

Bond Case Briefs

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Crossfirst Bank v. Vieste SPE LLC

United States District Court, D. Arizona - April 25, 2023 - Slip Copy - 2023 WL 3078656

Plaintiffs' purchased \$28,935,000 of industrial development bonds on April 17, 2013. Plaintiffs subsequently brought a complaint alleging aiding and abetting fraud, negligent misrepresentation, and common law fraud.

Plaintiffs sought class certification.

The District Court held that:

- The numerosity requirement is satisfied when the putative class consists of at least 40 members; and
- Plaintiffs, while alleging a class of at least 200 members, were unable to prove by a preponderance of the evidence that the putative class exceeded 7 members.

"Plaintiffs have not proven by a preponderance of the evidence that the putative class size exceeds 7 members, much less the speculation that the putative class exceeds 200 members. Because Plaintiffs have not established numerosity, the Court need not address the other Rule 23 requirements and will deny class certification."