

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Berkley National Insurance Company v. Lawrence Gabriel Nora

Berkley National Insurance · No. 2:25-cv-02155-FLA (SSCx) · Decided May 22, 2025

SUMMARY

The United States District Court for the Central District of California ordered the parties to show cause why the action should not be dismissed for lack of subject matter jurisdiction. The court questioned whether the complaint adequately established that the amount in controversy exceeded \$75,000 and directed the parties to respond in writing within fourteen days.

CASE DETAILS

COURT	United States District Court for the Central District of California
JURISDICTION	United States District Court for the Central District of California
DECIDED	May 22, 2025
DOCKET	2:25-cv-02155-FLA (SSCx)
DISPOSITION	other
PROCEDURAL POSTURE	The district court sua sponte reviewed the complaint for subject-matter jurisdiction and issued an order requiring the parties to show cause why the action should not be dismissed for lack of jurisdiction.
STANDARD OF REVIEW	The court independently examines subject-matter jurisdiction sua sponte. When jurisdictional allegations concerning the amount in controversy are contested or questioned, the party asserting federal jurisdiction must prove the amount in controversy by a preponderance of the evidence.
PRECEDENTIAL VALUE	District court order to show cause; precedential status is unknown and the order does not finally adjudicate the action.
PARTIES	Berkley National Insurance Company v. Lawrence Gabriel Nora, et al.

TOPICS

- subject matter jurisdiction
- civil procedure
- declaratory relief insurance
- insurance

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the Complaint adequately established federal subject-matter jurisdiction under the diversity-jurisdiction statute by plausibly alleging and, if necessary, proving that the amount in controversy exceeded \$75,000.
2. What response is required when the court questions the sufficiency of a plaintiff's jurisdictional allegations before proceeding to the merits.

HOLDINGS

1. A federal court must examine its subject-matter jurisdiction sua sponte before proceeding to the merits, and it must dismiss the action if it determines at any time that subject-matter jurisdiction is lacking.
2. A complaint invoking diversity jurisdiction must plausibly allege that the amount in controversy exceeds \$75,000, and when the court questions that allegation, the party asserting jurisdiction must establish the amount in controversy by a preponderance of the evidence.

KEY QUOTATIONS

“Federal courts have jurisdiction where an action arises under federal law or where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the amount in controversy exceeds \$75,000, exclusive of interest and costs.” (1)

“The parties should consider this Order to be a two-pronged inquiry into the facial and factual sufficiency of Plaintiff’s demonstration of jurisdiction.” (2)

FACTUAL BACKGROUND

Berkley National Insurance Company filed an action in federal court against Lawrence Gabriel Nora and other defendants. The Complaint apparently invoked diversity jurisdiction, but the court found that it did not allege sufficient facts to establish that the amount in controversy exceeded \$75,000. The court therefore requested additional evidence or judicially noticeable facts addressing the jurisdictional basis for the action.

PROCEDURAL HISTORY

Berkley National Insurance Company filed a federal action invoking diversity jurisdiction under 28 U.S.C. § 1332(a). After reviewing the Complaint, the court determined that it could not conclude that the amount in controversy exceeded \$75,000 and ordered the parties to submit written responses, evidence, or judicially noticeable facts within fourteen days. The order warned that failure by the plaintiff to respond timely and adequately would result in dismissal without further notice.

DISPOSITION

other

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006)
- Ruhrgas AG v. Marathon Oil Co., 526 U.S. 574, 583 (1999)
- Dart v. Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 88-89 (2014)
- Verb Tech. Co. v. Baker & Hostetler LLP, Case No. 2:21-cv-06500-ODW (MAAx), 2021 WL 4125207, at *1 (C.D. Cal. Sept. 9, 2021)
- Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir. 2014)

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