

**IN THE UNITED STATE DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
MIDDLE DIVISION**

TRONDHEIM CAPITAL)
PARTNERS, LP., et al.,)
)
Plaintiffs,)
)
v.)
)
LIFE INSURANCE COMPANY)
OF ALABAMA, et al.,)
)
Defendants.)

Case No.:
4:19-CV-01413-KOB

ORDER

In light of the United States Court of Appeals for the Eleventh Circuit’s recent decision in *Deal v. Tugalo Gas Co.*, ---F.3d---, 2021 WL 1049813 (11th Cir. Mar. 19, 2021), the court *sua sponte* reconsiders its prior Order.

In its December 8, 2020 Memorandum Opinion (doc. 49) and Order (doc. 50), this court held that it would abstain from adjudicating Count II of the plaintiff Shareholders’ Direct Complaint (doc. 25). In Count II of their Direct Complaint, the Shareholders asked this court to judicially dissolve defendant Life Insurance Company of Alabama pursuant to Alabama’s judicial dissolution statute.

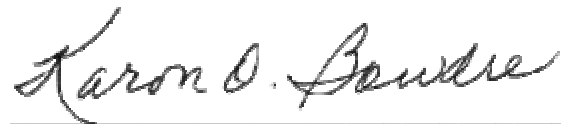
In reaching its decision to abstain, this court relied on the United States Supreme Court’s decision in *Burford v. Sun Oil Co.*, 319 U.S. 315 (1943), and on decisions of the Sixth and Second Circuits extending the *Burford* abstention

doctrine to state-law claims for judicial dissolution. *See Caudill v. Eubanks Farms, Inc.*, 301 F.3d 658 (6th Cir. 2002); *Friedman v. Revenue Mgmt. of New York, Inc.*, 38 F.3d 668, 671 (2d Cir. 1994). This court then stayed the Shareholders' remaining claims to allow them the opportunity to seek judicial dissolution of LICOA in Alabama state court. (Doc. 49 at 33; doc. 50 at 1–2).

In its recent decision in *Deal v. Tugalo Gas Co.*, the Eleventh Circuit reversed a decision of a district court to abstain on *Burford* grounds from adjudicating a state-law claim for judicial dissolution of a corporation. ---F.3d at ----, 2021 WL 1049813 at *9. The Eleventh Circuit explicitly stated its disagreement with *Caudill* and *Friedman* and pointed out that it “[saw] no compelling justification for extending [the *Burford* doctrine] to judicial-dissolution claims.” *Deal*, ---F.3d at ----, 2021 WL 1049813 at *9. The Court then remanded the case to the district court and instructed it to consider the plaintiff’s claim for judicial dissolution. *Id.*

Accordingly, this court concludes that it erroneously decided to abstain from adjudicating the Shareholders’ claim for judicial dissolution of LICOA. To that end, the court **ORDERS** the parties to submit a **Joint Status Report** to the court on or by **Wednesday, April 7, 2021** informing the court of the current status of this litigation and a proposal for moving forward in light of the Eleventh Circuit’s decision in *Deal*.

DONE and **ORDERED** this 23rd day of March, 2021.

A handwritten signature in cursive script that reads "Karon O. Bowdre". The signature is written in black ink and is positioned above a horizontal line.

KARON OWEN BOWDRE
UNITED STATES DISTRICT JUDGE