UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF MISSISSIPPI, SOUTHERN DIVISION

Rhonda McNutt, individually, and on behalf of all others similarly situated v. First Federal Savings & Loan Association

McNutt · No. 1:26-cv-19-HSO-RPM · Decided February 9, 2026

SUMMARY

The United States District Court for the Southern District of Mississippi dismissed Rhonda McNutt's amended putative class-action complaint without prejudice for failure to properly plead subject-matter jurisdiction under the Class Action Fairness Act. The court held that the complaint alleged residence rather than citizenship for potential class members and failed to identify Defendant's legal entity type, preventing determination of the parties' citizenship.

CASE DETAILS

COURT	United States District Court for the Southern District of Mississippi, Southern Division
WRITING FOR THE COURT	Halil Suleyman Ozerden
JURISDICTION	United States District Court for the Southern District of Mississippi, Southern Division
DECIDED	February 9, 2026
DOCKET	1:26-cv-19-HSO-RPM
DISPOSITION	dismissed
PROCEDURAL POSTURE	On sua sponte review of subject-matter jurisdiction, the court dismissed the plaintiff's amended putative class-action complaint without prejudice for failure to adequately plead diversity jurisdiction under the Class Action Fairness Act.
STANDARD OF REVIEW	The court independently reviewed whether subject-matter jurisdiction existed and evaluated the sufficiency of the jurisdictional allegations in the pleadings.
PRECEDENTIAL VALUE	Unknown
PARTIES	Rhonda McNutt, individually, and on behalf of all others similarly situated v. First Federal Savings & Loan Association

TOPICS

subject matter jurisdiction | class actions | pleadings | civil procedure

PRACTICE AREAS

civil procedure | class action jurisdiction

QUESTIONS PRESENTED

1. Whether the amended complaint adequately alleged the citizenship of at least one putative class member different from the defendant for purposes of CAFA minimal diversity.
2. Whether the amended complaint adequately alleged the defendant's citizenship when it did not identify the defendant's legal entity type.
3. Whether dismissal without prejudice was warranted for failure to plead subject-matter jurisdiction.

HOLDINGS

1. Allegations that potential class members reside outside Mississippi do not adequately allege their citizenship because citizenship depends on domicile, not residence alone.
2. A pleading that describes a defendant only as a for-profit enterprise and identifies its location does not adequately allege the defendant's citizenship when the defendant's legal form is unspecified.
3. The amended complaint must be dismissed without prejudice because the plaintiff failed, after an earlier opportunity to amend, to adequately allege diversity of citizenship and therefore failed to establish subject-matter jurisdiction.

KEY QUOTATIONS

> *"Because federal courts have limited jurisdiction, parties must make 'clear, distinct, and precise affirmative jurisdictional allegations' in their pleadings."*

> *"In other words, Plaintiff's allegations might suffice to establish the residency of potentially diverse class members, but they do not establish the citizenship of even one."*

> *"Simply put, even if the Amended Complaint [5] properly alleged the citizenship of an unidentified potential class member, the Amended Complaint [5] still would not pass minimal diversity muster because it does not know what type of entity Defendant is."*

FACTUAL BACKGROUND

The plaintiff alleged that personally identifiable information had been exposed in a data breach and sought to represent a putative class. She alleged that the class contained more than 100 members, that the amount in controversy exceeded $5 million, and that class members resided in several states outside Mississippi. She identified the defendant only as a for-profit enterprise headquartered in or having its principal place of business in Mississippi, without specifying the defendant's legal form.

PROCEDURAL HISTORY

McNutt filed a class action complaint invoking jurisdiction under 28 U.S.C. § 1332(d). After reviewing the original complaint and jurisdiction sua sponte, the court ordered her to amend to properly allege subject-matter jurisdiction. She filed an amended complaint, but the court found that it repeated the jurisdictional deficiencies and dismissed it without prejudice.

DISPOSITION

dismissed

CASES CITED

- Arbaugh v. Y & H Corp., 546 U.S. 500, 514 (2006)
- MidCap Media Fin., L.L.C. v. Pathway Data, Inc., 929 F.3d 310, 313-14 (5th Cir. 2019)
- Getty Oil Corp. v. Ins. Co. of N. Am., 841 F.2d 1254, 1259 (5th Cir. 1988)
- Preston v. Tenet Healthsystem Mem'l Med. Ctr., Inc., 485 F.3d 793, 798 (5th Cir. 2007)
- Robertson v. Cease, 97 U.S. 646, 648 (1878)
- Hollinger v. Home State Mut. Ins. Co., 654 F.3d 564, 569 (5th Cir. 2011)
- Madison v. ADT, L.L.C., 11 F.4th 325, 327 (5th Cir. 2021)
- Illinois Cent. Gulf R. Co. v. Pargas, Inc., 706 F.2d 633, 636 (5th Cir. 1983)
- Wachovia Bank v. Schmidt, 546 U.S. 303, 306-07 (2006)

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