

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

Midvale Indemnity Company v. Jennifer Previtali, also known as Jennifer Bowie, and Shawn Bowie, Adrian Dominguez, and Sean Carnahan, individually and as parent and representative of minors S.C., S.C., and F.C.

Midvale Indemnity · No. Civil Action No. 25-cv-01263-SKC-KAS · Decided December 18, 2025

SUMMARY

The United States District Court for the District of Colorado grants Defendant Shawn Bowie’s motion under Federal Rule of Civil Procedure 55(c) to set aside the Clerk’s entry of default. The court finds no indication of willful default and no demonstrated prejudice to Plaintiff Midvale Indemnity Company, although Bowie did not sufficiently establish a meritorious defense. The court vacates the entry of default, accepts Bowie’s proposed answer, and directs Plaintiff to respond to his counterclaim.

CASE DETAILS

COURT	United States District Court for the District of Colorado
WRITING FOR THE COURT	Kathryn A. Starnella
JURISDICTION	United States District Court for the District of Colorado
DECIDED	December 18, 2025
DOCKET	Civil Action No. 25-cv-01263-SKC-KAS
DISPOSITION	other
PROCEDURAL POSTURE	Defendant Shawn Bowie moved under Federal Rule of Civil Procedure 55(c) to set aside the Clerk's entry of default in the insurer's declaratory-judgment action. The magistrate judge granted the motion, vacated the entry of default, accepted Bowie's proposed answer, and directed the plaintiff to respond to the counterclaim.
STANDARD OF REVIEW	A motion to set aside a Clerk's entry of default under Rule 55(c) is reviewed under a liberal good-cause standard, considering culpable conduct, prejudice to the plaintiff, and the existence of a meritorious defense. The district court has broad discretion in deciding whether to set aside default.
PRECEDENTIAL VALUE	unpublished

TOPICS

default

service of process

personal jurisdiction

civil procedure

insurance

PRACTICE AREAS

civil procedure

insurance

QUESTIONS PRESENTED

1. Whether the Clerk's entry of default against Shawn Bowie should be set aside under Federal Rule of Civil Procedure 55(c).
2. Whether Bowie's culpability, the potential prejudice to Midvale, and the existence of a meritorious defense supported setting aside the entry of default.
3. Whether the court needed to resolve Bowie's challenge to the sufficiency of service of process and personal jurisdiction.

HOLDINGS

1. The Clerk's entry of default against Shawn Bowie should be set aside because Bowie did not willfully default and Midvale failed to show cognizable prejudice, even though Bowie did not sufficiently establish a meritorious defense.
2. The court did not need to decide whether service of process was proper or whether personal jurisdiction existed because the entry of default was set aside on the Rule 55(c) factors.

KEY QUOTATIONS

*“The standard for setting aside an entry of default under Rule 55(c) is fairly liberal because ‘[t]he preferred disposition of any case is upon its merits and not by default judgment.’” (*2)*

*“The setting aside of default does no harm to Plaintiff beyond requiring it to prove its case, which is no harm at all.” (*4)*

FACTUAL BACKGROUND

Midvale filed a declaratory-judgment action concerning insurance coverage for claims arising from an underlying state-court lawsuit involving Shawn Bowie and others. Midvale asserted that Bowie was not an insured under its policy or, alternatively, that the alleged conduct was outside the scope of covered employment. Midvale claimed that service on the secretary of New Heights Baptist Church, where Bowie had allegedly been affiliated, constituted proper service. Bowie maintained that he was not an employee, was no longer affiliated with New Heights when service occurred, and had no actual notice of the federal action until his wife was served.

PROCEDURAL HISTORY

Midvale filed this federal action seeking declarations that it owed no duty to defend or indemnify defendants in an underlying state-court action. After the Clerk entered default against Shawn Bowie based on purported

service through the secretary of New Heights Baptist Church, Bowie moved to set aside the entry, arguing that service was improper and that he lacked actual notice. The court found that Bowie did not willfully default and that Midvale would suffer no cognizable prejudice, although Bowie failed to sufficiently establish a meritorious defense. The court nevertheless set aside the entry of default and accepted Bowie's proposed answer.

DISPOSITION

other

CASES CITED

- Goodwin v. Hatch, No. 16-cv-00751-CMA-KLM, 2018 WL 3454972, at *4 (D. Colo. July 18, 2018)
- Finely v. CSA-Credit Sols. of Am., Inc., No. CIV-08-250, 2008 WL 5280551, at *1 (E.D. Okla. Dec. 18, 2008)
- Allstate Fire & Cas. Ins. Co. v. Novosad, No. 16-12481, 2016 WL 5430191, at *1 n.2 (E.D. Mich. Sept. 29, 2016)
- Dennis Garberg & Assocs., Inc. v. Pack-Tech Int'l Corp., 115 F.3d 767, 775 n.6 (10th Cir. 1997)
- Hunt v. Ford Motor Co., 65 F.3d 178 (Table), 1995 WL 523646, at *3 (10th Cir. Aug. 29, 1995)
- In re Dierschke, 975 F.2d 181, 183 (5th Cir. 1992)
- Crutcher v. Coleman, 205 F.R.D. 581, 584 (D. Kan. 2001)
- Gomes v. Williams, 420 F.2d 1364, 1366 (10th Cir. 1970)
- Pinson v. Equifax Credit Info. Servs., Inc., 316 F. App'x 744, 750 (10th Cir. 2009)
- Viegas v. Owens, No. 23-cv-02939-PAB-MDB, 2024 WL 6822392, at *2 (D. Colo. Jan. 24, 2024)
- SecurityNational Mortg. Co. v. Head, No. 13-cv-03020-PAB-BNB, 2014 WL 4627483, at *3 (D. Colo. Sept. 15, 2014)
- Crapnell v. Dillon Cos., Inc., No. 14-cv-01713-KLM, 2015 WL 328524, at *6-7 (D. Colo. Jan. 23, 2015)
- Apex Mobility Transp., LLC v. First Transit, Inc., No. 14-cv-02645-REB-MEH, 2015 WL 59553, at *3 (D. Colo. Jan. 2, 2015)
- Estate of Ortiz v. Lithia Motors, Inc., No. 08-cv-00907-PAB-KLM, 2009 WL 1258969, at *2 (D. Colo. May 5, 2009)
- In re Stone, 588 F.2d 1316, 1319 (10th Cir. 1978)
- Maes v. Bland, No. 18-cv-00052-PAB-NYW, 2019 WL 4187528, at *3 (D. Colo. Sept. 3, 2019)