

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

ISMAEL PAGDILAO AND FELY)	Civil No. 13-00027 SOM / RLP
PAGDILAO,)	
)	ORDER TO SHOW CAUSE WHY CASE
Plaintiffs,)	SHOULD NOT BE DISMISSED FOR
)	LACK OF SUBJECT MATTER
vs.)	JURISDICTION
)	
BENEFICIAL FINANCIAL I INC.)	
et al.)	
Defendants.)	
_____)	

**ORDER TO SHOW CAUSE WHY CASE SHOULD NOT
BE DISMISSED FOR LACK OF SUBJECT MATTER JURISDICTION**

On March 18, 2013, Plaintiffs Ismael Pagdilao and Fely Pagdilao, by and through their attorney Stuart Ragan, filed their Complaint in this court. The gravamen of the Complaint is that Beneficial Financial, as the servicer of Plaintiffs' loan, force-placed insurance, in exchange for kickbacks or commissions, forcing Plaintiffs to have to pay excessively costly and unreasonable premiums. Plaintiffs allege that they were assessed \$12,827 in premiums over a four-year period, and that a comparable insurance policy would have cost them between only \$3400 and \$3696 over the four years.

Even assuming the accuracy of these figures, Plaintiffs' claim for compensatory damages totals, at most, to \$9427, which is more than \$65,000 below the amount in controversy required to trigger this court's subject matter jurisdiction

under 28 U.S.C. 1332. In calculating the amount in controversy, Plaintiffs must do more than make speculative assertions as to the likelihood of punitive damages. They may, for example, provide evidence of jury verdicts in cases involving analogous facts. See Surber v. Reliance Nat'l Indem. Co. 110 F. Supp. 2d 1227, 1232 (N.D. Cal. 2000).

Plaintiffs are hereby ordered to show cause as to how the amount in controversy exceeds the \$75,000 jurisdictional requirement. If no written response is filed with this court by 10:00 a.m. on Friday, September 13, 2013, the court will deem Plaintiffs to be agreeing that this case involves less than the jurisdictional requirement. In that event, the action will be dismissed for lack of subject matter jurisdiction.

IT IS SO ORDERED.

DATED: Honolulu, Hawaii, September 9, 2013.



/s/ Susan Oki Mollway
Susan Oki Mollway
Chief United States District Judge

Ismael Pagdilao, et al. v. Beneficial Financial I Inc.; Civil No. 13-00027 SOM/RLP; ORDER TO SHOW CAUSE WHY CASE SHOULD NOT BE DISMISSED FOR LACK OF SUBJECT MATTER JURISDICTION