

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
TEXAS, HOUSTON DIVISION

T & T Salvage Asia PTE LTD v. CoHold B.V. and Mariflex Group
B.V., et al.

T & T Salvage · No. 4:25-CV-03591 · Decided January 20, 2026

SUMMARY

The court recommends granting Plaintiff’s motion to remand because Defendants failed to establish complete diversity of citizenship. The memorandum and recommendation concludes that T & T Salvage Asia Pte. Ltd. is a foreign citizen and that diversity jurisdiction is unavailable where foreign entities appear on both sides of the litigation. The court therefore does not reach Defendants’ motion to dismiss.

CASE DETAILS

COURT	United States District Court for the Southern District of Texas, Houston Division
WRITING FOR THE COURT	United States Magistrate Judge
JURISDICTION	United States District Court for the Southern District of Texas, Houston Division
DECIDED	January 20, 2026
DOCKET	4:25-CV-03591
DISPOSITION	other
PROCEDURAL POSTURE	Defendants removed Plaintiff's Texas state-court breach-of-contract action based on diversity jurisdiction. Plaintiff moved to remand for lack of subject-matter jurisdiction, and Defendants moved to dismiss for lack of personal jurisdiction. The magistrate judge recommends granting the motion to remand and does not reach the motion to dismiss.
STANDARD OF REVIEW	The removing party bears the burden of establishing federal subject-matter jurisdiction, and doubts concerning removal jurisdiction are resolved in favor of remand.
PRECEDENTIAL VALUE	Unknown; memorandum and recommendation from a federal district court magistrate judge, with no reporter citation.

TOPICS

subject matter jurisdiction

civil procedure

breach of contract

commercial litigation

PRACTICE AREAS

civil procedure

subject matter jurisdiction

commercial litigation

breach of contract

QUESTIONS PRESENTED

1. Whether the federal court had diversity subject-matter jurisdiction over an action involving a Singapore private company and defendants organized in the Netherlands.
2. Whether Defendants established complete diversity at the time of removal.
3. Whether the court should decide the motion to remand before the motion to dismiss for lack of personal jurisdiction.

HOLDINGS

1. The court may address the motion to remand before the motion to dismiss because the remand issue was the less burdensome threshold issue and Defendants did not show that deciding personal jurisdiction first was warranted.
2. Defendants failed to establish complete diversity, and the action should be remanded for lack of subject-matter jurisdiction.

KEY QUOTATIONS

“Defendants have failed to meet their burden to establish complete diversity of citizenship between the parties.” (Section IV)

“At best, they have raised the specter of possible diversity. However, the court resolves all doubts about federal jurisdiction in favor of remand.” (Section IV)

FACTUAL BACKGROUND

Plaintiff T & T Salvage Asia Pte. Ltd., a Singapore private company, purchased CoHold's interests in Mariflex Asia under a 2014 Purchase and Sale Agreement containing a ten-year noncompetition provision. After an earlier state-court dispute, the parties entered a settlement that amended the noncompetition obligations and resulted in an agreed judgment and permanent injunction. Plaintiff later alleged that CoHold and related Netherlands entities continued competing with Plaintiff's successor in Asia, prompting the Harris County action.

PROCEDURAL HISTORY

Plaintiff originally filed suit in Harris County, Texas, alleging that CoHold and related Netherlands entities breached a noncompetition provision in a purchase and sale agreement. Defendants removed the action to the Southern District of Texas on diversity grounds. After removal, Plaintiff moved to remand, while Defendants moved to dismiss and sought jurisdictional discovery concerning Plaintiff's citizenship. The magistrate judge

concluded that Defendants failed to establish complete diversity and recommended remand; the parties were given fourteen days to object under 28 U.S.C. § 636(b)(1)(C).

DISPOSITION

other

REMAND INSTRUCTIONS

The magistrate judge recommends that Plaintiff's opposed motion to remand be granted for lack of subject-matter jurisdiction. The parties were allowed fourteen days to file written objections under 28 U.S.C. § 636(b)(1)(C).

CASES CITED

- Sinochem International Co. v. Malaysia International Shipping Corp., 549 U.S. 422, 430-32 (2007)
- Environmental Conservation Organization v. City of Dallas, 529 F.3d 519, 525 (5th Cir. 2008)
- Sangha v. Navig8 ShipManagement Private Ltd., 882 F.3d 96, 100 (5th Cir. 2018)
- Howery v. Allstate Insurance Co., 243 F.3d 912, 916 (5th Cir. 2001)
- Bynane v. Bank of New York Mellon for CWMBS, Inc. Asset-Backed Certificates Series 2006-24, 866 F.3d 351, 355-56 (5th Cir. 2017)
- Hil-Tech, LLC v. Shree Mahalaxmi Industries, No. 4:22-CV-02310, 2023 WL 4602738, at *3 (S.D. Tex. July 3, 2023)
- Harvey v. Grey Wolf Drilling Co., 542 F.3d 1077, 1080 (5th Cir. 2008)
- MidCap Media Finance, L.L.C. v. Pathway Data, Inc., 929 F.3d 310, 314 (5th Cir. 2019)
- Settlement Funding, L.L.C. v. Rapid Settlements, Ltd., 851 F.3d 530, 536 (5th Cir. 2017)
- In re Deepwater Horizon, 745 F.3d 157, 162 (5th Cir. 2014)
- Manguno v. Prudential Property & Casualty Insurance Co., 276 F.3d 720, 723 (5th Cir. 2002)
- Acuna v. Brown & Root Inc., 200 F.3d 335, 339 (5th Cir. 2000)
- Avialae S. de R.L. de C.V. v. Cummins, Inc., No. 23-50376, 2024 WL 1461947, at *1 n.1 (5th Cir. Apr. 4, 2024)
- Stiftung v. Plains Marketing, L.P., 603 F.3d 295, 298-99 (5th Cir. 2010)
- Prytania Media LLC v. NetEase, Inc., No. CV 25-0464, 2025 WL 2624357, at *4 (E.D. La. Sept. 11, 2025)
- Douglass v. United Services Automobile Association, 79 F.3d 1415, 1428-29 (5th Cir. 1996) (en banc)

OPINION

T & T Salvage Asia PTE LTD v. CoHold B.V. and Mariflex Group B.V., et al.

PER CURIAM.

UNITED STATES DISTRICT COURT January 20, 2026 SOUTHERN DISTRICT OF TEXAS

Nathan Ochsner, Clerk

HOUSTON DIVISION

T & T SALVAGE ASIA PTE LTD, §
Plaintiff, § §
v. § CIVIL ACTION NO. 4:25-CV-03591
§
COHOLD B.V. AND MARIFLEX §
GROUP B.V., ET AL., §
Defendants. §

MEMORANDUM AND RECOMMENDATION

This case in which Plaintiff asserts that Defendants breached the non-competition provision in a purchase and sale agreement is before the Court on Defendants' 12(b) Motion to Dismiss Plaintiff's First Amended Complaint (ECF 4) and Plaintiff's Opposed Motion to Remand (ECF 15). The Court recommends the Motion to Remand for lack of subject matter jurisdiction be granted and thus does not address the Motion to Dismiss.¹

I. Factual and Procedural Background

As of January 1, 2014, Defendant CoHold B.V. (CoHold) owned 100% of a company called Mariflex Asia Pte, Ltd. (Mariflex Asia). ECF 1-1 at 141. On May 27, 2014, Cohold and Plaintiff T &T executed a Purchase and Sale Agreement (PSA) 1 The District Judge referred this case to the undersigned Magistrate Judge pursuant to 28 U.S.C. § 636(b)(1)(A) and (B), the Cost and Delay Reduction Plan under the Civil Justice Reform Act, and Federal Rule of Civil Procedure 72. ECF 19. pursuant to which T&T bought all of CoHold's interests in Mariflex Asia, including good will and intellectual property, effective January 1, 2014. Id. The PSA includes a Non-Competition Clause prohibiting CoHold from competing with Mariflex Asia (designated the "Company" in the PSA) for 10-years. Id. The PSA also provides that CoHold "shall cause each of its Affiliates . . . not to . . . engage in any business that competes with the Company in the field of the Business, for their own account or for any other Person, throughout Asia" Id. After the purchase, Mariflex Asia changed its name to Pro Liquid Pte Ltd. (Pro Liquid). Id. at 145. Plaintiff discovered in 2016 that CoHold and/or its affiliates were breaching the PSA by competing with Pro Liquid in Asia. Id. at 146-47. Plaintiff filed suit against CoHold in state court in Galveston County, Texas. Id. Plaintiff and CoHold negotiated a settlement of the Galveston case which included the following amendment to the non-competition clause of the PSA: 4.10 Non-Competition. (a) Seller shall not and shall cause each of its Affiliates not to (a) conduct any business in Asia with the exception of nonemergency STS in Malaysia until January 1, 2024. (After January 1, 2024, Seller and its Affiliates can conduct sales of equipment in Asia.) and (b) not to conduct any other additional business in Asia, with the exception of nonemergency STS in Malaysia and sales, until January 1, 2026; Id. at 148(emphasis in original). The settlement agreement resulted in an Agreed Judgment and Agreed Permanent Injunction which was entered by the Galveston court on September 20, 2018. Id. at 149. Beginning in 2021, CoHold reorganized its business by creating a holding company, Mariflex Group B.V., to serve as the sole shareholder of: Mariflex Netherlands Group; Mariflex Pump Services; Mariflex Engineering; Mariflex Equipment; and Mariflex Transfer

Services (collectively the “Netherlands Mariflex Group”). Id. In 2022, CoHold sold the Netherlands Mariflex Group and its U.S. Mariflex Group to Vivar Maritime Services B.V. Id. at 149-50. In 2024, Plaintiff discovered that members of the Netherlands Mariflex Group were competing against Pro Liquid in Asia. Id. at 150. As a result, Plaintiff filed an Original Petition in state court in Harris County, Texas on April 2, 2025, asserting breach of contract and seeking damages and equitable relief from Cohold B.V. (CoHold) and Mariflex Group B.V., Mariflex Engineering B.V., Mariflex Equipment B.V., Mariflex Group Netherlands B.V., Mariflex Pump Services B.V., and Mariflex Transfer Services, B.V. (collectively “Mariflex Defendants”). ECF 1-1 at 4. Plaintiff alleges in the First Amended Petition that: • Plaintiff, T & T Salvage Asia Pte Ltd. (T & T) is organized under the laws of Singapore with its principal place of business in Singapore; • Defendant CoHold is organized under the laws of The Netherlands with its principal place of business in The Netherlands; • All Mariflex Defendants are organized under the laws of The Netherlands with their principal places of business in The Netherlands. ECF 1-1 at 138-140. Defendants timely removed the action to federal court based on diversity subject matter jurisdiction. ECF 1. In Response to Plaintiff’s Motion to Remand, Defendants argue that Plaintiff might be a citizen of Texas for diversity purposes and seek leave to conduct jurisdictional discovery. ECF 12. II. Order of Consideration Defendants argue that the Court should consider, and grant, its Motion to Dismiss based on lack of personal jurisdiction before considering Plaintiff’s Motion to Remand. ECF 19 at 2. In general, “a federal court . . . may not rule on the merits of a case without first determining that it has jurisdiction over the category of claim in suit (subject-matter jurisdiction) and the parties (personal jurisdiction).” *Sinochem Int’l Co. v. Malaysia Int’l Shipping Corp.*, 549 U.S. 422, 430–31 (2007) (emphasis added). However, a district court “may dispose of an action by a forum non conveniens dismissal, bypassing questions of subject-matter and personal jurisdiction, when considerations of convenience, fairness, and judicial economy so warrant.” Id. at 432. The Fifth Circuit recognizes that district courts may choose the least burdensome of multiple threshold grounds for dismissal. *Env’t Conservation Org. v. City of Dallas*, 529 F.3d 519, 525 (5th Cir. 2008) (citing *Sinochem*, 549 U.S. at 432); *Sangha v. Navig8 ShipManagement Priv. Ltd.*, 882 F.3d 96, 100 (5th Cir. 2018) (finding district court did not abuse its discretion by deciding personal jurisdiction and forum non conveniens before subject matter jurisdiction). Defendants argue Plaintiff’s Motion to Remand is more complicated and burdensome than Defendants’ Motion to Dismiss because it requires complex and novel interpretation of the law of Singapore. See ECF 19. The Court is not persuaded and therefore first addresses Plaintiff’s Motion to Remand, which calls into question this Court’s subject matter jurisdiction. III. Legal Standards Federal jurisdiction is limited. *Howery v. Allstate Ins. Co.*, 243 F.3d 912, 916 (5th Cir. 2001) (citations omitted). A defendant may remove a civil action from state court only if the federal court would have original jurisdiction if the action had been filed in federal court. 28 U.S.C. § 1441(a). A civil case may be removed to federal court based on diversity subject matter jurisdiction where (1) the amount in controversy exceeds \$75,000, and (2) the

controversy is between citizens of different states, meaning the citizenship of all persons on one side of the controversy differs from that of all persons on the other side. 28 U.S.C. § 1332(a)(1); *Bynane v. Bank of N.Y. Mellon for CWMBS, Inc. Asset-Backed Certificates Series 2006-24*, 866 F.3d 351, 355-56 (5th Cir. 2017) (citations omitted). Under 28 U.S.C. § 1332(a)(3), federal courts have diversity jurisdiction over cases between “citizens of different States ... in which citizens or subjects of a foreign state are additional parties” Under this provision, “federal courts do not have diversity jurisdiction over cases where there are foreign entities on both sides of the action, without the presence of citizens of a state on both sides.” *Hil-Tech, LLC v. Shree Mahalaxmi Indus.*, No. 4:22-CV-02310, 2023 WL 4602738, at *3 (S.D. Tex. July 3, 2023) (citations omitted), report and recommendation adopted, No. 4:22-CV-02310, 2023 WL 4602691 (S.D. Tex. July 18, 2023). A corporation is “a citizen of every State and foreign state by which it has been incorporated and of the State or foreign state where it has its principal place of business.” 28 U.S.C. § 1332(c)(1). In contrast, “the citizenship of a[n] LLC is determined by the citizenship of all of its members.” *Harvey v. Grey Wolf Drilling Co.*, 542 F.3d 1077, 1080 (5th Cir. 2008). To establish diversity jurisdiction where one party is an LLC, the party asserting jurisdiction “must specifically allege the citizenship of every member of every LLC.” *MidCap Media Fin., L.L.C. v. Pathway Data, Inc.*, 929 F.3d 310, 314 (5th Cir. 2019) (citing *Settlement Funding, L.L.C. v. Rapid Settlements, Ltd.*, 851 F.3d 530, 536 (5th Cir. 2017)). When a case is removed based on diversity jurisdiction, “operative facts and pleadings are evaluated at the time of removal.” *In re Deepwater Horizon*, 745 F.3d 157, 162 (5th Cir. 2014). The removing party bears the burden of establishing the existence of federal jurisdiction. See *Manguno v. Prudential Prop. & Cas. Ins. Co.*, 276 F.3d 720, 723 (5th Cir. 2002) (citations omitted). “[D]oubts regarding whether removal jurisdiction is proper should be resolved against federal jurisdiction.” *Acuna v. Brown & Root Inc.*, 200 F.3d 335, 339 (5th Cir. 2000); *Manguno*, 276 F.3d at 723.

IV. Analysis

In the Notice of Removal, Defendants affirmatively assert that Plaintiff is a citizen of Singapore for diversity purposes and all Defendants are citizens of The Netherlands. ECF 1. Defendants apparently believed at the time of removal that complete diversity exists under 28 U.S.C. § 1332 when foreign entities are on both sides of the litigation. Recognizing their error, Defendants now contend that determining Plaintiff’s citizenship is a matter of complex foreign law and that Plaintiff should be considered a citizen of Texas because it is owned by members of the Teichman family of Galveston, Texas. ECF 19. Defendants have failed to meet their burden to establish complete diversity of citizenship between the parties. At best, they have raised the specter of possible diversity. However, the court resolves all doubts about federal jurisdiction in favor of remand. Plaintiff is a Pte Ltd. organized under the laws of Singapore with its principal place of business in Singapore. ECF 1-4 at 138. A “Pte Ltd.” is a type of private company in Singapore, authorized by Chapter 18 of The Companies Act of 1967,² owned by a limited number of shareholders. Plaintiff is not a Limited Liability Company (LLC). Defendants concede they “have been unable to locate a single case” holding that the citizenship of a Pte. Ltd. is based on the citizenship of its shareholders. See ECF 19 at 10. The

Fifth Circuit has held, even as to foreign LLCs, that citizenship is determined based on the entities status as a “juridical person” pursuant to the law under which it was created. *Avialae S De RL DE CV v. Cummins, Inc.*, No. 23- 50376, 2024 WL 1461947, at *1 n.1 (5th Cir. Apr. 4, 2024) (citing *Stiftung v. Plains Mktg., LP*, 603 F.3d 295, 298–99 (5th Cir. 2010)). A “juridical person” is a legally separate entity that that “can own property, make contracts, transact business, and litigate in its own name.” *Id.* Plaintiff is a juridical person. Indeed, this case revolves around a Purchase and Sale Agreement and a Settlement Agreement entered into by Plaintiff in its own name. In *Prytania Media LLC v. NetEase, Inc.*, No. CV 25-0464, 2025 WL 2624357, at *4 (E.D. La. Sept. 11, 2025), the district court concluded that defendant “NetEase Interactive Entertainment Pte. Ltd. is stated to be a Singapore private limited company with its principal place of business in Singapore,” and therefore was a foreign citizen for purpose of diversity. The Court 2 See Singapore Statutes Online, <https://sso.agc.gov.sg/Act/CoA1967?ProvIds=P13-#pr18-> (last visited January 19, 2026). comes to the same conclusion here—T & T Salvage Asia Pte. Ltd. is a foreign citizen. Therefore, no diversity jurisdiction exists in this case. Vv. Conclusion and Recommendation Defendants have not met their burden to establish complete diversity between the parties and therefore the Court RECOMMENDS that Plaintiffs Opposed Motion to Remand (ECF 15) be GRANTED. The Clerk of the Court shall send copies of the memorandum and recommendation to the respective parties, who will then have fourteen days to file written objections, pursuant to 28 U.S.C. § 636(b)(1)(C). Failure to file written objections within the time period provided will bar an aggrieved party from attacking the factual findings and legal conclusions on appeal. *Douglass v. United Servs. Auto. Ass'n*, 79 F.3d 1415, 1428-29 (Sth Cir. 1996) (en banc), superseded by statute on other grounds. Signed on January 19, 2026, at Houston, Texas. United States Magistrate Judge