

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Knight Consulting Group, LLC, et al. v. Sean Arora, et al.

Knight Consulting Group · No. 25-cv-07672-NC · Decided September 10, 2025

SUMMARY

The United States District Court for the Northern District of California ordered defendant Sean Arora to show cause why the case should not be remanded to state court for lack of subject matter jurisdiction. The court concluded that Arora had not adequately established complete diversity because he did not provide the citizenship of the members of plaintiff Knight Consulting Group, LLC, although the amount-in-controversy requirement appeared satisfied.

OPINION

1 2 3 4 5 6 7 UNITED STATES DISTRICT COURT 8 NORTHERN DISTRICT OF
CALIFORNIA 9 10 KNIGHT CONSULTING GROUP, LLC, et Case No. 25-cv-07672-NC 11 al.,
ORDER TO SHOW CAUSE 12 Plaintiffs, WHY CASE SHOULD NOT BE REMANDED TO
STATE 13 v. COURT FOR LACK OF SUBJECT MATTER 14 SEAN ARORA, et al.,
JURISDICTION 15 Defendants. Re: ECF 1 16 17 Defendant Sean Arora, M.D. removed this case
to this Court from Santa Clara 18 County Superior Court on September 9, 2025.

This Order requires Arora to “show cause” 19 by filing a written response by September 24, 2025,
explaining why this case should not be 20 remanded back to state court for lack of subject matter
jurisdiction. 21 Federal courts are courts of limited jurisdiction. *Kokkonen v. Guardian Life Ins.*
22 Co. of Am., 511 U.S. 375, 377 (1994). District courts have subject matter jurisdiction 23
through federal question or diversity jurisdiction.

28 U.S.C. §§ 1331, 1332. Diversity 24 jurisdiction requires complete diversity of citizenship and
an amount in controversy greater 25 than \$75,000. 28 U.S.C. § 1332(a). 26 Arora claims that there
is diversity of citizenship because he is a resident of 27 Washington, co-Defendant Smarter Swipe,
Inc. is incorporated/organized under the laws 1 || Technologies, Inc. are organized under the laws
of California.

ECF 1 4 8-9, 11, 13. But 2 || “for the purposes of diversity...an LLC is a citizen of every state of
which its 3 owners/members are citizens.” *Johnson v. Columbia Props. Anchorage, LP*, 437 F.3d
894, 4 || 899 (9th Cir. 2006). Without information on the citizenship of Knight Consulting
Group’s 5 || owners/members, this Court cannot assess whether complete diversity exists.

6 The Court finds that Arora provided sufficient information to establish that the 7 || amount in
controversy threshold is satisfied. ECF 1 4 24. 8 In conclusion, Arora has not established that
federal subject matter jurisdiction is 9 || satisfied because he provides the incorrect test for
citizenship of an LLC and does not 10 || provide sufficient facts.

Accordingly, Arora must show cause in writing by September 24, 11 |} 2025, why this case should
not be remanded back to state court for lack of subject matter 12 || jurisdiction. Plaintiffs may
respond by October 1, 2025. 13 IT IS SO ORDERED. 14 15 |) Dated: September 10, 2025
NATHANAEL M. COUSINS A 16 United States Magistrate Judge 17 19 20 21 22 23 24 25 26 27
28