

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF LOUISIANA

WHITNEY BANK

VERSUS

BASSAM NAFEL, ET AL

CIVIL ACTION

NO. 14-208-JJB-RLB

ORDER

The court *sua sponte* notes the potential insufficiency of the removing defendant's allegation of the citizenship of the parties as follows;

1. ___ A party invoking diversity jurisdiction must allege the *citizenship* rather than mere residence of an individual. In addition, see [28 U.S.C. §1332\(c\)\(2\)](#) for infants, minors and an incompetent. The *citizenship* of _____ is not provided.
2. ___ A party invoking diversity jurisdiction must allege both the state of incorporation and principal place of business of each corporate party. *See, e.g., Illinois Central Gulf Railroad Co. v. Pargas, Inc., 706 F.2d 633 (5th Cir. 1983).* The state of incorporation and principal place of business of _____ is not provided.¹
3. X A party invoking diversity jurisdiction must allege both the state of incorporation and principal place of business of each corporate party. *See, e.g., Illinois Central Gulf Railroad Co. v. Pargas, Inc., 706 F.2d 633 (5th Cir. 1983).* Even when a liability insurer takes on its insured's citizenship under [28 U.S.C. § 1332\(c\)\(1\)](#), its own citizenship still is considered in determining whether complete diversity exists. The principal place of business of Plaintiff **Whitney Bank** is not provided.²
4. ___ A party invoking diversity jurisdiction must properly allege the citizenship of a limited liability company. The citizenship of a limited liability company for diversity purposes is determined by the citizenship of **its members**. The citizenship of **all of the members** of a limited liability company must be properly alleged. In

¹The phrase "principal place of business" in §1332(c)(1) refers to the place where a corporation's high level officers direct, control, and coordinate the corporation's activities, *i.e.*, its "nerve center," which will typically be found at its corporate headquarters. [Hertz Corp. v. Friend, 130 S.Ct. 1181, 175 L.Ed.2d 1029 \(2010\)](#)

²See footnote 1.

the event a member of a limited liability company is another limited liability company, the members of that limited liability company must be properly alleged as well. See [Harvey v. Grey Wolf Drilling Co., 542 F.3d 1077, 1080 \(5th Cir. 2008\)](#). The complete citizenship of _____ is not provided.

5. _____ A party invoking diversity jurisdiction must properly allege the citizenship of a general partnership, a limited liability partnership, and a limited partnership. A general partnership, a limited liability partnership, and a limited partnership has the citizenship of each one of its partners. Both the general partner and limited partner must be alleged to establish citizenship of a limited partnership. See [International Paper Co. v. Denkmann Assoc., 116 F.3d 134, 137 \(5th Cir. 1997\)](#); [Carden v. Arkoma Associates, 494 U.S. 185 \(1990\)](#). The citizenship of _____ is not provided.
6. _____ A party invoking diversity jurisdiction must properly allege the citizenship of Underwriters at Lloyd's, London. The citizenship of Underwriters at Lloyd's, London has not been provided. See [Corfield v. Dallas Glen Hills LP, 355 F.3d 853 \(5th Cir. 2003\)](#).
7. _____ A party invoking diversity jurisdiction must properly allege the citizenship of a sole proprietorship. A business entity cannot be both a corporation and sole proprietorship; therefore the court seeks to clarify the identity of plaintiff/defendant. Case law suggests that the citizenship of a sole proprietorship for diversity purposes is determined by the citizenship of its members and/or owners. See [Linder Enterprises v. Martinringle, No. 07-1733, 2007 WL 3095382 \(N.D. Tex., Oct. 22, 2007\)](#). The citizenship of _____ is not provided.

Accordingly,

IT IS ORDERED, pursuant to [28 U.S.C. §1653](#), that, on or before **May 2, 2014**, the removing defendant shall file an amended notice of removal providing the citizenship of plaintiff **Whitney Bank**, by setting forth all citizenship particulars required to sustain federal diversity jurisdiction.

Signed in Baton Rouge, Louisiana, on April 11, 2014.



RICHARD L. BOURGEOIS, JR.
UNITED STATES MAGISTRATE JUDGE