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**United States District Court
Central District of California**

THREE POINT CAPITAL LLC,
Plaintiff,

v.

MARK HULME; DOES 1–10, inclusive,
Defendants.

Case № 2:14-cv-06133-ODW(SSx)-**

THREE POINT CAPITAL LLC,
Plaintiff,

v.

THE JOBS FILM, LCC; THE FIVE
STAR INSTITUTE, LLC; DOES 1–10,
inclusive,
Defendants.

Case № 2:14-cv-06137-ODW(SSx)

**ORDER TO SHOW CAUSE RE.
FAILURE TO JOIN NECESSARY
PARTIES**

On August 5, 2014, Plaintiff Three Point Capital, LLC filed suit against Defendants The Jobs Film, LLC and The Five Star Institute, LLC. Three Point Capital alleges that The Jobs Film and The Five Star Institute failed to repay a \$2,650,000 in funds that Three Point Capital had loaned them.

On the same day, Three Point Capital filed a separate action in the Central District of California against Mark Hulme. Three Point Capital alleges that Hulme

1 guaranteed the loan and is thereby also liable for the \$2,650,000 past-due amount.
2 The high-number action has since been reassigned before this Court.

3 Federal Rule of Civil Procedure 19(a) sets forth “necessary” parties, that is,
4 those parties who “must be joined” if they will not deprive the court of subject-matter
5 jurisdiction. A party is necessary if, among others, disposing of the action in that
6 party’s absence may “as a practical matter impair or impede the person’s ability to
7 protect the interest; or . . . leave an existing party subject to a substantial risk of
8 incurring double, multiple, or otherwise inconsistent obligations because of the
9 interest.” Fed. R. Civ. P. 19(a)(1)(B). If a necessary party has not been joined, the
10 court “must order that the person be made a party.” *Id.* (a)(2).

11 It is possible that there could be inconsistent findings on liability between the
12 two actions with respect to the \$2,650,000 loan, i.e., that could subject a defendant in
13 one action to “inconsistent obligations” vis-à-vis the other action. That would make
14 all defendants “necessary” parties in the other action. Moreover, so long as none of
15 the limited-liability companies have members that are California citizens, Three Point
16 Capital may properly join them in one action. Otherwise, the Court must determine
17 whether The Jobs Film and The Five Star Institute are indispensable parties.

18 The Court accordingly **ORDERS** Three Point Capital **TO SHOW CAUSE** in
19 writing by Friday, August 22, 2014, why it has not joined The Jobs Film and The Five
20 Star Institute in the *Hulme* action, which is the low-number case. No hearing will be
21 held; Plaintiff shall respond in writing. Alternatively, the Court **GRANTS** Three
22 Point Capital leave to amend its *Hulme* Complaint to name The Jobs Film and The
23 Five Star Institute as defendants in that action. Three Point Capital shall then
24 voluntarily dismiss the high-number action.

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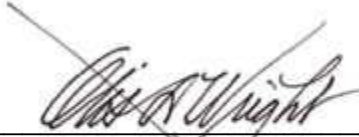
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1 The Court will discharge this Order upon the timely receipt of a written
2 response or amendment of the *Hulme* Complaint and dismissal of the high-number
3 action. Failure to timely respond will result in dismissal for lack of prosecution.

4 **IT IS SO ORDERED.**

5
6 August 11, 2014

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10 **OTIS D. WRIGHT, II**
11 **UNITED STATES DISTRICT JUDGE**
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