P.G. Co.); *Dua v. Comcast Cable Communications*, Case No. 03-C-99-002158 (Cir. Ct. Balt. Co.); *Thrash-Webster v. Charm City Mortgage Corporation*, Case No. 24-C-99-003984 (Cir. Ct. Balt. City); *Maisonette v. Comcast Cable Communications*, CAL 98-02283 (Cir. Ct. Prince George's Co.); *Gilleland v. Blue Cross and Blue Shield of Maryland, Inc.*, Case No. 03-C-95-011918 (Cir. Ct. Balt. Co.); *Chisolm v. TranSouth Financial Corporation*, Civil Action No. 2-93ACV632 (D. Va.); *Melvin C. v. Shilling*, Civil Action No. HAR 91-497 (D. Md.); and *Ruesch v. Fountain*, Civil Action No. MJG-91-3124 (D. Md.). All of these class actions resulted in recoveries or substantial equitable relief for the respective

plaintiff classes.

8. In the present case, I have served as lead counsel and have been responsible for all aspects of the case, including investigating the underlying facts of the case, framing the causes of action, and drafting pleadings, motions and briefs. I have been involved in all strategy decisions involving the litigation. In the course of preparing this case before filing, I reviewed numerous documents relevant to the issues raised in the Complaint, conducted extensive informal discovery, conducted extensive legal research into the applicable law, and interviewed potential class members and persons with knowledge of the practices at issue in this lawsuit.

9. This innovative litigation challenged the actions of Defendants Continental Finance Company, LLC and Continental Purchasing, LLC (“Continental”) in allegedly extending or brokering credit card loans to Representative Plaintiffs, Tiffany Johnson and Tracey Crider, without the license Plaintiffs allege Continental was required to have under the Maryland Consumer Loan Law, Md. Code Ann., Com. Law, § 12-314 (“MCLL”) and the Maryland Credit Services Businesses Act, Md. Code Ann., Com. Law § 14-1901 (“MCSBA”). Class Counsel pioneered this new area of litigation, at considerable risk. To Class Counsel’s knowledge, no other lawyers have pursued similar litigation.

10. This case started in Maryland small claims court, where both Representative Plaintiffs were sued to collect their credit card accounts. In response, Representative Plaintiffs filed separate lawsuits against Continental in Maryland state Circuit Court, alleging that the credit card accounts were extended or brokered by Continental without the required license. Continental, in turn, noticed the removal of each lawsuit to this Court.

11. Continental immediately filed Answers and separate lengthy motions to compel arbitration in each of Representative Plaintiffs’ cases. Those motions were fully and vigorously briefed by both sides. When this Court denied Continental’s arbitration

motions, Continental immediately appealed to the Fourth Circuit. The Parties began discussing the potential for a negotiated resolution in late 2023, following Continental's notice of appeal of the Court's issuance of its decision on arbitration but before the parties briefed the appeal. At that time, the Parties agreed to engage the Hon. William G. Connelly (Ret). Judge Connelly conducted an in-person mediation on February 20, 2024. *Id.* Despite the significant effort by the Parties at that time, the initial efforts at mediation were unsuccessful and Continental determined to continue its appeal.

12. The parties fully briefed the appeal and argued it in Richmond; and, the Hon. J. Harvie Wilkinson authored a published decision affirming this Court's judgment in all respects. *See Johnson v. Contl. Fin. Co., LLC*, 131 F.4th 169 (4th Cir. 2025). Continental filed a petition for *certiorari* with the U.S. Supreme Court, arguing that the rule applied in this Court's and the Fourth Circuit's decisions is preempted by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.*

13. In addition, shortly after the Fourth Circuit's decision, Continental sent out a change-in-terms notice to Class members purporting to change its cardholder agreement, and the arbitration provisions within it, so Class Counsel quickly filed an Emergency Motion for Class Certification in the attempt to stave off this effort to unilaterally undercut the substantial progress Plaintiffs had made on behalf of the Class. *See* ECF 51. Again, that motion was fully and thoroughly briefed by both sides. The Court set an in-person hearing on the motion. *See* ECF 63 & 65.

14. Recognizing that zealous advocacy must be tempered with responsible efforts to reach an efficient resolution of litigation in the best interests of the Class, Class Counsel then worked with Continental's counsel to explore the possibility of a resolution at that inflection point of the litigation, before the class certification hearing. As Judge Connelly was unavailable on the Parties' schedule, Plaintiff and Defendant engaged Judge Paul W. Grimm (Ret.). The Parties met with Judge Grimm for a more than eight-hour

mediation on July 14, 2025. At the end of the July 14 mediation, the parties began drafting a Term Sheet memorializing the basic terms of settlement, which was ultimately completed and signed on July 18, 2025.

15. The Parties' efforts to resolve this case were lengthy, intensive, and arms-length. The negotiations between the parties were characterized by substantial compromise on both sides, mutual give-and-take, and the absence of collusion. These extended arms-length efforts to reach compromise, supervised by Judge Connelly and Grimm, resulted in the Settlement Agreement. Prior to each mediation, the Parties each conducted extensive discovery in addition to research into the applicable facts and law relating to the practices challenged by Representative Plaintiffs in this case. For example, Class Counsel engaged in extensive research of the facts and applicable statutory and case law in the course of drafting the Complaint and litigating the case. Class Counsel also interviewed absent Class members and reviewed substantial documentation and potential witnesses to confirm that the uniformity and consistency of the allegations in the Complaint.

16. The Settlement Agreement in this case required Continental to fund a non-reversionary \$5.75 million Common Fund plus an additional \$25,000<sup>00</sup> as an incentive fee for each Representative Plaintiff.

17. In addition, subject to the approval of the Court, Class Counsel will request one-third of the Common Fund as attorney's fees in this matter plus litigation expenses. Settlement Agreement at ¶24(b)(i).

18. In light of experience in consumer class action litigation and settlement, and my familiarity with this litigation, the benefits to be provided to Settlement Class Members as a result of the Settlement Agreement, and the negotiations leading to the settlement, I strongly recommend the Court's approval of the Settlement Agreement as fair, reasonable and adequate to Settlement Class Members.

19. If this case were to proceed to trial, I anticipate that the trial would take approximately two weeks. The expense of taking this case through trial would have been considerable. A substantial amount of additional formal discovery (including many additional important depositions) and extensive motion practice would have to be completed. Trial preparation would require great effort and expense. Both the Class and Continental would have incurred substantial expenses – and the Class’ expenses would have detracted from any eventual judgment amount.

20. Other than this case, I am unaware of any other litigation concerning Continental and the controversy in this case which has already been commenced by members of the proposed Settlement Class.

21. The Settlement Agreement in this case is the only agreement Class Counsel is aware of which was made in connection with the proposed settlement. There are no side agreements in connection with the Settlement. Nor is there any other litigation concerning the facts and circumstances of this case already commenced by members of the class.

22. Class Counsel have coordinated their efforts in this case with the Class Representatives, Ms. Johnson and Ms. Crider. Both Class Representatives have demonstrated their dedication to this case during the years it has been litigated. They have consulted with Class Counsel many times about their experiences, the facts of this case, litigation strategy and progress, and the proposed settlement. Throughout the litigation Class Representatives provided detailed information and documents to Class Counsel about the issues presented in this case and took the time to understand and approve litigation and settlement strategy. The Class Representatives assisted with preparing the of the complaints in their cases and reviewed and approved each of those pleadings. They lent her individual and personal name and circumstances to the case and obtained an excellent proposed result for the numerous absent Settlement Class

Members. They were each prepared to testify at deposition and trial if necessary. The Class Representatives have no conflict with the proposed Settlement Class.

23. The Class Representatives' efforts have resulted in substantial proposed benefits to many similarly situated Marylanders. The Representative Plaintiffs achieved the settlement not only for their own benefit, but for the benefit of other Settlement Class Members.

24. Payment for Class Counsel's work performed on this case is entirely contingent on success, and Class Counsel was retained by each Representative Plaintiff under a contingent fee agreement. In the event of failure, Class Counsel would receive nothing for their services. The risk of loss in this case was high, as the legal and factual issues presented in this case are novel.

25. During the time that this case was pending, Class counsel received no compensation in this case, while expending significant attorney time and substantial resources for the benefit of the Class.

26. Together, Class Counsel have spent substantial time investigating the case, crafting legal theories, drafting pleadings, conducting informal discovery, reviewing records, briefing an appeal in the Fourth Circuit, preparing and participating in mediation and settlement negotiations and addressing other issues necessary to effect, and on other necessary matters. Class Counsel have so far devoted more than 1,584 attorney hours to the litigation of this case, equating to a "lodestar" (hours times applicable billing rate, based on Appendix B to the Local Rules) of \$1,302,042.99, which translates to a lodestar "multiplier" of 1.45. Class Counsel's billing rates for determining the lodestar are, as contemplated by Appendix B of the Local Rules, derived from the Fitzpatrick Matrix, with a reduction of 5%. Thus, Benjamin Carney's hourly billing rate is \$816.05 (representing 95% of the Fitzpatrick Matrix rate for an attorney with 21 years of experience) and Richard Gordon's billing rate is \$886.35 (representing 95% of the Fitzpatrick Matrix rate

for an attorney with 35 or more years of experience). Time spent on this case displaced substantial time from other matters. These hours were spent investigating the case, crafting legal theories, drafting pleadings, conducting informal discovery, briefing trial Court motions, briefing a complex appeal, reviewing records, drafting class certification briefing, preparing for and participating in mediation and settlement negotiations and addressing other issues necessary to effect settlement.

27. Based on my experience with class action settlements, however, Class Counsel's work is far from over. Class Counsel's involvement and interaction with the Class, following the mailing of the Class Notice, will entail numerous telephone calls and other interactions with Class Members; requests for advice to Class members on whether they are entitled to payments from the Settlement Fund; clarification of the terms of the Settlement Agreement and questions relating to the protocol for receiving a settlement check. This involvement and time expenditure is expected to continue until well beyond the date of full distribution of the settlement monies.

28. During the notice period, Class Counsel heard from hundreds of Class Members. The Class Members were consistently enthusiastic about the Settlement.

29. I understand from the Settlement Administrator that each Settlement Class Member is anticipated to receive a check of approximately \$49, after all anticipated deductions from the Settlement Fund. The Settlement Administrator has also advised that, for all of its proposed and expected work in this case, it estimates that the total cost of administration will be approximately \$250,000.

I solemnly affirm under the penalties of perjury that the contents of the foregoing paper are true to the best of my knowledge, information, and belief.

February 27, 2026

/s/ Benjamin H. Carney