UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA

Clarence Anglin v. New Residential Mortgage, LLC et al.

Civil Action No. 24-2545, Section H (E.D. La. Dec. 29, 2025) · No. 2:24-cv-02545 · Decided December 29, 2025

SUMMARY

The United States District Court for the Eastern District of Louisiana addresses several motions in Clarence Anglin's action concerning a fraudulently endorsed insurance-related check issued after Hurricane Ida. The court denied Navy Federal Credit Union's motion to dismiss, granted NewRez LLC's motion to dismiss with leave to amend, set aside defaults against Caliber Home Loans Inc. and New Residential Mortgage LLC, and extended the time for service on New Residential Mortgage LLC.

CASE DETAILS

COURT	United States District Court for the Eastern District of Louisiana
JURISDICTION	United States District Court for the Eastern District of Louisiana
DECIDED	December 29, 2025
DOCKET	2:24-cv-02545
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff's federal civil action was before the district court on multiple motions to dismiss and a motion to set aside entries of default.
STANDARD OF REVIEW	On Rule 12(b)(6), the court applied the plausibility standard, accepting well-pleaded factual allegations as true and drawing reasonable inferences for the plaintiff while disregarding legal conclusions. Fraud allegations were reviewed under Federal Rule of Civil Procedure 9(b)'s particularity requirement. Motions to set aside an entry of default were evaluated under Rule 55(c)'s good-cause standard. Service issues were analyzed under Rules 4 and 12(b)(5), including Rule 4(m)'s good-cause extension provision.
PRECEDENTIAL VALUE	unknown
PARTIES	Clarence Anglin v. Navy Federal Credit Union, NewRez LLC, Caliber Home Loans Inc., New Residential Mortgage LLC

TOPICS

motions to dismiss · service of process · default · uniform commercial code · commercial litigation

PRACTICE AREAS

civil procedure · commercial litigation · uniform commercial code · real estate

QUESTIONS PRESENTED

1. Whether Anglin's claims against Navy Federal were governed by Louisiana's Uniform Commercial Code and survived Rule 12(b)(6) dismissal.
2. Whether Anglin's fraudulent-misrepresentation claim against NewRez satisfied Rule 9(b).
3. Whether the entries of default against Caliber and New Residential Mortgage, LLC should be set aside for good cause under Rule 55(c).
4. Whether service of process on New Residential Mortgage, LLC through CT Corporation was valid.
5. Whether Anglin showed good cause for an extension of time to serve New Residential Mortgage, LLC under Rule 4(m).

HOLDINGS

1. Anglin's claim against Navy Federal was properly characterized as conversion of an instrument under Louisiana Revised Statutes section 10:3-420 and was governed by the UCC. The claim was not subject to dismissal on the ground that Navy Federal owed no duty under Louisiana negligence law because the relevant duty analysis was under Louisiana's UCC provisions, which impose duties of good faith and ordinary care on banks.
2. The complaint failed to plead fraudulent misrepresentation with the particularity required by Rule 9(b), but Anglin was granted leave to amend because facts stated in his opposition could support a claim if incorporated into an amended complaint.
3. The entries of default against Caliber and New Residential Mortgage, LLC were set aside because the defendants established good cause under Rule 55(c).
4. Service on CT Corporation was improper because New Residential Mortgage, LLC's registered agent had changed to Corporation Service Company before service. However, Anglin showed good cause under Rule 4(m), so the court extended the time for service by 30 days and denied New Residential Mortgage's Rule 12(b)(6) motion without prejudice to renewal after proper service.

KEY QUOTATIONS

> *"To survive a Rule 12(b)(6) motion to dismiss, a plaintiff must plead enough facts "to state a claim for relief that is plausible on its face.""* (at 3)

> *"The UCC displaces the Louisiana law applicable to negligent acceptance, payment, or presentment of a forged check by a depositary bank prior to its enactment."* (at 3)

> *"Rule 55(c) permits the trial court to set aside an entry of default for "good cause.""* (at 6)

> *"In the absence of valid service of process, proceedings against a party are void."* (at 8)

FACTUAL BACKGROUND

Anglin alleged that a check issued by his loan servicer for hurricane-related property damage was mailed to the wrong address, stolen, deposited with forged endorsements, and paid from his escrow account. He sued the servicer, successor loan holder and servicer, issuing bank, and depositary bank. As to NewRez, he alleged fraudulent misrepresentations concerning the investigation and recovery of the funds; as to Navy Federal, he alleged that the depositary bank failed to detect the forged endorsements or unusual transaction.

PROCEDURAL HISTORY

Clarence Anglin filed a pro se action arising from the alleged theft and forged negotiation of a hurricane-damage insurance check connected to his mortgage escrow account. The court had previously dismissed claims against Bank of America, N.A., on UCC-preemption grounds. In this order, the court denied Navy Federal's motion to dismiss, granted NewRez's motion to dismiss subject to leave to amend, set aside the defaults entered against Caliber and New Residential Mortgage, LLC, and denied New Residential Mortgage's Rule 12(b)(6) motion without prejudice while allowing additional time for service.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand. Anglin was given 30 days from the order to properly serve New Residential Mortgage, LLC and file proof of service, and 30 days to file an amended complaint addressing the pleading deficiencies as to NewRez. Failure to serve New Residential Mortgage would result in dismissal without prejudice under Rule 12(b)(5); failure to amend would result in dismissal with prejudice of the claims against NewRez under Rule 12(b)(6).

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 547 (2007)
- Lormand v. U.S. Unwired, Inc., 565 F.3d 228, 232, 255-57 (5th Cir.)
- Collins v. Morgan Stanley Dean Witter, 224 F.3d 496, 498 (5th Cir. 2000)
- Mid-S. Metals, LLC v. Rodriguez, No. CV 24-1150, 2025 WL 1005051, at *2 (W.D. La. Apr. 3, 2025)
- Innovative Hosp. Sys., L.L.C. v. Abe's Inc., 52 So. 3d 313, 316 (La. App. 3 Cir. 2010)
- Guidry v. Bank of LaPlace, 954 F.2d 278, 282 (5th Cir. 1992)
- Shreveport Prod. Credit Ass'n v. Bank of Com., 405 So. 2d 842, 845 (La. 1981)
- Flaherty & Crumrine Preferred Income Fund, Inc. v. TXLI Corp., 565 F.3d 200, 207 (5th Cir. 2009)
- Smallwood v. Pearl Brewing Co., 489 F.2d 579, 605 (5th Cir. 1974)
- Lacy v. Sitel Corp., 227 F.3d 290, 292 (5th Cir. 2000)

- Dierschke v. O'Cheskey, 975 F.2d 181, 184 (5th Cir. 1992)
- Swindol v. Aurora Flight Scis. Corp., 805 F.3d 516, 519 (5th Cir. 2015)
- Wallace v. St. Charles Par. Sch. Bd., 2005 WL 1155770, at *1 (E.D. La. 2005)
- Aetna Bus. Credit, Inc. v. Universal Decor & Interior Design, 635 F.2d 434, 435 (5th Cir. 1981)
- Sys. Signs Supplies v. U.S. Dep't of Just., Washington, D.C., 903 F.2d 1011, 1013 (5th Cir. 1990)
- Strausbaugh v. New Orleans VA Hosp., No. 19-740, 2020 WL 9213697, at *3 (S.D. Miss. Feb. 12, 2020)