

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF ILLINOIS

UNICARE LIFE & HEALTH INSURANCE COMPANY, Plaintiff, v. LONDON D. KOLLORE, AS EXECUTOR OF THE ESTATE OF LOWELL A. KOLLORE, LAMONT KOLLORE, SAMETHEL D. KOLLORE, PERRY J. BROWN FUNERAL HOME, LLC, PAUL LANE FUNERAL HOME, INC., AND C&J FINANCIAL, LLC, Defendants. No. 15-cv-0283-MJR-PMF

ORDER GRANTING JOINT MOTION FOR INTERPLEADER, DEPOSIT OF DISPUTED FUNDS, AND DISMISSAL OF UNICARE WITH PREJUDICE

In this case, Unicare Life & Health Insurance Company—an insurance company holding possession of a life insurance policy (“the Death Benefit”) for Lowell A. Kollore—has filed a complaint in interpleader. Plaintiff alleges that, upon the passing of Mr. Kollore, claims against the Death Benefit have been made by two of his children (Defendant London and Lamont Kollore), along with three private entities (Perry J. Brown Funeral Home, LLC; Paul Lane Funeral Home, Inc.; and C&J Financial, LLC). The case comes before the Court on two related matters: the Court’s jurisdiction, and a joint motion for interpleader / deposit of funds / dismissal.

Interpleader is an equitable procedure used when a stakeholder is in danger of exposure to double liability or the vexation of litigating conflicting claims. *Aaron v. Mahl*, 550 F.3d 659, 663 (7th Cir. 2008). Plaintiff has brought this case via statutory interpleader, 28 U.S.C. § 1335, which provides federal courts an independent basis for asserting subject-matter jurisdiction. *Id.* Two conditions must be met for jurisdiction via § 1335: the stakes must be deposited in the district court’s registry, and there must be “minimal diversity” among the claimants (*i.e.*, if any two claimants are citizens of different states (as defined by § 1332)). 28 U.S.C. § 1335(a); *State Farm Life Ins. Co. v. Jonas*, 775 F.3d 867, 869 (7th Cir. 2014).

As to depositing the funds in the Court’s registry, the undersigned has considered the Parties’ unopposed Motion for Interpleader, Deposit of Disputed Funds, and Dismissal of UniCare with Prejudice. That motion (**Doc. 23**) is **GRANTED**. UniCare shall deposit the Death Benefit into the Registry of the Court with any applicable interest within thirty (30) days of entry of this Order; and upon tendering the Death Benefit and any applicable interest as required by law to the Registry of the Court, UniCare is dismissed from this case with prejudice. At that point, UniCare, any plan administrator, and any plan sponsor (including Ford Motor Company) are discharged from any further claims, obligations, and/or liability under, arising from, or related to Lowell Kollore’s Policy or the Death Benefit.

As to minimal diversity: the Court is satisfied it exists here—Paul Lane Funeral Home is a New York citizen, London Kollore is an Illinois citizen—but offers a word of caution to the litigants. The citizenship of the LLC parties (Perry Brown Funeral Home and C&J Financial) is sloppily pled, since the Complaint only informs the Court they are limited liability corporations organized under the laws of diverse states (North Carolina and Alabama, respectively). But an LLC’s citizenship for diversity purposes depends on the citizenship of each of its members, and the Complaint is silent on that point. *Thomas v. Guardsmark, LLC*, 487 F.3d 531, 534 (7th Cir. 2007). In future cases, Plaintiff should take heed that jurisdictional allegations involving non-natural persons will put up “a jurisdictional warning flag” in federal district courts, and that LLC citizenship should be alleged in accordance with the proper standards. *Dexia Credit Local v. Rogan*, 629 F.3d 612, 620 (7th Cir. 2010).

In the end, the oversight makes no difference, since minimal diversity here is established by the citizenship of corporate and individual parties. Accordingly, the Court assigns this case a CJRA Track of B . Tracking order and assignment of final pretrial / trial dates to follow.

IT IS SO ORDERED.
DATE: August 13, 2015

s/ Michael J. Reagan _____
MICHAEL J. REAGAN
Chief Judge
U.S. District Court