UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA
CIVIL MINUTES—GENERAL

Case No.	**EDCV 24-1038-KK-DTBx**	Date:	March 18, 2025
Title:	*Alfredo Ramirez, et al. v. AMPAM Parks Mechanical, Inc., et al.*		

Present: The Honorable	KENLY KIYA KATO, UNITED STATES DISTRICT JUDGE

Noe Ponce	Not Reported
Deputy Clerk	Court Reporter
Attorney(s) Present for Plaintiff(s):	Attorney(s) Present for Defendant(s):
None Present	None Present

Proceedings: **(In Chambers) Order GRANTING Plaintiffs' Motion to Class Certification [Dkt. 84]**

I.
INTRODUCTION

On September 13, 2024, plaintiffs Alfredo Ramirez and Ramón Santos Castro ("Plaintiffs"), filed the operative First Amended Class Action Complaint ("FAC") against defendants AMPAM Parks Mechanical, Inc. ("AMPAM"), Charles E. Parks III ("Buddy Parks"), John D. Parks, John G. Mavredakis, Kushal B. Kapadia, AMPAM Board of Directors, Neil Brozen, Ventura Trust Company ("Ventura"), James C. Wright III, Kevin Dow, James Ellis, Steve Grosslight, and Mike Matkins ("Defendants"). ECF Docket No. ("Dkt.") 68, FAC. Plaintiffs allege various violations of the Employee Retirement Income Security Act of 1974 ("ERISA") and California Labor Code Section 1198.5. Id. On October 25, 2024, Plaintiffs filed the instant Motion to Certify Class ("Motion") under seal. Dkt. 84, Mot.

The Court finds this matter appropriate for resolution without oral argument. See Fed. R. Civ. P. 78(b); L.R. 7-15. For the reasons set forth below, the Motion is **GRANTED**.

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II.
BACKGROUND

A. PROCEDURAL HISTORY

On May 16, 2024, Plaintiffs initiated this action against Defendants. Dkt. 1. On September 13, 2024, Plaintiffs filed the operative FAC under seal, raising the following causes of action:

1. **Cause of Action One:** Prohibited Transactions in Violation of ERISA § 406(a) against defendants AMPAM, Buddy Parks, John Parks, John Mavredakis, Neil Brozen, and Ventura;
2. **Cause of Action Two:** Prohibited Transactions in Violation of ERISA § 406(b) against defendants Buddy Parks, John Parks, and John Mavredakis;
3. **Cause of Action Three:** Breach of Fiduciary Duties in Violation of ERISA § 404(a)(1)(A)-(B) against Defendants;
4. **Cause of Action Four:** Co-Fiduciary Liability pursuant to ERISA § 405(a)(1)-(3) against defendants AMPAM and Board Members;
5. **Cause of Action Five:** Equitable Relief pursuant to ERISA § 502(a)(3) against defendants Buddy Parks, John Parks, Kushal B. Kapadia, and John Mavredakis;
6. **Cause of Action Six:** Illegal Agreement to Exculpate Fiduciary Liability in Violation of ERISA § 410(a) against defendants AMPAM, Neil Brozen, Ventura, and Board Members; and
7. **Cause of Action Seven:** Violation of California Labor Code Section 1198.5 against defendant AMPAM.[1]

FAC ¶¶ 163-236.

On October 25, 2024, Plaintiffs filed the instant Motion under seal, arguing Plaintiffs meet Federal Rule of Civil Procedure 23's ("Rule 23") requirements for class certification. Mot. In support of the Motion, Plaintiffs filed the declarations of Michelle Yau, dkt. 84-2 ("Yau Decl."), Shaun Martin, dkt. 84-23 ("Martin Decl."), Ryan Wheeler, dkt. 84-24 ("Wheeler Decl."), Ivan Fernandez, dkt. 84-25 ("Fernandez Decl."),[2] plaintiff Alfredo Ramirez, dkt. 84-26 ("Ramirez Decl."), and plaintiff Castro, dkt. 84-27 ("Castro Decl.").

On November 7, 2024, Defendants filed an Ex Parte Application for Extension of Time to File the Opposition to Plaintiffs' Motion. Dkt. 91. On November 24, 2024, the Court granted the application and set the hearing for the instant motion on March 6, 2025. Dkt. 104.

On February 18, 2025, Defendants filed an Opposition under seal to the Motion. Dkt. 128, Opp. In support of the Opposition, Defendants filed the declaration of Sarah Adams ("Adams Decl.") and accompanying exhibits, including deposition transcripts of Plaintiffs' depositions. Dkts. 128-1 – 128-15.

[1] On February 14, 2025, the Court dismissed Causes of Action Six and Seven. Dkts. 121, 122.

[2] On February 10, 2025, Plaintiff filed a Notice withdrawing Ivan Fernandez as a plaintiff and class representative in this matter. Dkt. 117.

On February 20, 2025, Plaintiffs filed a Reply under seal in support of the Motion. Dkt. 133. In support of the Reply, Plaintiffs filed the declaration of Ryan Wheeler ("Wheeler Reply Decl."). Dkt. 133-1.

This matter, thus, stands submitted.

B. RELEVANT FACTS

1. The Proposed Class

In the instant Motion, Plaintiffs modify the class, and they now seek certification of the following class:

> All participants in the AMPAM ESOP on August 6, 2023 or at any time thereafter who vested under the terms of the Plan, and those participants' beneficiaries, excluding Defendants and their immediate family members; any fiduciary of the Plan; the officers and directors of AMPAM or of any entity in which a Defendant has a controlling interest; and legal representatives, successors, and assigns of any such excluded persons.

Mot. at 11.[3]

2. The Purchase and Sale of defendant AMPAM's Stock

As alleged in the FAC, defendant AMPAM is a closely held company, employing approximately 1,000 individuals and providing residential plumbing subcontractor services for multifamily residences. FAC ¶¶ 2, 90. Defendant AMPAM was started by defendant Buddy Parks and his father "decades ago." Id. ¶ 90. More recently, defendant AMPAM has been run by defendants Buddy Parks and John D. Parks (collectively, "Parks Brothers") and John G. Mavredakis ("Mavredakis"). Id.

In 2019, defendants Parks Brothers decided to sell "100% of the AMPAM stock they owned." Id. ¶ 91. For the sale, defendants Parks Brothers created an Employee Stock Ownership Plan ("AMPAM ESOP") as a retirement plan for defendant AMPAM's employees. Id. Together with defendants Parks Brothers, defendants Kapadia and Mavredakis (collectively, "Sellers" or "Seller Defendants") also sold their shares in defendant AMPAM to the AMPAM ESOP. Id. ¶ 3. The AMPAM ESOP was governed by a Trust Agreement, with defendants Neil Brozen and the Ventura Trust Company as trustees "handpicked" by defendants Parks Brothers. Id. ¶¶ 6, 7, 62-70.

[3] Plaintiffs may seek class certification for a class different than the class alleged in their FAC. See Aichele v. City of Los Angeles, 314 F.R.D. 478, 485 (C.D. Cal. 2013) (allowing Plaintiffs to modify the proposed class definition on a motion for class certification). "A court's order granting or denying class certification may be altered or amended at any time before final judgment." Id. (citing Fed. R. Civ. P. 23(c)(1)(C)).

Plaintiffs allege defendants Neil Brozen and Ventura ("Trustee Defendants") decided to purchase defendant AMPAM's stock from defendants Parks Brothers for an inflated price. Id. ¶ 8. Plaintiffs allege the price was inflated because the AMPAM ESOP faced significant limitations, including significant debt, unreasonable financing terms, and a lack of any control over defendant AMPAM. Id. ¶¶ 20, 21, 23. The AMPAM ESOP had to borrow $240.3 million, or 97.3% of the purchase price, to finance the transaction. Id. ¶ 20. Of the $240.3 million, $157.5 million was borrowed "from the Sellers themselves (which was guaranteed by [defendant AMPAM]) with unreasonable financing terms." Id. The remaining amount was financed through an external loan. Id. According to the FAC, the transaction "required [defendant AMPAM] to divert an estimated $18 million of its cash flow towards annual loan payments" to the debt. Id. ¶ 21.

After the 2019 purchase, Plaintiffs allege the board members "maintained control over [defendant] AMPAM by, among other things, changing its bylaws to limit the Trustee's ability to sell AMPAM in the future without the Board amending the bylaws again to bless any proposed sale." Id. ¶ 6. Moreover, Plaintiffs allege "the Trust Document specifically gives [defendant] AMPAM—which was/is controlled by the Selling Board Members prior to and after the ESOP Transaction—unilateral power to remove the Trustee and gave the Selling Board Members the power to pick the replacement for the Trustee." Id. ¶ 107. In addition, defendants Parks Brothers "cemented their control over the Trustee by agreeing that [defendant] AMPAM would indemnify the Trustee for all ERISA fiduciary liability in connection with the ESOP Transaction." Id. ¶ 7.

Because of Trustee Defendants' lack of independence, they were "compromised" in their investigation of the transaction and their ongoing management of AMPAM. Id. ¶ 108. AMPAM ESOP's participants were, further, not permitted to vote on the vast majority of shareholder matters. Id. Rather, Trustee Defendants "held the majority of voting power." Id.

In 2023, Trustee Defendants decided to sell the AMPAM ESOP's shares in defendant AMPAM "to a newly created shell corporation, Canyonlands Purchaser LLP, which was owned by the Parks Brothers and Gemspring, a private equity group." Id. ¶ 114. The AMPAM ESOP participants were not involved in the negotiations concerning the price, and Plaintiffs allege the AMPAM ESOP received less than fair market value for AMPAM stock in this transaction. Id. ¶¶ 9, 152, 172.

3. Class Representatives

Plaintiffs Alfredo Ramirez and Ramón Santos Castro seek appointment as class representatives. Id. ¶¶ 32-34. Plaintiff Ramirez is currently employed by defendant AMPAM. Id. ¶ 32. He has worked for defendant AMPAM since 2018. Id. He was vested in the ESOP and received payment in 2023 after the sale of the ESOP. Id. Plaintiff Castro is a former employee of defendant AMPAM. Id. ¶ 34. He worked for defendant AMPAM from "approximately 2022 to 2023." Id. Like plaintiff Ramirez, he received payment in 2023 after the sale of the ESOP. Id.

III.
LEGAL STANDARD

Federal Rule of Civil Procedure 23 ("Rule 23") provides the standard for certification of a class action. Plaintiffs seeking class certification must (1) meet all of the requirements under Rule 23(a) and (2) satisfy at least one of Rule 23(b)'s requirements. Valentino v. Carter-Wallace, Inc., 97

F.3d 1227, 1234 (9th Cir. 1996). Rule 23(a) requires the proposed class to meet the following prerequisites: "numerosity, commonality, typicality[,] and adequacy of representation." See Mazza v. American Honda Motor Co., Inc., 666 F.3d 581, 588 (9th Cir. 2012), overruled by Olean Wholesale Grocery Coop., Inc. v. Bumble Bee Foods LLC, 31 F.4th 651 (9th Cir. 2022). If the four prerequisites of Rule 23(a) are satisfied, a court must also find that the plaintiffs can "satisfy through evidentiary proof" at least one of the three subsections of Rule 23(b). Comcast Corp. v. Behrend, 569 U.S. 27, 33 (2013). Under Rule 23(b), class certification is appropriate if (1) there is a risk that separate actions would create incompatible standards of conduct for the defendant or prejudice individual class members not parties to the action; or (2) the defendant has treated the members of the class as a class, making appropriate injunctive or declaratory relief with respect to the class as a whole; or (3) common questions of law or fact predominate over questions affecting individual members and that a class action is a superior method for fairly and efficiently adjudicating the action. Fed. R. Civ. P. 23(b)(1-3). Plaintiffs must establish the prerequisites under Rule 23 by a preponderance of the evidence. Olean, 31 F.4th at 665.

Rule 23 is more than a pleading standard, and it requires the party seeking class certification to "affirmatively demonstrate his compliance with the Rule." Wal-Mart Stores, Inc. v. Dukes, 564 U.S. 338, 350 (2011) (internal quotation omitted). Thus, a court must conduct a "rigorous" class certification analysis. Id. at 350-51 (quoting Gen. Tel. Co. of Sw. v. Falcon, 457 U.S. 147, 160 (1982)). Frequently, the analysis "will entail some overlap with the merits of the plaintiff's underlying claim," and "sometimes it may be necessary for the court to probe behind the pleadings . . . ." Id. at 351 (internal quotation omitted). The Supreme Court cautions, however, that "Rule 23 grants courts no license to engage in free-ranging merits inquiries at the certification stage," and "[m]erits questions may be considered to the extent—but only to the extent—that they are relevant to determining whether the Rule 23 prerequisites for class certification are satisfied." Amgen Inc. v. Conn. Ret. Plans & Trust Funds, 568 U.S. 455, 466 (2013).

IV.
DISCUSSION

A. RULE 23(A)

1. Numerosity

The proposed class contains approximately 700 members. Dkt. 84-14 at 2-3. Defendants do not dispute the numerosity requirement of Rule 23(a). Dkt. 128 at 4, n.1. Accordingly, the Court finds Rule 23(a)'s numerosity requirement is met.

2. Commonality

a. Applicable Law

The commonality requirement is satisfied if "there are questions of law or fact common to the class." Fed. R. Civ. P. 23(a)(2). "Commonality requires the plaintiff to demonstrate that the class members 'have suffered the same injury.'" Dukes, 564 U.S. at 349-50 (quoting Falcon, 457 U.S. at 157). With respect to common questions of law, plaintiffs must establish the putative class members' claims "depend upon a common contention" that is "of such a nature that it is capable of

classwide resolution—which means that determination of its truth or falsity will resolve an issue that is central to the validity of each one of the claims in one stroke." Id.

b. Analysis

Here, the Court finds Plaintiffs have satisfied the commonality requirement of Rule 23(a). Plaintiffs identify two common questions:

(1) Whether the ESOP paid more than fair market value for AMPAM in 2019, rendering the ESOP Transaction a non-exempt prohibited transaction; and
(2) Whether Defendants breached their fiduciary duties in connection with the 2023 sale.

Mot. at 12-13. Indeed, the resolution of this case will turn on these common questions, among other merits questions, which are common among all of the class members. In fact, "[r]esolution of those questions in Defendants' favor will terminate this litigation in their favor, while resolution against Defendants will likely establish their liability, with only the issue of damages to be determined." Urakhchin v. Allianz Asset Mgmt. of Am., L.P., No. 8:15-CV-1614-JLS-JCGx, 2017 WL 2655678, at *4 (C.D. Cal. June 15, 2017) (finding commonality where the common questions included whether defendants "chose certain investment options to maximize the financial benefits that would accrue to themselves rather than to maximize the financial benefits to Plan participants"). Moreover, Plaintiffs' alleged injuries stem from injuries to the now-dissolved AMPAM ESOP rather than to Plaintiffs themselves. See generally FAC ¶¶ 163-236. The essential question is, therefore, whether Defendants breached their fiduciary duties and injured the AMPAM ESOP, which is common for all members of the proposed class. Kanawi v. Bechtel Corp., 254 F.R.D. 102, 109 (N.D. Cal. 2008) ("[T]he common focus is on the conduct of Defendants . . . . Plaintiffs' claims do not focus on injuries caused to each individual account, but rather on how the Defendants' conduct affected the pool of assets that make up the [Plan]."). Accordingly, the Court finds Rule 23(a)'s commonality requirement is met.

3. Typicality

a. Applicable Law

The typicality requirement is satisfied if "the claims or defenses of the representative parties are typical of the claims or defenses of the class." Fed. R. Civ. P. 23(a)(3). The purpose of this requirement "is to assure that the interest of the named representative aligns with the interests of the class." Wolin v. Jaguar Land Rover N. Am., LLC, 617 F.3d 1168, 1175 (9th Cir. 2010). "The test of typicality is whether other members have the same or similar injury, whether the action is based on conduct which is not unique to the named plaintiffs, and whether other class members have been injured by the same course of conduct." Id. Typicality is a "permissive standard" and requires only that the representative's claims are "reasonably co-extensive with those of absent class members; they need not be substantially identical." Hanlon v. Chrysler Corp., 150 F.3d 1011, 1020 (9th Cir. 1998).

b. Analysis

Here, the Court finds Plaintiffs have satisfied the typicality requirement of Rule 23(a). Plaintiffs seek to bring claims on behalf of the plan and allege injuries to the now-dissolved

AMPAM ESOP. Therefore, Plaintiffs' claims and defenses are identical to the unnamed class members. See e.g., Munro v. Univ. of S. California, CV-16-6191-VAP-Ex, 2019 WL 4543115, at *5 (C.D. Cal. Dec. 20, 2019) ("The named plaintiffs are alleging injury to the Plans, and their claims are therefore identical to those of all putative class members and implicate identical injuries and course of conduct."). Accordingly, the Court finds Rule 23(a)'s typicality requirement is met.

4. Adequacy

a. Applicable Law

The Rule 23(a)(4) adequacy determination turns on the answers to two questions: "(1) do the named plaintiffs and their counsel have any conflicts of interest with other class members and (2) will the named plaintiffs and their counsel prosecute the action vigorously on behalf of the class?" Hanlon, 150 F.3d at 1020. Similarly, Rule 23(g) requires courts to consider: "(i) the work counsel has done in identifying or investigating potential claims in the action; (ii) counsel's experience in handling class actions, other complex litigation, and the types of claims asserted in the action; (iii) counsel's knowledge of the applicable law; and (iv) the resources that counsel will commit to representing the class." Fed. R. Civ. P. 23(g)(1)(A).

b. Analysis

Here, Defendants devote much of their Opposition to challenging whether Plaintiffs are adequate class representatives. However, as detailed below, the Court is not persuaded by the arguments.

Among other things, Defendants argue plaintiff Ramirez and plaintiff Castro are directly conflicted. Plaintiffs seek relief related to two transactions: (1) the 2019 purchase of defendant AMPAM's stock and (2) the 2023 sale of defendant AMPAM's stock. Plaintiff Ramirez, who started working for defendant AMPAM prior to the 2019 purchase, is impacted by both the 2019 purchase and 2023 sale. In contrast, plaintiff Castro began working after the creation of the ESOP and is only impacted by the 2023 sale. Defendants argue rescission of the 2023 sale would only benefit plaintiff Ramirez because plaintiff Castro would become unvested and, hence, fail to obtain relief. Opp. at 5-8. However, Defendants' argument relies on both the Court determining the ESOP's termination, which resulted in the vesting, must be reversed and the forfeiture of plaintiff Castro's vested stock. Both outcomes are hypothetical. "The mere potential for a conflict of interest is not sufficient to defeat class certification; the conflict must be actual, not hypothetical." O'Shea v. Epson Am., Inc., CV-09-8063-PSG-CWx, 2011 WL 4352458, at *5 (C.D. Cal. Sept. 19, 2011), aff'd sub nom. Rogers v. Epson Am., Inc., 648 F. App'x 717 (9th Cir. 2016) (citing Cummings v. Connell, 316 F.3d 886, 896 (9th Cir. 2003) ("Mere speculation as to conflicts that may develop at the remedy stage is insufficient to support denial of initial class certification.")).

In addition, Defendants argue Plaintiffs are conflicted with ESOP participants who sold their AMPAM stock prior to the 2023 sale. Opp. at 7-8. In other words, participants who were only impacted by ESOP's 2019 purchase of defendant AMPAM's stock. Id. While this may be the case, these individuals are not included in the revised class definition. Reply at 5. Hence, by definition, Plaintiffs are not conflicted with any members of the class. Rodriguez v. W. Publ'g Corp., 563 F.3d 948, 959 (9th Cir. 2009) (noting the central inquiry is whether there are "material conflicts of interest between the named plaintiffs and their counsel with other class members")

(emphasis added). Nevertheless, no participants seemingly fall into this category because the ESOP did not allow these vested participants to sell their stock until the sixth year of the plan. See Wheeler Reply Decl., Ex. 1 § 12(b) at 28 ("If a Participant's Service terminates for any reason other than Retirement, Disability or death, distribution of his Capital Accumulation shall commence not later than the end of the sixth Plan Year following the Plan Year in which his Service terminates . . . .").

Finally, Defendants argue Plaintiffs do not understand their duties as class representatives, suggesting their counsel's interest will overcome the interests of the class. Opp. at 8-21. Defendants note plaintiff Castro repeatedly stated he did not know his duties in his disposition. Adams Decl., Ex I ("Castro Tr.") at 36:20-23, 37:1-5, 51:1, 56:13-16. Indeed, plaintiff Castro's statements during his deposition suggest a limited understanding of his duties. However, plaintiff Castro testified that he was confused by and did not understand the questions from Defendants' counsel about his responsibilities. Id. at 55:12-17. Thus, these statements, alone, are insufficient to disqualify plaintiff Castro from serving as a class representative. Moreover, plaintiff Castro provided additional testimony indicating he understood his role and duties. For example, he testified that he was his "co-workers' representative for this lawsuit," and confirmed his willingness to carry out his duties as a class representative. Id. at 55:3-4, 54:13-15. The Court, thus, finds plaintiff Castro's deposition testimony does not preclude him from serving as an adequate class representative. Woodard v. Labrada, EDCV-16-189-JGB-SPx, 2021 WL 4499184, at *34 n.38 (C.D. Cal. Aug. 31, 2021) ("[I]nconsistent deposition testimony alone is insufficient to render a class representative inadequate."). In addition, plaintiff Castro has actively participated by asking his attorneys questions about the litigation, providing and reviewing interrogatory answers, searching and finding documents in response to requests for production, sitting for a deposition, and submitting a declaration. Id. at 41:11-16, 43:15-24, 49:15-20.

Likewise, Defendants argue defendant Ramirez does not understand his duties as a class representative. Opp. at 11. However, he has also participated actively in this litigation – including by sitting for a deposition and providing a declaration – and testified to understanding his obligation to communicate with his counsel. Ramirez Tr. 29:21-30:1. Further, he testified that he is willing to testify at trial. Id. at 34:13-16.

Hence, when considering the full extent of Plaintiffs' statements and actions in this litigation, the Court finds Plaintiffs adequately understand their duties. See, e.g., Tsirekidze v. Syntax-Brillian Corp., No. CV-07-02204-PHX-FJM, 2009 WL 2151838, at *5 (D. Ariz. July 17, 2009) (finding plaintiff was adequate to represent the class – despite deposition testimony indicating a lack of awareness specific allegations in the complaint or the interrogatory responses he verified – where he has a general idea of the allegations and actively stays updated through his counsel); Harris v. Vector Mktg. Corp., 753 F. Supp. 2d 996, 1015 (N.D. Cal. 2010) ("Credibility problems do not automatically render a proposed class representative inadequate.") (cleaned up).[4]

[4] Defendants further argue Plaintiffs do not possess even "a minimal degree of knowledge regarding the class action." Opp. at 11 (quoting Richie v. Blue Shield of Cal., No. C-13-2693, 2014 WL 6982943, at *18 (N.D. Cal. Dec. 9, 2014)). However, as Plaintiffs argue, "the Ninth Circuit 'has never imposed a knowledge requirement on proposed class representatives.'" Urakhchin, 2017 WL 2655678, at *6 (quoting Tibble v. Edison Int'l, No. CV-07-5359-SVW-AGRx, 2009 WL 6764541, at *6 (C.D. Cal. June 30, 2009)); In re Live Concert Antitrust Litig., 247 F.R.D. 98, 118 (C.D. Cal. 2007) (noting no cases in the Ninth Circuit "impose a knowledge requirement on the part of the

Thus, when considering the entirety of the evidence, Plaintiffs are not conflicted with other class members and have the requisite understanding of their duties to serve as adequate class representatives. Accordingly, the Court finds Rule 23(a)'s adequacy requirement is met.

B. RULE 23(B)

1. Applicable Law

ERISA class action cases are typically certified under Rule 23(b)(1). See Kanawi, 254 F.R.D. at 111. Rule 23(b)(1) authorizes class certification where "prosecuting separate actions by or against individual class members would create a risk of:

> (A) inconsistent or varying adjudications with respect to individual class members that would establish incompatible standards of conduct for the party opposing the class; or
> (B) adjudications with respect to individual class members that, as a practical matter, would be dispositive of the interests of the other members not parties to the individual adjudications or would substantially impair or impede their ability to protect their interests."

Fed. R. Civ. P. 23(b)(1).

"Rule 23(b)(1)(A) considers possible prejudice to a defendant, while 23(b)(1)(B) looks to prejudice to the putative class members." Kanawi, 254 F.R.D. at 111. Courts commonly certify ERISA class actions under both 23(b)(1)(A) and 23(b)(1)(B). Klawonn v. Bd. of Directors for Motion Picture Indus. Pension Plans, CV-20-9194-DMG-ASx, 2024 WL 653398, at *7 (C.D. Cal. Jan. 18, 2024).

2. Analysis

Here, Plaintiffs argue class certification is appropriate under both Rule 23(b)(1)(A) and 23(b)(1)(B). Mot. at 18-20. With respect to Rule 23(b)(1)(A), Plaintiffs argue separate lawsuits could lead to conflicting judgments with respect to the legality of the different transactions. Mot. at 18. The Court agrees because, as is obvious in matters where plan participants are uniformly impacted by the ESOP's decisions, "[i]nconsistent interpretations of the [ESOP] in multiple individual actions could and would lead to an unclear set of standards of conduct for Defendants moving forward." Tom v. Com Dev USA, LLC, CV-16-1363-PSG-GJSx, 2017 WL 8236268, at *5 (C.D. Cal. Sept. 18, 2017). In opposition, Defendants argue they can unilaterally waive the applicability of Rule

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class representatives"). Regardless, Plaintiffs have shown a minimal understanding. Plaintiff Ramirez's testimony indicates he understood ERISA might provide him with a "bigger share" of compensation as a participant of the ESOP. Ramirez Tr. 21:1-10. Plaintiff Castro, likewise, testified to having reviewed the FAC and understood he should have received more from the now-terminated ESOP. Castro Tr. 25:7-10, 27:11-14.

23(b)(1)(A) by simply opposing certification.[5] Such a conclusion would defeat the purpose of Rule 23(b)(1)(A). With respect to Rule 23(b)(1)(B), Plaintiffs argue a positive outcome will be determinative of any claims other plan participants may bring. Mot. at 19. Indeed, the Court's adjudication of issues related to ERISA requirements "would necessarily affect and be dispositive of the interests of other similarly situated litigants." Tom, 2017 WL 8236268, at *5; In re Northrop Grumman Corp. ERISA Litig., No. CV-06-06213-MMM-JCx, 2011 WL 3505264, at *18 (C.D. Cal. Mar. 29, 2011) (finding certification to be appropriate in ERISA litigation pursuant to Rule 23(b)(1)(B)).

Accordingly, the Court finds certification under both Rule 23(b)(1)(A) and 23(b)(1)(B) to be appropriate in this matter.

V.
CONCLUSION

For the reasons set forth above, the Court **GRANTS** Plaintiffs' Motion for Class Certification.

IT IS SO ORDERED.

[5] Notably, Defendants only cite out-of-circuit cases, including a case from the 1970s from the Northern District of Iowa and a case from the Eastern District of Arkansas that another district court has never cited. These cases are neither binding nor persuasive.