

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
CIVIL MINUTES—GENERAL

Case No. **CV 21-5287-DMG (SKx)** Date July 13, 2021

Title **General Star Indemnity Company et al v. JRK Property Holdings, Inc.** Page 1 of 2

Present: The Honorable **DOLLY M. GEE, UNITED STATES DISTRICT JUDGE**

KANE TIEN

Deputy Clerk

NOT REPORTED

Court Reporter

Attorneys Present for Plaintiff(s)
None Present

Attorneys Present for Defendant(s)
None Present

**Proceedings: IN CHAMBERS—ORDER TO SHOW CAUSE WHY THIS ACTION
SHOULD NOT BE DISMISSED FOR LACK OF SUBJECT MATTER
JURISDICTION**

Plaintiffs in this declaratory judgment action relating to an insurance coverage dispute consist of, *inter alia*, several Lloyd’s Underwriter Syndicates—namely, Syndicate Nos. 1967 WRB, 1861 ATL, AFB 2623, 1225 AES, 1886, 0382 HDU, and 1945 SII. For each Syndicate, Plaintiffs allege that they are organized and registered under the laws of the United Kingdom and have their principal place of business in the United Kingdom. Compl. ¶¶ 5, 6, 8, 10. Defendant JRK Property Holdings, Inc. is a California corporation with its principal place of business in California. *Id.* at ¶ 22.

Plaintiffs assert subject matter jurisdiction based on the existence of complete diversity, 28 U.S.C. § 1332, but the Complaint fails to adequately plead complete diversity between the parties, namely, that Plaintiffs are citizens of a different state than Defendant. *Diaz v. Davis*, 549 F.3d 1223, 1234 (9th Cir. 2008) (citing *Strawbridge v. Curtiss*, 7 U.S. (3 Cranch) 267, 267, 2 L. Ed. 435 (1806)). Other courts examining Lloyd’s unique structure have concluded that each member, or “Name,” of a larger group known as a “Syndicate”—such as Plaintiffs Syndicate No. 1967 WRB and Syndicate No. 1861 ATL—must be diverse from Defendant to satisfy diversity jurisdiction. *See Majestic Ins. Co. v. Allianz Int’l Ins. Co.*, 133 F. Supp. 2d 1218, 1223 (N.D. Cal. 2001); *see also PHL Variable Ins. Co. v. Cont’l Cas. Co.*, No. CV 19-06799-CRB, 2020 WL 1288454, at *3 (N.D. Cal. Mar. 18, 2020) (collecting cases). Plaintiffs plead the place the registration and principal place of business of each Syndicate, but not of each Syndicate’s members/Names.¹ Without more detailed allegations regarding the citizenship of each Syndicate’s Names, the Court cannot determine whether complete diversity exists.

¹ One Plaintiff is “Lloyd’s Underwriter Syndicate member ARGO (No. 604) Limited”—registered and headquartered in the United Kingdom—but the Complaint does not specify which other Plaintiff Syndicate this entity is a member of, if any.

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In light of the foregoing, Plaintiffs are **ORDERED TO SHOW CAUSE** in writing by no later than **July 27, 2021** why this action should not be dismissed for lack of subject matter jurisdiction.

IT IS SO ORDERED.