

NORTH CAROLINA
GUILFORD COUNTY

IN THE GENERAL COURT OF
JUSTICE
SUPERIOR COURT DIVISION
23 CVS 5934

TIMOTHY MCQUEEN and CARLA
WALTERS, individually and on behalf of
those similarly situated,

Plaintiffs,

v.

AUTOMONEY, INC. and AUTO MONEY
NORTH, LLC,

Defendants.

**AFFIDAVIT OF JEFFREY K.
PERALDO IN SUPPORT OF
PETITION FOR ATTORNEYS'
FEES AND EXPENSES AND FOR
AN INCENTIVE AWARD FOR
PLAINTIFFS**

NOW COMES affiant Jeffrey K. Peraldo, being first duly sworn and deposes and says:

1. My name is Jeffrey K. Peraldo. I am over the age of 18 and competent to testify as to all matters contained herein as the same are of my personal knowledge. I am a citizen and resident of Guilford County, North Carolina.
2. I am an attorney licensed to practice law in North Carolina. My North Carolina State Bar No. is 17556. I have continuously practiced law in North Carolina since August 18, 1990. At all times relevant to the Petition for Attorneys' Fees and Expenses and an Incentive Award for Plaintiffs I practiced law in Greensboro, Guilford County, North Carolina with the law firm Brown, Faucher, Peraldo & Benson, PLLC, also known as the Greensboro Law Center.
3. This class action settlement is the culmination of litigation that has been pending between clients of the Greensboro Law Center (all of whom are class members) and Defendants since 2019. As is set forth in more detail below, this litigation has included more than 50 civil actions, pending in the North Carolina Superior Courts in various counties, the United States District Court for the Middle District of North Carolina, the United States District Court for the District of South Carolina, the United States Court of Appeals for the Fourth Circuit, the United States Bankruptcy Court for the District of South Carolina, various South Carolina State Courts, the North Carolina Court of

Appeals, and the North Carolina Supreme Court.

4. Although the motion for certification of a settlement class was filed in this civil action, the settlement class includes all of the Plaintiffs in the more than 40 civil actions that are pending before this Court.
5. I make this Affidavit to account to the Court the hours my firm has spent in connection with the AutoMoney car title loan litigation that has produced this Class Action Settlement. I also make this Affidavit for the purpose of accounting to the Court the unreimbursed expenses the Greensboro Law Center has advanced in this litigation.
6. Drew Brown is an attorney licensed to practice law in North Carolina. His North Carolina State Bar No. is 28450. He has continuously practiced law in North Carolina since August 27, 2002. At all times relevant to the Petition for Attorneys' Fees and Expenses and an Incentive Award for Plaintiffs he practiced law in Greensboro, Guilford County, North Carolina at the Greensboro Law Center.
7. James Faucher is an attorney licensed to practice law in North Carolina. His North Carolina State Bar No. is 31514. He has continuously practiced law in North Carolina since August 26, 2003. At all times relevant to the Petition for Attorneys' Fees and Expenses and an Incentive Award for Plaintiffs he practiced law at the Greensboro Law Center.
8. Thomas Killoren is an attorney licensed to practice law in South Carolina. Mr. Killoren has served as co-counsel for class members in actions pending in the United States District Court for the District of South Carolina and in South Carolina State Courts.
9. Since 2019, the Greensboro Law Center has been litigating with AutoMoney without interruption in the state and federal trial and appellate courts in North Carolina and South Carolina. In 2018 my usual and customary hourly rate was \$350.00 per hour. Over the course of the last 6 years my usual and customary has increased over time to \$450.00 per hour. Since 2018 Mr. Brown's usual and customary hourly rate has been \$500.00 per hour. In 2018 Mr. Faucher's usual and customary hourly rate was \$350.00 per hour. Over the course of the last 6 years Mr. Faucher's usual and customary has increased over time to \$450.00 per hour. Mr. Killoren's hourly rate over this time period has been \$500.00 per hour.
10. The legal work for this settlement class began in 2018 when certain of Auto Money's borrowers, all of whom are class members, retained the Greensboro

Law Center to pursue AutoMoney for monetary damages for AutoMoney's violations of the North Carolina Consumer Finance Act, the North Carolina Unfair and Deceptive Trade Practices act and the North Carolina Usury Statute in connection with motor vehicle title loan transactions with North Carolina borrowers. Mr. Faucher prepared and presented claims to AutoMoney. AutoMoney retained counsel, Lindsay W. Cooper, Jr. of Charleston, South Carolina, who vigorously disputed the application of North Carolina law to AutoMoney. Mr. Faucher and Mr. Cooper negotiated a tolling agreement for the purpose of discussing and potentially resolving claims. However, AutoMoney on August 8, 2019 abruptly broke off settlement discussions and filed suit against one of its borrowers in federal court in South Carolina seeking a declaration that it was not subject to North Carolina and that the application of North Carolina law to AutoMoney violated the United States Constitution. The Greensboro Law Center defended this lawsuit, and ultimately obtained a dismissal of the suit on abstention grounds in early 2020.

11. In response to AutoMoney's South Carolina federal court action the Greensboro Law Center on August 9, 2019 filed a lawsuit in Guilford County against AutoMoney, Inc. and Auto Money North, LLC in *Cannon et al. v. AutoMoney, Inc., and Auto Money North, LLC*. *Cannon* is one of the more than forty (40) civil actions now pending against AutoMoney, Inc. and Auto Money North, LLC before this court. The Plaintiffs in *Cannon* are members of the settlement class. To prepare *Cannon* for filing I conducted file reviews of the more than 100 plaintiffs, prepared the complaint and summons, written discovery and caused the cases to be filed and served and I filed proof of service. I spent at least 30 hours in connection with this legal work.
12. AutoMoney removed *Cannon* to the United States District Court for the Middle District of North Carolina, where it was captioned *Cannon, et al. v. AutoMoney, Inc., et al.*, MDNC 1:19-cv-08877. AutoMoney filed a Rule 12 motion seeking dismissal or, alternatively, transfer to the District of South Carolina. In response, I researched, prepared and filed a motion to remand with a supporting brief and a reply brief and a response in opposition to AutoMoney's motion to dismiss the class members' complaint. I also researched for and prepared a motion for jurisdictional discovery and a supporting brief and a reply brief. I also prepared a motion to supplement with a supporting brief and a reply brief. James Faucher filed suggestions of supplemental authority. The United States Magistrate Judge filed her recommendation that the Court allow Plaintiffs' motion to remand, to which AutoMoney filed its objection. I prepared and filed a response to AutoMoney's objection. The Court remanded the case. I spent 80 hours in connection with this legal work. James Faucher reviewed and edited all filings and spent 30 hours in connection with this legal work. I have attached as

Exhibit A is the federal court docket sheet for this case.

13. Following remand in *Cannon* the Greensboro Law Center filed additional lawsuits against AutoMoney in the North Carolina State Courts. In each action AutoMoney filed a Rule 12 motion to dismiss for lack of personal jurisdiction, improper venue, and for failure to state a claim upon which relief can be granted.
14. We prepared responses to AutoMoney's Rule 12 motions, including exhaustive research and investigation as outlined herein. In each case I conducted extensive legal research and prepared an omnibus memorandum of law and an exhibits binder in opposition to AutoMoney's motions to dismiss on jurisdictional and choice of law grounds. Both Mr. Brown and Mr. Faucher exhaustively reviewed and contributed to my research and briefing. Additionally, for each matter I conducted client file reviews, client witness interviews and I prepared seventy-four opposition affidavits. I also located and interviewed an AutoMoney former employee and the publisher of AutoMoney's in-state print advertising and obtained their affidavits. I obtained from the Internet Archive a certified copy of the historic version of AutoMoney's website containing North Carolina advertisements. James Faucher obtained affidavits regarding AutoMoney's North Carolina liens, repossessions and its receipt of loan payments from North Carolina through MoneyGram. I spent in excess of 200 hours in connection with this legal work. James Faucher also prepared for and took the deposition of one of AutoMoney's owners, Linda Derbyshire. James Faucher spent 120 hours in connection with this work. Drew Brown spent 50 hours in connection with this work that would come to form the basis for our opposition to AutoMoney's Rule 12 motions over many matters.
15. AutoMoney's Motions to Dismiss in *Alesia Cannon et al. v. AutoMoney, Inc., et al.* . and *Warley v. AutoMoney, Inc.* came on for hearing on October 26, 2020. James Faucher and I attended that hearing. The Court did not reach the merits of AutoMoney's defenses in *Cannon* and instead transferred *Cannon* to Richmond County. The Court denied AutoMoney's motions in *Warley* and AutoMoney appealed to the NCCOA. James Faucher and I each spent 5 hours in connection with this hearing. The *Warley* case eventually settled and we are not seeking to recover any attorneys' fees in connection with that case.
16. AutoMoney also filed a motion pursuant to N.C.G.S. §84-11 asking the Court to require the Greensboro Law Center to provide proof of its representation of its clients and essentially argued to the Court that the Greensboro Law Center was filing claims on behalf of AutoMoney borrowers without their knowledge or permission. Judge Stuart Albright denied that motion. I conducted the legal

research necessary to defeat that motion and James Faucher and I appeared at the hearing on that motion. I spent 5 hours in connection with that legal work. James Faucher spent 3 hours in connection with that work.

17. After AutoMoney's motion to dismiss in *Warley* was denied, AutoMoney renewed its N.C.G.S. §84-11. I conducted client interviews and prepared and obtained opposition affidavits. When AutoMoney's motion came on hearing in Richmond County in November 2021, Drew Brown, James Faucher and I traveled to Richmond County to again successfully argue against AutoMoney's motion, which the Court denied. I spent 16 hours in connection with this legal work. James Faucher spent 20 hours on this legal work including traveling to meet with clients to obtain evidence to rebut AutoMoney's claims. Drew Brown spent 5 hours on this legal work.
18. Throughout 2020, 2021, 2022, 2023 and 2024 the Greensboro Law Center continued filing a series of forty-three (43) civil actions on behalf of class members against AutoMoney. All of these cases are currently pending before this Court. All of the Plaintiffs in these filed and pending actions are members of the settlement class. Those cases are reflected in Exhibit B. In each case, I conducted file reviews and I spent approximately 5 hours preparing the complaint and summons, written discovery and an acceptance of service and I caused the cases to be filed and served and I filed proofs of service. In response to each case AutoMoney filed motions to dismiss on jurisdictional, choice-of-law and forum selection grounds.
19. Among the cases that were filed beginning in March, 2020 are the seven cases¹ identified in the Rule 2.1 litigation as the "remand cases." In each of those cases AutoMoney filed Motions to Dismiss for lack of personal jurisdiction, for a failure to state a claim because of a South Carolina choice-of-law provision AutoMoney included in its loan agreements and, in some cases, for improper venue based upon a forum selection clause contained in AutoMoney's loan agreements.
20. As I describe in Paragraph 14, I spent in excess of 200 hours accumulating evidence relevant to AutoMoney's motions to dismiss and in conducting legal

¹ *Wall, et al. v. AutoMoney, Inc.* (Richmond County 20 CVS 473)
Leake v. AutoMoney, Inc. (Richmond County 20 CVS 508)
Wallace v. AutoMoney, Inc. (Richmond 20 CVS 245)
Troublefield v. AutoMoney, Inc. (Sampson County 20 CVS 322)
Hundley v. AutoMoney, Inc. (Rockingham County 20 CVS 1204)
Smith v. AutoMoney, Inc. (Hoke County 20 CVS 295)
Warley v. AutoMoney, Inc. (Guilford 20 CVS 5460)(settled in 2022)

research and preparing an omnibus opposition brief. That evidence and brief, subject to being edited to meet the specifics of each of the cases, was generally used in each of the remand cases and the other cases identified in my Affidavit.

21. I prepared, filed and served calendar requests and Notices of Hearing on AutoMoney's motions to dismiss for hearing in all of the remand causes. I spent 2 hours doing so in each case.
22. The first remand case to come on for hearing was *Warley*, which was heard on October 26, 2020. Judge Stuart Albright denied AutoMoney's motions to dismiss.
23. The next cases to be heard were *Wall, et al., Wallace and Leake*² which were heard in Richmond County on November 30, 2020. In connection with that hearing I prepared, filed and served an omnibus opposition brief and a binder containing the opposition evidence. I spent 25 hours in connection with this work. On November 20, 2020, James Faucher and I travelled to Richmond County for the hearing on AutoMoney's motions to dismiss. The Court denied AutoMoney's motions in the *Wall, et al., Wallace and Leake* matters and allowed AutoMoney's transfer motions as to the remaining cases. James Faucher and I each spent 20 hours preparing for and attending this hearing.
24. The next case to come on for hearing was *Smith v. AutoMoney, Inc.*, which came on for hearing in Hoke County on December 7, 2020. In connection with that hearing I prepared, filed and served an opposition brief and a binder containing the opposition evidence. I spent 8 hours in connection with this work. On December 7, 2020, Drew Brown and James Faucher traveled to Hoke County for the hearing on AutoMoney's motions to dismiss. The Court denied AutoMoney's motions. Drew Brown and James Faucher each spent 12 hours preparing for and attending this hearing. Mr. Faucher had to return to Hoke County for a separate hearing to amend the order to include findings of fact and conclusions of law. This took an additional 5 hours.
25. The next case to come on for hearing was *Troublefield v. AutoMoney, Inc.*³, which came on for hearing in Scotland County on January 11, 2021. In connection with that hearing I prepared, filed and served an omnibus opposition brief and a binder containing the opposition evidence. I spent 8 hours in connection with this work. On January 11, 2021, Drew Brown and James Faucher travelled to Scotland County for the hearing on AutoMoney's

² Along with the cases of Frances Williams, Stephen Adams, Mia Richardson, Sierra Archie, Jermaine Banks, Brittany Davis, Anthony Hale, Jennifer Neesmith, Patricia Harris, Elizabeth Wakeman, Shanquetta Leggett, Tim Rice, Ruthie Johnson and Marquis Simmons.

³ Along with the cases of Evangela Johnson and Krystal Henson.

motions to dismiss. The Court denied AutoMoney's motions to dismiss as to Troublefield and allowed AutoMoney's transfer motions as to the remaining cases. Drew Brown and James Faucher each spent 10 hours preparing for and attending this hearing.

26. The remaining remand case to come on for hearing, *Hundley v. AutoMoney, Inc.*, was heard in Rockingham County on January 25, 2021. In connection with that hearing I prepared, filed and served an opposition brief and a binder containing the opposition evidence. I spent 8 hours in connection with this work. On January 25, 2021, James Faucher and I traveled to Rockingham County for the hearing on AutoMoney's motions to dismiss. The Court denied AutoMoney's motions. James Faucher and I each spent 10 hours preparing for and attending this hearing.
27. AutoMoney appealed the trial court denials of its motions to dismiss in all seven of the remand cases to the North Carolina Court of Appeals. In connection with those appeals I, Drew Brown and James Faucher performed the following legal work:
 - I reviewed each of the seven records on appeal to ensure completeness. I spent 3 hours on each case in connection with this work. I am not including the time spent in *Warley* as that case has been settled.
 - AutoMoney filed a petition for a writ of certiorari in each case. I performed the necessary legal research for and prepared and filed a response brief in each case. I spent 4 hours in each case in connection with this legal work. Mr. Faucher reviewed and edited the response briefs and spent 2 hours in each case in connection with this work.
 - In each case I performed legal research for and prepared and filed a motion to dismiss AutoMoney's appeals as interlocutory. I spent 2 hours in each case in connection with this legal work. Mr. Faucher reviewed and edited the motion and spent 1 hour in each case in connection with this work.
 - I performed legal research for and prepared and filed appellee briefs in each case. I spent 12 hours in each case in connection with this legal work. Mr. Faucher reviewed and edited the briefs and spent 4 hours in each case in connection with this work. Mr. Brown also reviewed the briefs and spent 2 hours in each case

- In *Wall, et al.* AutoMoney filed a motion to dismiss and a renewed motion pursuant to N.C.G.S. §84-11 seeking determinations as to the Greensboro Law Center's representation of the plaintiffs-appellees in that matter. I prepared and filed a response to those motions. I spent 14 hours in connection with this legal work.
- The NCCOA calendared *Wall, et al.* and *Troublefield* for oral argument on February 8, 2022. James Faucher and I prepared for and travelled to Raleigh for oral argument. I spent 24 hours of legal time in connection with these oral arguments. James Faucher, who argued the appeals, spent 50 hours preparing for, practicing for, and participating in oral argument. Mr. Brown spent 8 hours of legal time in connection with the preparation for oral arguments.
- All of the Plaintiffs in the remand cases, with the exception of Brenda Warley, are members of the settlement class.

I have attached the North Carolina Court of Appeals docket sheets to my Affidavit as Exhibit C.

28. On February 8, 2021 The Greensboro Law Center filed suit against AutoMoney in *Vickie McDonald, et al. v. AutoMoney, Inc., et al.* (Richmond County 21 CVS 128) on behalf of additional class members. AutoMoney removed the case to the Middle District of North Carolina. I researched for and prepared and filed a motion to remand along with a supporting brief and a supporting reply brief. AutoMoney also filed a motion to transfer for which I researched, prepared and filed a response brief. Mr Faucher reviewed and edited these filings and incurred 10 hours of legal time. The Court allowed the motion to remand and the case was returned to Richmond County. I spent 35 hours in connection with the legal work in this case. I have attached the MDNC docket sheet for this case to my Affidavit as Exhibit .

29. On February 8, 2021 AutoMoney filed another action (*Auto Money North, LLC v. Fentress Brown*, DSC No. 0:21-cv-00393) against a client of the Greensboro Law Center who is a class member, and again attempted to assert constitutional challenges to the North Carolina Consumer Finance Act, The North Carolina Unfair and Deceptive Trade Practices Act and the North Carolina Usury Statute. The Greensboro Law Center appeared in this action through Drew Brown who is admitted to both the state and federal bars in South Carolina. The Greensboro Law Center, at its own expense, retained local counsel Thomas A. Killoren of Spartanburg, South Carolina. I assisted Mr. Brown and

Mr. Killoren in the defense of that case. I prepared and filed a motion, with a supporting brief and a reply brief, to dismiss AutoMoney's case on jurisdictional grounds. On November 2, 2021, the Court held a hearing on that motion in Columbia, South Carolina which required Mr. Brown and me to travel to South Carolina. I also prepared a motion, with a supporting brief and to dismiss AutoMoney's case on abstention grounds. Mr. Brown filed suggestions of subsequent authority in the case. The Court allowed the motion to dismiss on abstention grounds and dismissed AutoMoney's case. I spent 70 hours in connection with the legal work in this case. Mr. Brown spent 35 hours in connection with the work in this case. Mr. Killoren spent 25 hours in connection with this case. I have attached as Exhibit E the federal docket sheet for this case.

30. AutoMoney appealed the dismissal of its case in *Brown* to the Fourth Circuit, which affirmed the order of the trial court dismissing AutoMoney's complaint. Mr. Brown and Mr. Faucher, along with Mr. Killoren, appeared for Ms. Brown. I assisted them in the representation of this client. To that end, I reviewed the joint appendix and I performed legal research and prepared the appellee brief, which both Mr. Brown and Mr. Faucher reviewed and edited. I also retained and worked with a brief preparation company. I spent 30 hours in connection with this appeal. Mr. Faucher spent 10 hours on the appeal and Mr. Brown spent 10 hours on the appeal. Mr. Killoren spent 5 hours on the appeal. I have attached as Exhibit F the federal Fourth Circuit docket sheet for this case.

31. On July 19, 2022, the NCCOA issued its seven unanimous opinions in the remand cases affirming the trial court orders denying AutoMoney's motions to dismiss on personal jurisdiction, choice-of-law and forum selection grounds. AutoMoney in each case filed Petitions for Discretionary Review with the Supreme Court of North Carolina. I performed research for and prepared and filed responses to AutoMoney's petitions. I spent 30 hours in connection with this legal work. Mr. Brown and Mr. Faucher both reviewed and edited the responses and they each incurred 6 hours of legal time. On April 6, 2023 the Supreme Court of North Carolina denied AutoMoney's petitions.

32. In response to the adverse outcome it received in the NCCOA AutoMoney on September 20, 2022 filed suit in South Carolina state court against seven of its North Carolina borrowers and class members being represented by the Greensboro Law Center. That case is captioned *Auto Money North, LLC v. Aretha Hayes, et al.* (York County, SC No. 2022 CP 4602832). The Greensboro Law Center appeared in this action through Drew Brown who is admitted to the state bar in South Carolina. The Greensboro Law Center, at its own expense, again retained local counsel Thomas A. Killoren, Jr. of

Spartanburg, South Carolina. I assisted Mr. Brown and Mr Killoren in the defense of that case. I performed legal research and I prepared a motion to dismiss which Mr. Brown reviewed, edited and caused to be filed in South Carolina. I spent 8 hours of legal time in connection with this work. Mr. Brown spent 8 hours of legal time in connection with this work. Mr. Killoren spent 4 hours of legal time in connection with this work.

33. While AutoMoney's Petitions for Discretionary Review were pending AutoMoney sought stay orders in the remand cases. On November 28, 2022 I appeared in Richmond County in the *Wall, et al.* case to argue against a stay of that case. I spent 6 hours of legal time preparing for that motion, travelling to Richmond County and appearing in court.
34. On December 2, 2022 Auto Money North, LLC filed for Chapter 11 bankruptcy protection in the Bankruptcy Court for the District of South Carolina. At the time of that filing AutoMoney filed an adversary proceeding seeking an injunction to stay all North Carolina cases then pending against it. Drew Brown appeared in the bankruptcy case on behalf of the hundreds of class members against whom AutoMoney had filed it adversary proceeding. James Faucher and I were admitted pro hac vice in the South Carolina Bankruptcy Court. The Greensboro Law Center, at its expense, retained local bankruptcy counsel Joshua Hudson of Greenville, South Carolina. The Greensboro Law Center, again at its own expense associated Greensboro bankruptcy attorney Jeffrey Oleynik of the Brooks Pierce law firm. Our records reflect that the Greensboro Law Center has paid Mr. Hudson's law firm \$45,275.28 for his legal services in AutoMoney's bankruptcy case. Our records reflect that we paid the Brooks Pierce law firm \$13,717.59 for Mr. Oleynik's legal services in AutoMoney's bankruptcy case. We are not seeking to recover those costs from the Class Action Settlement Fund.
35. James Faucher and I were admitted pro hac vice in the South Carolina Bankruptcy Court.
36. The Temporary Restraining Order was sought against our clients and class members, without notice and necessitated work on an emergency basis once the filing was discovered several days later. This included interviewing local bankruptcy counsel, reviewing the voluminous materials filed by Auto Money North, and preparing responses to the Temporary Restraining Order, Preliminary injunction, complaints in two adversary proceedings. In our emergency efforts to review the matter to protect our clients' and class members' interests, retain bankruptcy counsel, and get up to speed on the matter Mr. Brown and I spent approximately 20 hours each on this initial work.

37. In connection with AutoMoney adversary proceeding seeking injunctive relief, I conducted extensive research concerning the bankruptcy court rules and procedure and I prepared a response comprising 26 documents that was reviewed and filed by Mr. Hudson and Mr. Brown. I spent in excess of 70 hours in connection with this legal work. On December 28, 2022 Mr. Faucher and I prepared for a hearing on AutoMoney's motion and we travelled to Greenville for the Court's hearing on AutoMoney's motion. Mr. Faucher and I each spent 16 hours in connection with the hearing on AutoMoney's motion. The Court ordered the parties to prepare and file competing orders on AutoMoney's motion. I spent 12 hours preparing the Defendants' proposed order, which Mr. Faucher spent 4 hours reviewing and editing. I also prepared the Defendant's answer to AutoMoney's adversary proceeding which required 6 hours of my legal time and 2 hours of Mr. Faucher's time. The Court denied AutoMoney's motion and AutoMoney filed a motion seeking the Court's reconsideration of its order. I prepared the Defendant's response comprising 12 documents to AutoMoney's motion for reconsideration, which Mr. Hudson reviewed and filed. This work required 12 hours. Mr. Faucher spent 4 hours reviewing and editing this response. The Court denied AutoMoney's motion for reconsideration and AutoMoney eventually dismissed its adversary proceeding. I have attached the bankruptcy court's docket sheet for this adversary proceeding to my Affidavit as Exhibit G.
38. In connection with AutoMoney's Chapter 11 case Mr. Brown and I prepared for and traveled to Greenville on December 12, 2022 for a hearing on AutoMoney's first day motions. Mr. Brown and I each incurred 8 hours of attorney time in connection with that hearing.
39. AutoMoney filed a second adversary proceeding seeking a declaration of the court that the application of the North Carolina Consumer Finance Act, the North Carolina Unfair and Deceptive Trade Practices Act and the North Carolina Usury Statute to AutoMoney's loan was unconstitutional. I prepared the Defendant's answer to AutoMoney's adversary proceeding, which was filed by Mr. Hudson, and which required 12 hours of my legal time and 6 hours of Mr. Faucher's time for review and editing. I later prepared an amended answer which Mr. Hudson filed. This work required 1 hour of attorney time. I also prepared a motion to abstain and a supporting brief for Mr. Hudson to file. This required 25 hours of attorney time. Mr. Faucher spent 6 hours of his time reviewing and editing the brief. The Court allowed the defendants' motion to abstain and AutoMoney eventually dismissed its adversary proceeding. I have attached the bankruptcy court's docket sheet for this adversary proceeding to my Affidavit as Exhibit H.
40. Also in connection with AutoMoney's main bankruptcy case Drew Brown

prepared for and appeared remotely for the First Meeting of Creditors and he examined AutoMoney's representative. This work required 8 hours of Mr. Brown's time.

41. In connection with AutoMoney's bankruptcy case Mr. Faucher reviewed AutoMoney's Chapter 11 petition and all schedules. Mr. Faucher also monitored and read all of AutoMoney's monthly reports. This work required 50 hours of attorney time.
42. Between the dates of January 27, 2023 and May 19, 2020 my staff and I prepared and filed 620 individual proofs of claim. This work required 150 hours of legal assistant time at \$150.00 per hour and 75 hours of my time. AutoMoney objected to most of the claims on constitutional grounds which required the Greensboro Law Center to prepare and file 565 responses to those claims objections between the dates of March 13, 2023 and March 23, 2023, all of these claims were filed on behalf of members of the settlement class and were necessary to preserve those claimants' rights. This work required 135 hours of legal assistant time at \$150.00 per hour and 20 hours of my time. I have attached the bankruptcy court's docket sheet for these filings to my Affidavit as Exhibit I.
43. In February 2023 I researched for and prepared a Motion to Dismiss AutoMoney's bankruptcy case that was filed by Mr. Hudson. I spent 20 hours in connection with this work. Mr. Faucher reviewed and edited the Motion, which required 5 hours of his time. I later prepared and Mr. Hudson filed a Supplemental Motion to Dismiss the bankruptcy case. This legal work required 5 hours of my time.
44. On March 14, 2023 I researched for and prepared for Mr. Hudson to file a motion for an investigation of the financial affairs of AutoMoney. I spent 8 hours of attorney time in connection with this work. James Faucher spent 2 hour of time reviewing and editing the motion.
45. On March 21, 2023 the Court held a hearing on the motion to dismiss AutoMoney's bankruptcy case. Mr. Brown and Mr. Faucher appeared in Greenville, South Carolina and participated in the hearing. Mr. Brown and Mr. Faucher each incurred 20 hours in preparation, travel and oral argument time in connection with this hearing.
46. On April 7, 2023, I researched for and prepared for Mr. Hudson to file a motion for relief from the automatic stay. I spent 6 hours of attorney time in connection with this work. James Faucher spent 2 hours of time reviewing and editing the motion.

47. On April 18, 2023, Mr. Faucher and I traveled to Columbia, South Carolina to participate in a mediation with AutoMoney that eventually impassed. Mr. Faucher and I each spent 14 hours in connection with this mediation. Additionally, Mr. Faucher spent 10 hours preparing for this mediation by reviewing and compiling information about the value of claims based on amounts paid and vehicles taken. On May 16, 2023, Mr. Brown and Mr. Faucher travelled to Columbia, South Carolina to participate in a second mediation with AutoMoney that impassed. Mr. Faucher spent 15 hours preparing for this mediation by reviewing records relating to payments and repossessions, and conferring with new bankruptcy counsel, Mr. Oleynik. Mr. Brown and Mr. Faucher and each spent 12 hours in connection with traveling to and attending this mediation.
48. I have attached the bankruptcy court's docket sheet for AutoMoney's Chapter 11 bankruptcy base to my Affidavit as Exhibit J.
49. AutoMoney's Chapter 11 bankruptcy case was dismissed on June 23, 2023. On the same day, AutoMoney filed a South Carolina federal court action against Darin Walters and Carla Walkers (a Class Representative) and Timothy McQueen (also a Class Representative) and Cecilia McQueen in a case captioned *Auto Money North, LLC v. Walters, et al.*, DSC No. 7:23-02952. AutoMoney also filed 12 separate South Carolina state court cases against numerous borrowers who are being represented by the Greensboro Law Center, all of whom are class member. In each of these actions AutoMoney sought declarations of the various courts that the North Carolina Consumer Finance Act, the North Carolina Unfair and Deceptive Trade Practices Act and the North Carolina Usury Statute were being applied to its loans in an unconstitutional manner. A list of the South Carolina state court cases is attached as Exhibit K.
50. The Greensboro Law Center appeared in the South Carolina *Walters* action through Drew Brown who is admitted to both the federal bar in South Carolina. The Greensboro Law Center, at its own expense, also retained local counsel Thomas A. Killoren, Jr. of Spartanburg, South Carolina. I assisted Mr. Brown and Mr. Killoren in the defense of that case.
51. In *Walters*, the Greensboro Law Center performed the following legal work:
- I reviewed AutoMoney's complaint, performed legal research for and prepared a motion to dismiss with a supporting brief and supporting exhibits. I spent 15 hours in connection with this legal work. Mr. Faucher reviewed and edited the brief and spent

6 hours of legal time. Mr. Brown reviewed the filings and caused the filings to be made and he incurred 2 hours of legal time.

- I performed legal research for and prepared a motion to dismiss on abstention grounds with a supporting brief and exhibits. I spent 8 hours in connection with this legal work. Mr. Faucher reviewed and edited the brief and spent 3 hours of legal time. Mr. Brown reviewed and edited the filing and caused the filing to be made and he incurred 2 hours of legal time.
- I prepared replies with supporting exhibits in support of both motions and incurred 8 hours of legal time. Mr. Faucher reviewed and edited both replies and incurred 3 hours of legal time. Mr. Brown reviewed the replies and caused them to be filed and incurred 2 hours of legal time.
- I prepared the defendants' Answer to AutoMoney's complaint and counterclaims. I incurred 5 hours of legal time in connection with this work. Mr. Brown reviewed and edited the pleadings and incurred 2 hours of legal time.
- I performed legal research for and prepared a second motion to dismiss or stay with a supporting brief and exhibits. I spend 10 hours of legal time in connection with this work. Mr. Brown reviewed and edited the filing and incurred 3 hours of legal time.
- I prepared a reply with supporting exhibits in support of the second motion to dismiss or stay. I spent 6 hours in connection with this legal work. Mr. Brown reviewed and edited the filing and incurred 2 hours of legal time.
- I performed research for and prepared a motion to dismiss for lack of jurisdiction with a supporting brief and exhibits. I spent 8 hours in connection with this work. Mr. Brown reviewed and edited the filing and incurred 3 hours of legal time.
- I prepared written discovery for service upon AutoMoney. I spent 3 hours in connection with this work. I reviewed AutoMoney's responses and document production for completeness and incurred 4 hours in connection with that work.
- I consulted with the defendants and prepared original and supplemental responses to AutoMoney's interrogatories, requests

for production and requests for admission. I spent 16 hours in connection with this work.

- Mr. Brown and I met with the defendants to prepare them for their depositions. Mr. Brown and I each incurred 4 hours of legal time in connection with this work.
- Mr. Killoren prepared for and took the Rule 30(b) deposition of AutoMoney. He spent 3 hours of legal time in connection with this work.
- Mr. Brown prepared for and took the depositions of three AutoMoney employees. Mr. Brown incurred 15 hours in connection with this work.
- I conducted legal research for and prepared a response with supporting exhibits to AutoMoney's motion to dismiss the defendants' counterclaims on choice-of-law and constitutional grounds. I spent 60 hours in connection with this work. Mr. Faucher reviewed and edited the response and incurred 20 hours of legal time. Mr. Brown reviewed and edited the filing and caused the document to be filed and incurred 15 hours of legal time. Mr. Killoren spent 5 hours of legal work on this filing.
- I prepared a reply brief in support of the defendants' motion to dismiss for lack of jurisdiction and I spent 10 hours in connection with this work. Mr. Faucher reviewed and edited the reply and incurred 3 hours of legal time. Mr. Brown reviewed the filing and caused it to be filed and incurred 3 hours of legal time. Mr. Killoren reviewed and commented on the reply and spent 2 hours of legal time.
- I performed research for and prepared a response to the amicus brief of the state of South Carolina. I spent 8 hours in connection with this work. Mr. Faucher reviewed and edited the filing and he incurred 3 hours in connection with this legal work. Mr. Brown reviewed and edited the response and caused it to be filed and he incurred 4 hours of legal time.
- I performed research for and prepared a response with supporting exhibits to a motion to intervene filed by TitleMax. I spent 6 hours in connection with this work. Mr. Brown reviewed the document and Mr. Brown caused the filing to be made. Mr.

Brown spent 6 hours in connection with this work. Mr. Killoren spent 2 hours in connection with this matter.

- I traveled to Charleston, SC for the mediation that initiated the discussions that have produced the conditionally approved class action settlement. I incurred 14 hours of legal time in connection with that mediation. Mr. Brown participated in the mediation remotely and incurred 5 hours of legal time. Mr. Killoren spent 10 hours preparing for and attending the mediation.

52. I have attached the federal court docket sheet for the *Walters* action to my Affidavit as Exhibit L.

53. The Greensboro Law Center appeared in the South Carolina state court actions through Drew Brown who is admitted to the state bar in South Carolina. The Greensboro Law Center, at its own expense, also retained local counsel Thomas A. Killoren, Jr. of Spartanburg, South Carolina. I assisted Mr. Brown and Mr. Killoren in the defense of those cases.

54. In connection with the South Carolina cases the Greensboro Law Center performed the following legal work:

- In each of the 12 state court cases I prepared motions to dismiss or stay with supporting briefs and supporting exhibits. I spent 5 hours in connection with this work in each case. Mr. Brown and Mr. Killoren reviewed these materials and Mr. Killoren caused them to be filed and served in the South Carolina cases. Mr. Brown spent 2 hours of time in connection with this work in each case. Mr. Killoren spent 2 hours of time in each matter communicating with the court and preparing and filing pleadings and proposed orders.
- With exception for one case (*Auto Money North, LLC v. Williams, et al.* Dillon County No. 2023 CP 1700319) the cases were stayed either by court order or consent. For the contested cases Mr. Brown and Mr. Killoren prepared for and appeared either in person or remotely for hearings on the motions to dismiss or stay in six cases. Mr. Brown and Mr. Killoren each spent 12 hours in connection with this legal work.

55. In connection with *Hughes, et al. v. AutoMoney, Inc.* (Gaston County 20 CVS 295) I performed legal research for and prepared brief and supporting exhibits in opposition to AutoMoney's motions to dismiss on personal jurisdiction and

choice-of-law grounds. and I caused that motion to be calendared for hearing. I spent 12 hours in connection with this work. Mr. Faucher reviewed and edited the filing and he incurred 10 hours of legal time, including preparing for the hearing. Mr. Faucher and I traveled to Gaston County for the hearing on AutoMoney's motions to dismiss and we each incurred 7 hours of legal time.

56. In connection with *Archie, et al. v. AutoMoney, Inc.* (Guilford County 22 CVS 7019) I prepared a motion to compel AutoMoney to respond fully to the plaintiffs' written discovery and I caused that motion to be calendared for hearing. Mr. Brown and I appeared at the hearing to argue the motion, which was allowed. I prepared the proposed order allowing the motion. I spent 7 hours in connection with this work. Mr. Brown incurred 3 hours of legal time.
57. Also in connection with *Archie, et al. v. AutoMoney, Inc.* (Guilford County 22 CVS 7019) I prepared and served a motion for summary judgment with a supporting brief and exhibits and I caused the motion to be calendared for hearing. I spent 10 hours in connection with this work. Mr. Brown and Mr. Faucher both reviewed and edited the filing and they each incurred 4 hours of legal time.
58. I worked with counsel for AutoMoney to prepare and file motions and proposed orders to have the cases comprising the Rule 2.1 litigation as exceptional under Rule 2.1 of the General Rules of Practice. I also worked with counsel for AutoMoney in follow up with the Trial Court Administrators in the various North Carolina counties in which the cases are pending. I spent 12 hours in connection with this legal work.
59. I prepared, filed and argued, along with Mr. Brown, a motion to compel with a supporting brief and exhibits in connection with the remand cases in the Rule 2.1 litigation, which motion the Court allowed. I spent 8 hours in connection with this legal work. Mr. Brown incurred 3 hours of legal time.
60. In connection with the Rule 2.1 litigation the Greensboro Law Center has performed the following work:
 - In all of the Rule 2.1 cases, I have prepared and served written seventy-three (73) sets of written discovery, both merits based and jurisdictional. I spent .5 hours in the preparation and service of each set of discovery.
 - In July, 2024, I began work on client responses to the jurisdictional discovery AutoMoney served on the non-remand plaintiffs and, for that purpose, I had spoken with the clients and

obtained affidavits and declarations from forty one (41) of those plaintiffs prior to an agreement being reached with AutoMoney in August, 2024 to stay the deadlines in the cases in order that the parties could pursue the settlement discussions that resulted in the now preliminarily approved Class Action Settlement. Each affidavit or declaration required 1 hour of legal time.

- James Faucher prepared for and took the Rule 30(b)(6) depositions of AutoMoney, which required 5 hours of legal time.
- I prepared for and took the deposition of AutoMoney's expert witness. This required 8 hours of legal time.
- I prepared for and defended AutoMoney's deposition of the North Carolina Borrower's expert on the values of motor vehicles that had been repossessed by AutoMoney. This required 3 hours of legal time.
- I discussed with clients and answered twenty-four sets of written discovery AutoMoney served on certain of its North Carolina borrowers. This required 4 hours of legal time for each case.
- I prepared clients for and defended nine (9) depositions AutoMoney has taken of its North Carolina borrowers. This required 4 hours of legal time for each client, for a total of 36 hours.
- I researched for and prepared and served a motion for summary judgment with a supporting brief and evidence in the cases of the remand plaintiffs. This required 50 hours of my legal time. Mr. Faucher reviewed and edited the brief and incurred 18 hours of legal time. Mr. Brown reviewed and edited the brief and incurred 6 hours of legal time.
- I prepared an omnibus response brief for AutoMoney's motion for summary judgment. This required 25 hours of my legal time. Mr. Faucher reviewed and edited the response brief and incurred 10 hours of legal time. Mr. Brown reviewed and edited the response Brief and caused it to be filed with the Court and he incurred 10 hours of legal time.

61. James Faucher has acted as the primary client contact for Plaintiffs in the civil actions now consolidated before this Court pursuant to Rule 2.1. Over the

course of 4+ years Mr. Faucher has kept clients (all of whom are current class members) updated as to the status of the litigation by way of group emails, individual emails and phone calls. In 2020 and 2021 Mr. Faucher spent at least 1 hour per week providing litigation updates, in 2022 this increased to at least 1.5 hours a week, and in 2023 and 2024 as the number of class members pursuing claims has increased, this time further increased to more than 3 hours a week. Mr. Faucher has spent in excess of 425 hours communicating with class members about the status of litigation against AutoMoney since 2019.

62. All of this legal work performed on behalf of class members - from the initial research into the applicability of North Carolina's lending laws to AutoMoney's triple digit loans, to the filing of those action, to fighting off AutoMoney's efforts to have cases heard in AutoMoney's preferred venue in South Carolina, to defeating AutoMoney's Rule 12 motions premised on a claimed lack of jurisdiction and a choice of law provision that purports to insulate AutoMoney from North Carolina law, to defending those Rule 12 wins on appeal and discretionary review, to beating back AutoMoney's efforts to shed itself of these claims in bankruptcy, to fighting AutoMoney's renewed efforts to have the matters heard in Courts in South Carolina, and finally researching and briefing AutoMoney's constitutional challenges—all of this legal work over more than 5 years brought about this day when AutoMoney would agree to a class action settlement benefitting not only the hundreds of class members that have been litigating with AutoMoney over that time period but thousands more North Carolina residents with the return of car titles, forgiveness of claimed usurious debt obligations and settlement with more than \$5 million in debt relief and \$3 million to directly benefit the class.
63. In connection with the preliminarily approved Class Action Settlement, the Greensboro Center prepared the Motion for Conditional Approval of the Class and proposed Order and the Amended Class Action Complaint. I incurred 2 hours of legal time in connection with this work.
64. In connection with the preliminarily approved Class Action Settlement, Drew Brown has served as lead counsel and has thus far expended at least 60 hours of legal time in connection with zoom meetings and telephone calls for the purpose of negotiating the Class Action Settlement, discussing the framework of the Class Action Settlement, the Court hearing that resulted in preliminary approval of the Class Action Settlement, discussing and editing the documents and forms required to effectuate the settlement and in discussions and emails with the settlement administrator concerning the class settlement protocols and procedure. Mr. Faucher and I have each incurred at least 10 hours of attorney time in connection with this work.

65. In connection with the preliminarily approved Class Action Settlement the Greensboro Law Center associated Greensboro attorney John Bloss. Mr. Bloss has thus far incurred 11.3 hours in connection with the proposed settlement at an hourly rate of \$500.00 for a total of \$5650.00 in attorneys' fees. These fees will be paid from the fee award requested for Class Counsel. Class Counsel anticipate more work on the part of Mr. Bloss in connection with the Court's final approval of the Class Action Settlement. The Affidavit of John Bloss is attached as Exhibit M.

66. In connection with the South Carolina cases, Mr. Killoren spent 88 hours of his time at an hourly rate of \$500.00 for a total of \$44,000.00 in attorneys' fees. These fees will be paid from the fee award requested for Class Counsel.

67. The Greensboro Law Center has thus far expended at least 3661.5 hours in attorney and legal assistant time in connection with the litigation that has produced the preliminarily approved Class Action Settlement. Using a blended hourly rate of \$450.00 for attorney time and an hourly rate of \$150.00 for legal assistant time The Greensboro Law Center, at high risk to itself and with zero guarantee of recovery, has thus far expended at least \$1,562,175.00 in legal fees in connection with the AutoMoney litigation.⁴ More work will be required in connection with the preliminarily approved Class Action Settlement.

68. The hourly rates of Class Counsel are appropriate, comparable and reasonable rates for attorneys with their skill and experience. *See* Exhibit N.

This is the 1st day of November, 2024.



Jeffrey K. Peraldo

I, Kellie Floyd, Notary Public, do hereby certify that Jeffrey K. Peraldo personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 1st day of November, 2024.


Notary Public

My commission expires: 3-21-2027



⁴ The claims of Nine (9) North Carolina Borrowers, including Ms. Warley, have been settled during the course of this litigation. Class Counsel is not seeking to recover any attorneys' fees in connection with the work performed for those borrowers.

CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing document upon the parties to this above-captioned action, or their counsel by email and by mailing a copy thereof via U.S.P.S. First-Class Mail, postage prepaid and addressed as follows:

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This is the 1st day of November, 2024.



Jeff Peraldo
Attorney for Plaintiffs