

**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.	*	
	*	
* * * * * * * * * *		

**Memorandum in Support of Motion for Approval
of Incentive Award to the Representative Plaintiff**

I. Introduction

Pursuant to ¶ 25 of the Settlement Agreement in this case (ECF No. 73-2), Representative Plaintiffs Tiffany Johnson and Tracey Crider (“Representative Plaintiffs”) respectfully request that this Court approve incentive awards to them of \$25,000 each – awards which will be paid directly by Defendants Continental Finance Company, LLC and Continental Purchasing, LLC (“Continental”), and which will therefore not reduce benefits to Settlement Class Members *at all*. The awards are designed to compensate Ms. Johnson and Ms. Crider for the substantial time and effort they put into this case over nearly four years of litigation, which has now benefitted more than 72,000 Settlement Class Members.

II. The Requested Incentive Awards Are Appropriate in Light of Representative Plaintiffs' Successful Efforts in this Case

The requested awards are warranted here because Representative Plaintiffs secured the \$5.75 million proposed Settlement in this case not only on behalf of themselves, but also on behalf of the entire settlement class, after taking their cases through appeal to the Fourth Circuit and all the way to the U.S. Supreme Court, where Continental filed a petition for *certiorari* (which currently remains pending, and will be dismissed in the event the settlement is approved). Representative Plaintiffs, with Class Counsels' assistance, were able to nevertheless resolve this case to the benefit of more than 72,000 other similarly situated consumers. The requested incentive awards are thus both permissible and desirable where, as here, a class action has achieved a significant benefit for a large number of Settlement Class Members.

There would not have been a recovery in this action without the participation of Representative Plaintiffs. The relief provided for in the Settlement Agreement benefitting each Class Member, is an excellent result – the settlement recovers a common settlement fund of \$5.75 million for consumers who, like Representative Plaintiffs, allegedly obtained small consumer loans (loans of less than \$25,000) from Continental when Continental was not licensed in Maryland to make such loan as required by the Maryland Consumer Loan Law (“MCLL”) Md. Code Ann., Com. Law. §§ 12-301 *et seq.* or the Maryland Credit Services Businesses Act (“MCSBA”), Md. Code Ann., Com. Law §§ 14-1901 *et seq.*

The incentive awards requested are each modest (less than one-half of one percent of the total Settlement Fund) and, again, will not reduce the Settlement Fund at all – the incentive payments will be separately paid by Continental. The awards are appropriate in light of the substantial benefits Representative Plaintiff secured for Settlement Class Members.

Unlike the absent Settlement Class Members, the Representative Plaintiffs actively cooperated with Class Counsel expended substantial effort to see this case

through to settlement. In particular, each of the Representative Plaintiffs contacted Class Counsel about their experiences, resulting in the litigation and settlement here. *See* Exhibit 3 to Plaintiff’s Motion for Final Approval of Class Action Settlement (“Final Approval Motion”), Declaration of Benjamin H. Carney (“Carney Decl.”) ¶¶ 22-23. Representative Plaintiffs consulted with Class Counsel about their experiences, provided detailed information and documents to Class Counsel about the issues presented in this case, provided written testimony and took the time to understand and approve litigation and settlement strategy. *Id.*

Representative Plaintiffs also provided the information necessary to draft the Complaints in this litigation and reviewed and approved the pleadings. Carney Decl. ¶ 22. Representative Plaintiffs lent their individual and personal names and circumstances to the case, produced documents, and were prepared to appear for and testify during trial. *See id.* Moreover, Representative Plaintiffs achieved this settlement not only for their own benefit, but for the benefit of other Settlement Class Members. *Id.* ¶ 23.

Each of the notices approved by this Court and disseminated to the more than 72,000 Settlement Class Members notified them of the proposed incentive awards to the Representative Plaintiffs, and no one objected to the awards. *See, e.g.*, Exhibit 1 to Final Approval Motion, Mailing Declaration Exhs. B & C.

III. Courts Have Traditionally Awarded Incentive Payments Like the Ones Requested Here to Reward Class Representatives

The award of incentive payments to named class representatives has been approved in a long line of cases. Two themes occur repeatedly in the many opinions approving incentive payments: first, it is important to encourage named representatives to bring class actions because of the benefits they confer; and second, it is just to reward named class representatives for their work and effort on behalf of the class. As the Hon. William D. Quarles noted in *Decohen v. Abbasi, LLC*, 299 F.R.D. 469, 483 n. 22 (D. Md. 2014), when approving a \$10,000 incentive payment,

“[b]ecause a named plaintiff is an essential ingredient of any class action, an incentive award is appropriate if it is necessary to induce an individual to participate in the suit.” (quoting *Cook v. Niedert*, 142 F.3d 1004, 1016 (7th Cir.1998)).

Here, the Representative Plaintiffs were certainly essential to this class action litigation, and their efforts benefitted the entire Settlement Class. However, the proposed incentive payments will be paid directly by Continental and will not reduce any benefits for the Settlement Class. See Settlement Agreement ¶ 25. Often, incentive payments come from the settlement fund, thus reducing relief to other settlement class members. For example, as discussed in *Six v. LoanCare, LLC*, No. 5:21-CV-00451, 2022 WL 16747291 (S.D.W. Va. Nov. 7, 2022), incentive payments are often “out of” the fund:

Courts around the country have allowed such awards to named plaintiffs or class representatives. See, e.g., *Adkins [v. Midland Credit Mgt., Inc.]*, No. 5:17-CV-04107, 2022 WL 327739, at *7 (S.D.W. Va. Feb. 3, 2022) (awarding each class representative \$10,000 out of \$995,000 fund)... *In re Celebrex (Celecoxib) Antitrust Litig.*, No. 2:14-CV-00361, 2018 WL 2382091, at *5 (E.D. Va. Apr. 18, 2018) (awarding \$300,000 to class representatives out of \$94 million fund); *McCoy v. Health Net, Inc.*, 569 F. Supp. 2d 448, 480 (D.N.J. 2008) (awarding \$60,000 to each class representative out of \$215 million fund); *Worthington v. CDW Corp.*, No. C-1-03-649, 2006 WL 8411650, at *7 (S.D. Ohio May 22, 2006) (awarding \$70,000 to class representatives out of \$1.45 million fund); *Bradburn Parent Teacher Store, Inc. v. 3M*, 513 F.Supp.2d 322, 342 (E.D. Pa. 2007) (awarding \$75,000 to class representative out of \$39.75 million fund); *In re Domestic Air Transp. Antitrust Litig.*, 148 F.R.D. 297, 357-58 (N.D. Ga. 1993) (awarding \$142,500 to class representatives out of \$50 million fund); *In re Dun & Bradstreet Credit Servs. Customer Litig.*, 130 F.R.D. 366, 373-74 (S.D. Ohio 1990) (awarding \$215,000 to several class representatives out of an \$18 million fund); see also *Irvine v. Destination Wild Dunes Mgmt., Inc.*, 204 F. Supp. 3d 846, 851 (D.S.C. 2016) (awarding \$30,000 to class representatives independent from \$179,000 fund). One district court has gone so far as to say that incentive awards are “routinely approve[d].” *Id.*, citing *Cullen v. Whitman Med. Corp.*, 197 F.R.D. 136, 145 (E.D. Pa. 2000).

Id. at *8. Here, however, the incentive payment does not come from the fund, which provides further support for approval, because it does not reduce the relief to other Settlement Class Members.

The significant benefit conferred by class representatives, warranting a meaningful award, was stressed by the court in *Enterprise Energy Corp. v. Columbia Gas Transmission Corp.*, 137 F.R.D. 240, 251 (S.D. Ohio 1991), where the court approved incentive awards of \$50,000 to each of six class representatives as “fair, reasonable and warranted.” *See also Herrera v. County of Los Angeles*, No. 2:22-CV-01013-HDV-PDX, 2026 WL 507915, at *2 (C.D. Cal. Feb. 23, 2026) (approving \$25,000 incentive award); *McCurley v. Flowers Foods, Inc.*, No. 5:16-CV-00194-JMC, 2018 WL 6650138, at *8 (D.S.C. Sept. 10, 2018) (approving incentive award “of \$25,000.00, which is well within the range of reasonable incentive awards approved by the courts.”) (citing *Savani v. URS Prof'l Sols. LLC*, 121 F.Supp.3d 564, 577 (D.S.C. 2015) (citing *In re Auto. Refinishing Paint Antitrust Litig.*, No. 1426, 2008 WL 63269, at *7-8, (E.D. Pa. Jan. 3, 2008) (approving a \$ 30,000 award for each class representative)); *Coates v. Farmers Group, Inc.*, No. 15-CV-01913-LHK, 2016 WL 5791413, at *2 (N.D. Cal. Sept. 30, 2016) (approving two \$25,000 incentive awards); *McBean v. City of New York*, 233 F.R.D. 377, 391–92 (S.D.N.Y. 2006) (stating incentive awards of \$25,000–\$30,000 are “solidly in the middle of the range”); *In re Remeron Direct Purchaser Antitrust Litig.*, No. Civ. 03-0085 FSH, 2005 WL 3008808, at *18 (D.N.J. Nov. 9, 2005) (\$ 60,000); *In re Remeron End–Payor Antitrust Litig.*, No. Civ. 02-2007 FSH, Civ. 04-5126 FSH, 2005 WL 2230314, at *33 (D.N.J. Sept. 13, 2005) (\$30,000); *Brotherton v. Cleveland*, 141 F.Supp.2d 907 (S.D. Ohio 2001) (\$50,000); *Hughes v. Microsoft Corp.*, No. C98-1646C, 2001 WL 34089697 (W.D. Wash. 2001) (\$7,500 to \$40,000))(parentheticals in *McCurley*); *Jones v. I.Q. Data Int'l, Inc.*, No. 1:14-cv-00130-PJK-RHS, 2015 WL 5704016 at *2 (D.N.M. 2015) (approving incentive award of \$20,000); *Willix v. Healthfirst, Inc.*, 2011 WL 754862, at *7 (E.D.N.Y. Feb. 18, 2011) (approving incentive payments of \$30,000, \$15,000, and \$7,500); *Ross v. U.S. Bank Nat. Ass'n*, No. C07-02951SI, 2010 WL 3833922 at *2 (N.D. Cal. Sept. 29, 2010) (awarding \$20,000.00 incentive payments for each of the four class representatives); *Jones v. Dominion Res. Servs., Inc.*, 601 F. Supp. 2d 756, 768 (S.D. W. Va. 2009) (granting a \$15,000 incentive

payment “to reward the class representatives ... for enabling the pursuit of th[e] matter on behalf of the class”); *Masters v. Wilhelmina Model Agency, Inc.*, 472 F.3d 423, 430 (2d Cir. 2007) (approving \$25,000 incentive awards); *Glass v. UBS Fin. Servs.*, No. C-06-4068 MMC, 2007 WL 474936 at *7 (N.D. Cal. 2007) (awarding incentive payments of \$25,000.00); *Brotherton v. Cleveland*, 141 F.Supp.2d 907, 913-14 (S.D. Ohio 2001) (approving a \$50,000 incentive payment); *Van Vranken v. Atlantic Richfield Co.*, 901 F.Supp. 294, 299-300 (N.D. Cal. 1995) (awarding \$50,000 incentive payment); *Enter. Energy Corp. v. Columbia Gas Transmission Corp.*, 137 F.R.D. 240 (S.D. Ohio 1991) (awarding \$50,000 incentive payments).

In this case, Representative Plaintiffs’ actions in bringing, pursuing, and settling on a class-wide basis have resulted in a \$5.75 million cash recovery for the Settlement Class. Without Representative Plaintiffs’ willingness to stand up, prosecute this lawsuit, testify, provide discovery and serve the rights of other Settlement Class members – instead of only their own interests – this recovery would not have happened.

Accordingly, incentive awards of \$25,000 for each of the Representative Plaintiffs – to be paid directly by Continental and not out of the Settlement Fund – are appropriate and should be approved. The awards will provide some compensation for the time and effort Representative Plaintiffs expended over the four years this case has been litigated through state and federal courts, to the highest court in the nation. It will also encourage consumers to stand up for the rights of themselves and others in class action litigation in the future.

IV. CONCLUSION

For the reasons set forth above, Representative Plaintiffs respectfully request that this Court approve incentive payments to them in the amount of \$25,000 each, to be paid by Continental, and that the Court enter the comprehensive proposed Final Order Approving Settlement and Certifying Settlement Class, which is attached.

Respectfully submitted,

/s/ Benjamin H. Carney
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