

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
ALEXANDRIA DIVISION

b

JACOB WILLIAMS

CIVIL ACTION NO. 16-CV-01049

VERSUS

CHIEF JUDGE DRELL

STATE NATIONAL INSURANCE
CO., *et al.*

MAGISTRATE JUDGE PEREZ-MONTES

JURISDICTIONAL REVIEW FINDINGS

Before the Court is a Complaint removed from a Louisiana state court by Defendants Timothy L. Herrington, Southern Tire Mart, L.L.C., and State National Insurance Company. Defendants premise federal jurisdiction on diversity of citizenship. Defendants were ordered to supplement their pleadings to show diversity of citizenship (Docs. 22, 29).

Plaintiff Jacob Williams is a citizen of Louisiana.

Defendant Timothy Herrington is a resident of Mississippi.

Defendant State National Insurance Company was incorporated in Texas and has its principal place of business in Texas.

Defendant Robison Tire Company was incorporated in Mississippi and has its principal place of business in Mississippi. Robison was dismissed as a defendant after the case was removed (Doc. 16).

Defendants contend that Defendant Southern Tire Mart, L.L.C. is a limited liability company owned by two trusts: the Thomas Milton Duff Individual Trust and

the James Ernest Duff Individual Trust (Doc. 25). Traditionally, a trust is not considered a distinct legal entity, but a “fiduciary relationship” between multiple people. See Americold Realty Trust v. Conagra Foods, Inc., 136 S. Ct. 1012, 1016 (2016). A trust exists where a settlor transfers title of property to a trustee to hold in trust for the benefit of beneficiaries. See Hometown 2006-1 1925 Valley View, L.L.C. v. Prime Income Asset Mgmt., L.L.C., 847 F.3d 302, 307 (5th Cir.2017) (citing Americold, 136 S. Ct. at 1016).

Defendants contend that both trusts are traditional trusts, but the Certifications and Agreements for the trusts show there is no stated beneficiary for either trust. James Ernest Duff is both the Settlor and Trustee of the James Earnest Duff Individual Trust (Doc. 30-4), and Thomas Milton Duff is both the Settlor and Trustee of the Thomas Milton Duff Individual Trust (Doc. 30-5). Both trusts were organized for the operation and control of various business and property interests (Docs. 30-4, 30-5). Neither the Thomas Milton Duff Individual Trust or the James Ernest Duff Individual Trust involve “multiple people.”

Both trusts are unincorporated business entities rather than traditional trusts. The member/owner of the James Ernest Duff Individual Trust is James Earnest Duff, a citizen of Mississippi. The member/owner of the Thomas Milton Duff Individual Trust is Thomas Milton Duff, a citizen of Mississippi.

Accordingly, diversity jurisdiction is established. No further action is necessary at this time.

THUS DONE AND SIGNED in chambers in Alexandria, Louisiana, this 14th
day of June, 2017.

A handwritten signature in black ink, appearing to read 'J.H.L. Perez-Montes', written over a horizontal line.

Joseph H.L. Perez-Montes
United States Magistrate Judge