United States District Court

For the Northern District of California

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8   IN THE UNITED STATES DISTRICT COURT

9   FOR THE NORTHERN DISTRICT OF CALIFORNIA

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11   OCADIAN CARE CENTERS, LLC,   No. C-06-4684 MMC

12   Plaintiff,   **ORDER DIRECTING DEFENDANT TO
        v.   SHOW CAUSE WHY ACTION SHOULD
13   NOT BE REMANDED**
     CLARENDON NATIONAL INSURANCE
14   COMPANY,

15   Defendant
                                          /

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17   Before the Court is the Notice of Removal, filed August 1, 2006, by defendant

18   Clarendon National Insurance Company, by which defendant seeks to remove a complaint

19   filed in state court by plaintiff Ocadian Care Centers, LLC.

20   In the Notice of Removal, defendant alleges the instant complaint is removable on

21   the basis of diversity jurisdiction. In support of this assertion, defendant alleges the amount

22   in controversy exceeds $75,000, (see Notice of Removal ¶ 5), and that defendant is

23   incorporated in New Jersey, with a principal place of business in New York, (see id. ¶ 3).

24   With respect to the citizenship of plaintiff, defendant alleges that plaintiff is a "California

25   limited liability company [and] is an entity qualified to do business in the State of California."

26   (See id. ¶ 2.)

27   A limited liability corporation is a "citizen of every state in which its owners/members

28   are citizens." See Johnson v. Columbia Properties Anchorage, LP, 437 F. 3d 894, 899 (9th

1 Cir. 2006). Here, defendant fails to allege that every owner and every member of plaintiff is

2 a resident of a state other than New Jersey and New York. Consequently, defendants'

3 allegations with respect to the citizenship of plaintiff are insufficient to allege the existence

4 of diversity jurisdiction.

5   Accordingly, defendant is hereby ORDERED TO SHOW CAUSE, in writing and no

6 later than August 25, 2006, why the instant action should not be remanded for lack of

7 subject matter jurisdiction.

8   **IT IS SO ORDERED.**

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10 Dated: August 16, 2006

11 MAXINE M. CHESNEY
    United States District Judge

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