

1 Teresa S. Renaker – SBN 187800  
[teresa@renakerhasselman.com](mailto:teresa@renakerhasselman.com)  
 2 Kirsten G. Scott – SBN 253464  
[kirsten@renakerhasselman.com](mailto:kirsten@renakerhasselman.com)  
 3 RENAHER HASSELMAN SCOTT LLP  
 4 505 Montgomery Street, Suite 1125  
 San Francisco, CA 94104  
 Telephone: (415) 653-1733  
 5 Facsimile: (415) 727-5079

6 Elizabeth Hopkins – SBN 324431  
[ehopkins@kantorlaw.net](mailto:ehopkins@kantorlaw.net)  
 7 Susan Meter – SBN 236133  
[smeter@kantorlaw.net](mailto:smeter@kantorlaw.net)  
 8 KANTOR & KANTOR, LLP  
 19839 Nordhoff Street  
 9 Northridge, CA 91324  
 Telephone: (818) 886-2525  
 10 Facsimile: (818) 350-6272

11 *Attorneys for Plaintiffs and Others Similarly Situated*

12  
13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

14 **COUNTY OF LOS ANGELES**

15  
16 STEPHEN H. BAFFORD and EVELYN L.  
17 WILSON, individually and on behalf of others  
similarly situated,

18 Plaintiffs,

19 v.

20 ALIGHT SOLUTIONS LLC,

21 Defendant.

CASE NO: **22STCV14718**

**CLASS ACTION**

**COMPLAINT FOR DAMAGES**

(I) Professional Negligence

(II) Negligent Misrepresentation

**DEMAND FOR JURY TRIAL**

22  
23  
24 Plaintiffs Stephen H. Bafford and Evelyn L. Wilson, by and through their attorneys, on  
 25 behalf of themselves and the putative Class set forth below, and in the public interest, bring the  
 26 following class action Complaint against Alight Solutions LLC (“Alight”).  
 27  
 28

1 **INTRODUCTION**

2 1. Plaintiffs are retirees of Northrop Grumman Corporation (“Northrop”) and  
3 participants in the Northrop Grumman Pension Plan (“the Plan” or “the Northrop Plan”), a defined  
4 benefit pension plan. Both Plaintiffs worked for Northrop, then left Northrop to join TRW  
5 Corporation (“TRW”), and then rejoined Northrop when it acquired TRW in 2002.

6 2. Northrop contracted with Hewitt Associates LLC, the predecessor of Defendant  
7 Alight Solutions LLC (collectively “Alight”), to provide certain administrative services to the  
8 Plan, including calculating participants’ Plan benefits, providing pension benefit statements to  
9 participants, and preparing pension election paperwork for participants to commence their  
10 pensions upon retirement.

11 3. In the years leading up to their retirements, Plaintiffs regularly requested pension  
12 benefit statements to assist them in their retirement planning. Unbeknownst to Plaintiffs, the  
13 statements Alight provided consistently overstated each participant’s pension amount by more  
14 than 100 percent.

15 4. Alight overstated Plaintiffs’ pensions because it failed to apply the Plan terms  
16 correctly. Specifically, the Plan required that Plaintiffs’ pensions be calculated based on their  
17 salaries earned during their first periods of Northrop employment, but Alight calculated the  
18 pensions based on Plaintiffs’ higher salaries earned during their second periods of Northrop  
19 employment.

20 5. When Plaintiffs retired, they completed pension election paperwork prepared by  
21 Alight. Like the pre-retirement statements, the pension election paperwork promised Plaintiffs  
22 pension amounts that were more than twice what the Plan provided. Plaintiffs did not know and  
23 had no way of knowing that the figures were wrong.

24 6. After Plaintiffs retired and commenced receiving their pensions, Northrop and  
25 Alight notified them of the error, cut their pensions by more than one-half, and demanded that they  
26 reimburse the Plan for the excess benefits it had paid since their retirements.

27 7. Based on the above conduct and the other conduct described herein, Plaintiffs  
28 assert claims against Alight for professional negligence and negligent misrepresentation.

1 8. Plaintiffs assert these claims on a class-wide basis on behalf of themselves and a  
2 Class of similarly-situated persons as described herein. Alight's negligence was not unique to  
3 Plaintiffs, but rather was systematic and directed toward the Class as a whole.

4 **THE PARTIES**

5 9. Plaintiff Stephen H. Bafford is an individual person and resident of Utah. He is, and  
6 has been at all relevant times, a participant in the Plan. Mr. Bafford worked for Northrop in Pico  
7 Rivera, California, and Palmdale, California, from April 1987 to February 1998, earning a vested  
8 pension under the Plan. From December 2002 to September 2016, Mr. Bafford worked for  
9 Northrop in Ogden, Utah.

10 10. Plaintiff Evelyn Wilson is an individual person and resident of California. She is,  
11 and has been at all relevant times, a participant in the Plan. Ms. Wilson worked for Northrop from  
12 September 1986 to September 1997 in Hawthorne, California, earning a vested pension under the  
13 Plan. From December 2002 to February 2014, Ms. Wilson returned to work for Northrop in  
14 Redondo Beach, California. Ms. Wilson resides in Rancho Palos Verdes, Los Angeles County,  
15 California.

16 11. Defendant Alight is an Illinois limited liability corporation that maintains an office  
17 in Irvine, Orange County, California. Beginning in 2008, Alight provided record-keeping and  
18 third-party administration services for the Northrop Plan, including to tens of thousands of  
19 Northrop Plan participants in California. At that time, Northrop Grumman had its principal place  
20 of business in Los Angeles, California. Upon information and belief, Alight operated the Northrop  
21 Grumman Benefits Center and a website at <http://benefits.northropgrumman.com>, and issued  
22 pension benefit statements and other communications on Northrop letterhead to Northrop Plan  
23 participants in California and elsewhere. Alight provided services to Northrop Plan participants on  
24 behalf of the Northrop Plan's Plan Administrator, which is located in El Segundo, California.

25 12. Alight has held itself out as providing "a total retirement approach to help drive  
26 better solutions and outcomes," based on "40+ years of knowledge, expertise, and innovation  
27 managing retirement plans for large organizations, helping people save, plan and retire  
28 confidently." Alight has publicly asserted that its defined benefit plan administration would enable

1 employees “to retire confidently with industry leading expertise, technology and support,” with “a  
2 customer experience designed to help [employees] fully understand their options” and “tools and  
3 rigorous processes that assure quality in all aspects of the services we deliver,” making “essential  
4 plan information easy to access and navigate.” Alight claims that it provides “strong support  
5 services, deep expertise,” and has “tools and information at the ready to help [employees] make  
6 decisions and educate them about their plans.” It specifically states that its “Defined Benefit  
7 solution” offers advantages for employees as well as employers.

8 13. Upon information and belief, Northrop and/or the Northrop Plan’s Administrative  
9 Committee contracted with Alight to carry out certain of the Administrative Committee’s  
10 responsibilities for Northrop Plan administration, including its pension benefit statement  
11 responsibilities under ERISA § 105(a), 29 U.S.C. § 1025(a), and its responsibility for processing  
12 pension applications.

13 14. Alight’s services included providing an online platform that allowed  
14 participants to request statements of their accrued pension benefits based on potential future  
15 employment termination dates and benefit commencement dates, in purported satisfaction of the  
16 Administrative Committee’s obligations under ERISA § 105(a).

17 **JURISDICTION AND VENUE**

18 15. This Court has jurisdiction over Plaintiffs’ claims under Cal. Code Civ. Proc.  
19 § 410.10.

20 16. Venue is proper under Cal. Code Civ. Proc. § 395.5 because the contract for  
21 Alight’s services to the Northrop Plan and its participants was made and/or to be performed in Los  
22 Angeles County and Alight’s liability to Northrop Plan participants arises in part in Los Angeles  
23 County. Ms. Wilson’s benefits and those of many similarly situated Northrop Plan participants are  
24 payable in Los Angeles County.

25 17. This case is an unlimited civil case because the amount at stake exceeds \$25,000  
26 and a complex civil case because it is a proposed class action.

1 **FACTS**

2 **The Northrop Plan**

3 18. The Northrop Plan is an employee pension benefit plan as defined by ERISA §  
4 3(2), 29 U.S.C. § 1002(2), sponsored by Northrop. The Northrop Plan consists in part of sub-plans  
5 including the Northrop Grumman Retirement Plan and the Grumman Pension Plan. The Northrop  
6 Plan is a defined benefit pension plan, meaning that each participating employee is entitled to a  
7 fixed periodic payment during retirement based on a pension calculation formula set forth in the  
8 applicable sub-plan, and each surviving spouse of a participating employee is entitled to a fixed  
9 periodic payment during his or her lifetime unless he or she has validly waived the survivor  
10 benefit.

11 19. Prior to July 1, 2003, each Northrop Plan sub-plan used a final average pay formula  
12 to calculate benefits. Under the final average pay formula, a participant's pension was calculated  
13 based on factors including his or her years of benefit service and his or her average rate of annual  
14 salary during his or her highest three years of salary out of the last ten years that he was a covered  
15 employee under the plan.

16 20. Effective July 1, 2003, the Northrop Plan switched to a less-generous "cash  
17 balance" formula. However, because ERISA prohibits reductions of accrued benefits, Northrop  
18 Plan participants who accrued benefits before the cash balance conversion continued to be entitled  
19 to have those benefits calculated under the more-generous final average pay formula.

20 21. Thus, after July 1, 2003, participants who accrued benefits prior to July 1, 2003,  
21 continued to be entitled to have those benefits calculated using the final average pay formula.  
22 Plaintiffs' Northrop Plan benefits are calculated based on the pre-July 1, 2003 benefit formula.

23 22. Through a complex formula pieced together from multiple plan documents,  
24 definitions, and appendices, the final average pay formula recognized Plaintiffs' years of service  
25 after returning to Northrop for vesting and early retirement credit, but did not recognize their  
26 earnings after returning to Northrop in determining their final average earnings. Plaintiffs and  
27 similarly situated Northrop Plan participants had no way to ascertain and apply this multi-step  
28 formula without assistance from the entities charged with administering the Plan, including Alight.

1 23. Under the Northrop Plan’s terms, a participant is entitled to a normal retirement  
2 benefit commencing at age 65. A participant who has attained at least age 55 with at least 10 years  
3 of service is entitled to a reduced early retirement benefit, and a participant whose age plus his or  
4 her years of early retirement service equals at least 85 is entitled to an unreduced early retirement  
5 benefit – that is, to receive his or her full age 65 pension before age 65.

6 24. As used in ERISA, “accrued benefit” means the participant’s benefit expressed as  
7 an annual benefit beginning at normal retirement age, or the actuarial equivalent of that amount.  
8 ERISA §§ 3(23)(A), 204(c)(3), 29 U.S.C. §§ 1002(23)(A), 1054(c)(3). The Plan defines “accrued  
9 benefit” consistent with these rules.

10 25. ERISA defines “normal retirement benefit” as the greater of a participant’s benefit  
11 at normal retirement age or his or her early retirement benefit.

12 26. Because the Northrop Plan’s final average pay formulae calculate benefits based in  
13 part on a participant’s years of service at employment termination and age at benefit  
14 commencement, a participant’s pension benefit will vary depending upon his or her employment  
15 termination date and benefit commencement date. Thus, Alight’s online platform allowed  
16 Northrop Plan participants to request that Alight determine the effect of different combinations of  
17 dates on their pension benefit amounts, and the statements generated and mailed by Alight to  
18 participants provided that information.

19 **Plaintiffs’ Employment and Pension Service**

20 27. Mr. Bafford began his employment with Northrop in April 1987, at age 26, as a  
21 Procurement Expeditor. He worked for Northrop in Pico Rivera, California, and Palmdale,  
22 California.

23 28. Ms. Wilson began her employment with Northrop in September 1986 as a software  
24 engineer, working in Hawthorne, California.

25 29. As Northrop employees, Mr. Bafford and Ms. Wilson accrued pension benefits  
26 under the Northrop Grumman Retirement Plan, which is one of the sub-plans of the Northrop  
27 Plan. Ms. Wilson also accrued benefits under the Grumman Pension Plan, another Northrop Plan  
28 sub-plan.

1 30. In September 1997, Ms. Wilson was laid off by Northrop and went to work for  
2 TRW Corporation (“TRW”) in California as a software engineer.

3 31. In February 1998, Mr. Bafford terminated employment with Northrop and went to  
4 work for TRW in Ogden, Utah, as a Subcontract Manager.

5 32. As TRW employees, Mr. Bafford and Ms. Wilson accrued pension benefits under  
6 the TRW Pension Plan (“TRW Plan”).

7 33. In December 2002, Northrop acquired TRW, and Mr. Bafford and Ms. Wilson  
8 became Northrop employees again.

9 34. Upon information and belief, more than 20,000 TRW employees became Northrop  
10 employees as a result of the December 2002 acquisition.

11 35. Northrop renamed the TRW Plan the Northrop Grumman Space and Mission  
12 Systems Salaried Employees Pension Plan. Mr. Bafford and Ms. Wilson continued to accrue  
13 benefits under the renamed TRW Plan as Northrop employees.

14 **Pension Benefit Statements**

15 36. Plaintiffs and the members of the proposed Class were the victims of a systemic  
16 calculation error affecting Northrop Plan participants who, while working for Northrop, accrued  
17 benefits under pension plans formerly sponsored by acquired companies. According to Pension  
18 Recalculation Notices issued by Alight to Mr. Bafford and Ms. Wilson, the error involved  
19 calculating these participants’ pensions based on their final average earnings following their  
20 return to Northrop employment, rather than on their final average earnings from their first periods  
21 of Northrop employment.

22 37. The systemic error resulted in participants’ benefits being overstated.

23 38. The systemic error persisted from at least 2010 until late 2016.

24 39. The systemic error infected pension benefit statements provided to participants,  
25 pension election paperwork provided to participants, and pension checks provided to participants.

26 40. For example, beginning in 2010, Mr. Bafford began requesting pension benefit  
27 statements as he approached age 50 to assist him in planning for retirement.  
28

1           41.     Alight’s statements consistently informed Mr. Bafford that if he worked until at  
 2 least age 55 and elected to receive his benefit in the form of a 100 percent joint and survivor  
 3 annuity, his Northrop Plan benefit would be over \$2,000 per month during his lifetime and the  
 4 same amount for his wife’s lifetime if he predeceased her. Specifically, Alight provided the  
 5 following statements:

<b>Statement Date</b>	<b>Employment Termination Date</b>	<b>Benefit Commencement Date</b>	<b>100% JSA Benefit Amount</b>
Mar. 2010	Oct. 2015	Nov. 2015	\$2,033.93
Nov. 2011	Sept. 2015	Oct. 2015	\$2,011.90
Feb. 2013	Sept. 2015	Oct. 2015	\$2,007.27
Feb. 2013	Sept. 2016	Oct. 2016	\$2,114.41
Mar. 2014	Jan. 2017	Feb. 2017	\$2,110.64
Oct. 2014	Sept. 2015	Oct. 2015	\$2,077.27
Oct. 2014	Sept. 2015	Apr. 2016	\$2,098.02
Oct. 2014	Mar. 2016	Apr. 2016	\$2,098.02
Aug. 2015	Sept. 2016	Oct. 2016	\$2,114.41
Aug. 2015	Dec. 2016	Jan. 2017	\$2,111.58
Aug. 2015	Apr. 2017	May 2017	\$2,107.58
June 2016	Sept. 2016	Oct. 2016	\$2,114.41

24           42.     Each of the statements provided to Mr. Bafford showed that it was based on his  
 25 earnings from his second period of Northrop employment. Mr. Bafford did not know and had no  
 26 way of knowing that Alight should have used his earnings from his first period of Northrop  
 27 employment.  
 28





1           48.     After Mr. Bafford submitted his pension paperwork, Alight issued him a  
2 “Retirement Plan Pension Election Confirmation Statement” on Northrop letterhead, showing that  
3 he had elected the 100 percent joint-and-survivor annuity benefit of \$2,114.41 per month. Mr.  
4 Bafford signed and returned the accompanying “Pension Election Authorization Form,” certifying  
5 that he had elected the 100 percent joint-and-survivor annuity form of benefit. The form states  
6 that Mr. Bafford “[c]ertifies that I understand this payment option pays **\$2,114.41** per month,” and  
7 “[c]ertifies that I understand my beneficiary is LAURA A. BAFFORD and will receive upon my  
8 death \$2,114.41 per month.”

9           49.     On August 11, 2016, Alight confirmed on Northrop letterhead that it had received  
10 and would process Mr. Bafford’s Pension Election Authorization Form and that his first payment  
11 would be made on October 1, 2016.

12           50.     From October 1, 2016, through January 1, 2017, the Northrop Plan made monthly  
13 benefit payments to Mr. Bafford of \$2,114.41 each.

14                           **Discovery of the Systemic Error; Benefit Recalculations**

15           51.     In December 2016, more than three months after his retirement, Mr. Bafford  
16 received a “Pension Plan Recalculation Notice” on Northrop letterhead, falsely stating that  
17 Northrop had recalculated his benefit “based on updated information.” The notice stated, “The  
18 initial calculation of your benefit was based on the information we had on file about you at that  
19 time,” inaccurately implying that Northrop had received some new, previously unknown  
20 information relevant to Mr. Bafford’s pension amount.

21           52.     In January 2017, Mr. Bafford received another “Pension Plan Recalculation  
22 Notice” on Northrop letterhead, explaining that his monthly Northrop Plan benefit would be  
23 permanently reduced from \$2,114.41 to \$807.89 – a reduction of more than 60 percent.

24           53.     The second recalculation notice admitted that there was no “updated information”  
25 that formed the basis of the recalculation. Instead, the notice explained that Mr. Bafford’s pension  
26 amount had been based on “incorrect pay.” Specifically, the benefit had been based on Mr.  
27 Bafford’s final average salary from his second period of Northrop employment, but should have  
28 been based on final average salary from his first period of Northrop employment.

1           54.     Thus, Mr. Bafford’s pension was recalculated based on information that had been  
2 in Northrop’s possession for nearly 20 years, including throughout the period when Alight issued  
3 at least a dozen statements showing that Mr. Bafford had earned a pension in excess of \$2,000 per  
4 month.

5           55.     In February 2017, three years after her retirement, Ms. Wilson received a Pension  
6 Plan Recalculation Notice on Northrop letterhead. Although Ms. Wilson had been told for  
7 numerous years that her benefits would be based on her earnings from her final three years of  
8 service at Northrop, and the Northrop Plan actually paid those benefits for three years, the  
9 Pension Plan Recalculation Notice states that there was a mistake in the benefit calculation. The  
10 notice states that Ms. Wilson’s pension benefits would be recalculated using her 1995-1997  
11 salary, the final average salary from her first period of Northrop employment. The recalculation  
12 decreased her retirement benefits dramatically to less than half the retirement benefits she had  
13 been promised and was receiving for three years.

14           56.     Thus, as with Mr. Bafford, Northrop and/or Alight recalculated Ms. Wilson’s  
15 Northrop Grumman Retirement Plan and Grumman Pension Plan benefits based on information  
16 that had been in Northrop’s possession for 20 years, including the entire time Alight issued  
17 statements showing she had earned pension benefits in excess of \$1,600 and the entire three years  
18 that the Northrop Plan actually paid her that amount.

19           57.     Northrop insisted that Ms. Wilson repay the alleged “overpayment” of over  
20 \$35,000, even though any mistake in the calculation was through no fault of Ms. Wilson, and  
21 stated that if Ms. Wilson did not repay the alleged overpayment in a lump sum, her already  
22 diminished pension would be reduced further until the Northrop Plan had collected the alleged  
23 overpayment.

24   **Plaintiffs’ Reliance**

25           58.     In issuing pension benefit statements and pension election paperwork, Alight  
26 intended to, and did, induce reliance on the part of Northrop Plan participants, including  
27 Plaintiffs. The sole purpose for requesting a pension benefit statement is to learn the amount of a  
28 participant’s pension benefit upon retirement.

1 59. Due to the complexity of the Northrop Plan terms and the required calculations,  
2 and the multiple plan documents involved, Northrop Plan participants had no way to verify the  
3 benefit amounts provided in pension benefit statements, pension election paperwork, and pension  
4 payments.

5 60. The Northrop Plan's summary plan description instructed participants that Alight's  
6 website would allow them to "track the amount of your accrued benefit." The summary plan  
7 description told participants that tracking their benefit amounts was "a key part of planning for a  
8 financially secure retirement" and could "help you make informed decisions about" retirement  
9 savings.

10 61. In deciding when to retire, and in making other financial decisions to plan for  
11 retirement, Plaintiffs relied on Alight's representations that Mr. Bafford's pension would be in  
12 excess of \$2,000 for Mr. Bafford and Ms. Wilson's would be in excess of \$1,700.

13 **Procedural History**

14 62. On June 15, 2018, Ms. Wilson filed a complaint for violations of ERISA in the  
15 United States District Court for the Central District of California.

16 63. On December 7, 2018, Mr. Bafford filed a complaint in the United States District  
17 Court for the Central District of California for violations of ERISA and, alternatively,  
18 professional negligence and negligent misrepresentation against Alight. The case was designated  
19 as *Bafford v. Northrop Grumman Corporation, et al.*, No. 2:18-cv-10219-ODW-E.

20 64. In March 2019, Ms. Wilson voluntarily dismissed her complaint without prejudice.

21 65. Also in March 2019, Mr. Bafford and Ms. Wilson jointly filed an amended  
22 complaint in the *Bafford* case, adding Ms. Wilson as a plaintiff and adding class allegations.

23 66. In January 2020, the district court dismissed the complaint, including dismissing  
24 the state-law claims against Alight as preempted by ERISA.

25 67. In April 2021, the United States Court of Appeals for the Ninth Circuit reversed  
26 the dismissal of the state-law claims against Alight and remanded the case to the Central District.

27 68. In March 2022, the district court issued an order to show cause regarding diversity  
28 jurisdiction over Plaintiffs' state-law claims against Alight.

1            69.     The Court gave Alight the option to file a response to the order to show cause, but  
2 Alight did not respond.

3            70.     On April 4, 2022, the district court determined that it lacked diversity jurisdiction  
4 over the claims against Alight, declined to exercise supplemental jurisdiction, and dismissed  
5 Plaintiffs' claims against Alight without prejudice.

6    **CLASS ACTION ALLEGATIONS**

7            71.     Plaintiffs bring this action as a class action under Cal. Code Civ. Proc. § 382.

8            72.     Plaintiffs assert their claims on behalf of a proposed Class defined as follows:<sup>1</sup>

9                                All Northrop Plan participants and beneficiaries whose final average pay benefits  
10                                were miscalculated due to participants accruing benefits, while working at Northrop, under  
11                                a plan previously sponsored by an acquired company, and whose final average pay benefits  
12                                were recalculated after June 1, 2016.

13            73.     This action is brought, and may properly be maintained, as a class action under  
14 Cal. Code Civ. Proc. § 382. There is a well-defined community of interest in the litigation and the  
15 Class members are ascertainable from Alight's and/or the Plan's records.

16            74.     Numerosity: The Class is so numerous that joinder of all Class members is  
17 impracticable. Plaintiffs estimate that there are hundreds of Class members. The Northrop Plan's  
18 publicly available IRS Form 5500 (Annual Return/Report of Employee Benefit Plan), for the Plan  
19 year ending December 31, 2015, states that there were more than 111,000 Northrop Plan  
20 participants during that year. Plaintiffs are informed and believe that hundreds of former Northrop  
21 employees were hired by TRW, many of whom subsequently returned to Northrop employment  
22 when Northrop acquired TRW. While the precise number of proposed class members has not been  
23 determined at this time, Plaintiffs are informed and believe that the substantial number of  
24 Northrop Plan participants and beneficiaries who have been similarly affected precludes joinder

25  
26  
27                                \_\_\_\_\_  
28                                <sup>1</sup> Plaintiffs reserve the right to propose other or additional classes or subclasses in their motion for  
                                      class certification or subsequent pleadings in this action.

1 of all affected participants and beneficiaries. Numerosity of the class will be ascertained and  
2 confirmed by discovery.

3 75. Typicality: Plaintiffs' claims are typical of other Class members' claims. Plaintiffs  
4 and all members of the proposed Class sustained the same or similar injuries arising out of and  
5 caused by Alight's common course of conduct in miscalculating and misrepresenting their  
6 Northrop Plan benefits. Alight's practices with regard to calculating pensions and providing  
7 pension benefit statements and pension election forms were uniform and standard with respect to  
8 the Class as a whole. Plaintiffs' claims are thereby representative of, and co-extensive with, the  
9 claims of the proposed Class members.

10 76. Adequacy: Plaintiffs will fairly and adequately protect the interests of the Class  
11 and have engaged counsel experienced in complex class action litigation.

12 77. Commonality: Common questions of law and fact exist as to all members of the  
13 Class and predominate over any questions solely affecting individual members of the Class,  
14 including but not limited to:

15 a. Whether Northrop Plan participants are intended third-party beneficiaries of  
16 Alight's contract to provide services in connection with the Northrop Plan;

17 b. Whether Alight made misrepresentations of fact when it told Plaintiffs in pension  
18 benefit statements and pension election forms that their pension amounts would be more  
19 than twice what the Plan terms allowed;

20 c. Whether Alight had reasonable grounds to believe that Plaintiffs and Class  
21 members had earned pensions in far greater amounts than the Plan terms allowed;

22 d. Whether Alight intended to induce Northrop Plan participants to rely on its  
23 overstatements of their pension amounts in planning for their retirements, when there is no  
24 conceivable purpose for a pension benefit statement other than retirement planning;

25 e. Whether Plaintiffs and Class members justifiably relied on Alight's  
26 misrepresentations; and  
27  
28

1 f. Whether Alight's conduct in reiterating the same pension calculation errors for  
2 several years and as to multiple Northrop Plan participants fell below the standard of care  
3 for a professional pension plan administrator.

4 78. Class certification is appropriate under Cal. Code Civ. Proc. § 382 and applicable  
5 law because, among other things, these and other common questions predominate over any  
6 questions affecting only individual members of the Class; it would be impracticable to bring all  
7 Class members before the Court individually; and a class action is superior to other available  
8 methods for the fair and efficient adjudication of this litigation and would benefit the Class.  
9 Members of the Class do not have an interest in pursuing separate actions against Alight, and  
10 Plaintiffs are unaware of any similar claims brought against Alight by any members of the Class  
11 on an individual basis. Class certification also will obviate the need for unduly duplicative  
12 litigation that might result in inconsistent judgments concerning Alight's practices. Moreover,  
13 management of this action as a class action will not present any likely difficulties. In the interests  
14 of justice and judicial efficiency, it would be desirable to concentrate the litigation of all Class  
15 members' claims in a single forum.

16 **CLAIMS FOR RELIEF**

17 **COUNT I: CLAIM FOR PROFESSIONAL NEGLIGENCE**

18 79. Plaintiffs incorporate Paragraphs 1 through 78 as though fully set forth herein.

19 80. A third-party administrator performing professional services owes a duty of care to  
20 the intended beneficiaries of the professional services rendered, including, without limitation, (1)  
21 the duty to have that degree of learning and skill ordinarily possessed by a reputable third-party  
22 administrator practicing in the same or similar locality under similar circumstances; (2) the duty  
23 to use the care and skill ordinarily exercised in like cases by reputable members of the profession  
24 practicing in the same or similar locality in similar circumstances; and (3) the duty to use  
25 reasonable diligence and his or her best judgment in the exercise of skill and the application of  
26 learning. A failure to perform any one of these duties constitutes negligence.

27 81. Alight owed this duty of care to Northrop Plan participants as intended third-party  
28 beneficiaries of its contract to perform services for the Northrop Plan. There is no purpose for

1 administration services provided to an employee benefit plan other than to benefit the employees.  
2 Moreover, Alight was paid for its services from the Northrop Plan's assets – that is, with money  
3 held in trust for the benefit of Northrop Plan participants. Alight failed to perform its duty when it  
4 provided Plaintiffs and other Northrop Plan participants with grossly inaccurate pension  
5 statements and pension election paperwork, and by related acts and omissions.

6 82. A third-party administrator that holds itself out as a specialist in a particular field,  
7 such as the calculation of benefits under a pension plan, has the duty (1) to have the knowledge  
8 and skill ordinarily possessed, and (2) to use the care and skill ordinarily used by a reputable  
9 specialist practicing in the same field and in the same or similar locality and under similar  
10 circumstances. A failure to fulfill either duty constitutes negligence.

11 83. Thus, a third-party administrator providing services to an employee benefit plan  
12 has a duty to exercise such care, skill, and diligence as other members of the profession  
13 commonly possess and exercise in the course of the provision of services to or for an employee  
14 pension benefit plan.

15 84. Alight held itself out, and continues to hold itself out, as a specialist in defined  
16 benefit plan administration. Alight failed to use the care and skill ordinarily used by a reputable  
17 specialist in defined benefit plan administration when it miscalculated Plaintiffs' and Class  
18 members' pensions and repeated the misinformation persistently for several years before and into  
19 Plaintiffs' retirements, and by related acts and omissions.

20 85. As a consequence of Alight's professional negligence, Plaintiffs and Class  
21 members have been injured in that they relied upon the inaccurate information in planning for  
22 their retirements, and have suffered losses as a result.

23 **COUNT II: CLAIM FOR NEGLIGENT MISREPRESENTATION**

24 86. Plaintiffs incorporate Paragraphs 1 through 78 as though fully set forth herein.

25 87. Alight misrepresented to Plaintiffs and the Class members the amount of their  
26 benefits under the Northrop Plan.

27  
28



1 88. Alight had no reasonable grounds for believing that its statements regarding the  
2 amount of Plaintiffs' and the Class members' benefits were true, because the Plan terms did not  
3 allow for pensions to be calculated as Alight calculated them.

4 89. Alight owed a duty of care to Northrop Plan participants, as intended third-party  
5 beneficiaries of its contract to perform services for the Northrop Plan, to exercise reasonable care  
6 in providing them with statements of pension benefits. There is no purpose for administration  
7 services provided to an employee benefit plan other than to benefit the employees. Moreover,  
8 Alight was paid for its services from the Northrop Plan's assets – that is, with money held in trust  
9 for the benefit of Northrop Plan participants. Alight failed to meet the duty of care when it  
10 provided Plaintiffs and other Northrop Plan participants with grossly inaccurate pension  
11 statements and pension election paperwork, and by related acts and omissions.

12 90. Alight intended that Plaintiffs and the Class members act in reliance on its  
13 statements of their pension benefit for purposes of financial planning, including because there is  
14 no purpose for a pension benefit statement other than to assess the value of the pension benefits.

15 91. Plaintiffs and the Class members justifiably relied on Alight's pension statements  
16 in planning for their retirement.

17 92. Plaintiffs and the Class members have been injured as a result of their justifiable  
18 reliance on the inaccurate information in planning for retirement, and have suffered losses as a  
19 result.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, Plaintiffs, on behalf of themselves and the Class, pray for relief as follows:

- 22 1. Determining that this action may proceed as a class action under Cal. Code Civ.  
23 Proc. § 382;
- 24 2. Designating Plaintiffs as Class Representatives and designating Plaintiffs' counsel  
25 as counsel for the Class;
- 26 3. Issuing proper notice to the Class at Alight's expense;
- 27 4. Declaring that Alight is liable to Plaintiffs and the Class for professional negligence  
28 based on the conduct described herein;

