UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH CAROLINA, AIKEN DIVISION

Marquette Marshall v. Navy Federal Credit Union

Marshall · No. 1:25-214-MGL · Decided November 24, 2025

SUMMARY

The United States District Court for the District of South Carolina adopts the magistrate judge’s report and recommendation concerning Navy Federal Credit Union’s motion to dismiss. The court dismisses the plaintiff’s defamation, South Carolina Uniform Power of Attorney Act, and South Carolina Unfair Trade Practices Act claims, while allowing the procedural Equal Credit Opportunity Act claim to proceed. The court overrules the plaintiff’s objections and the defendant’s untimely objections.

CASE DETAILS

COURT	United States District Court for the District of South Carolina, Aiken Division
WRITING FOR THE COURT	Mary Geiger Lewis
JURISDICTION	United States District Court for the District of South Carolina, Aiken Division
DECIDED	November 24, 2025
DOCKET	1:25-214-MGL
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff objected to a magistrate judge's report and recommendation concerning Defendant's motion to dismiss. The district court conducted de novo review of the specific objections, overruled Plaintiff's objections and Defendant's untimely objections, adopted the report and recommendation, and granted the motion to dismiss in part while denying it in part.
STANDARD OF REVIEW	De novo review of portions of the magistrate judge's report and recommendation to which specific objections were made under 28 U.S.C. § 636(b)(1); on the motion to dismiss, the court considered whether the complaint contained sufficient factual matter to state a plausible claim for relief.
PRECEDENTIAL VALUE	Unknown; unreported district court order

PARTIES Marquette Marshall v. Navy Federal Credit Union

TOPICS

motions to dismiss | pleadings | consumer protection | deceptive trade practices | civil procedure

PRACTICE AREAS

civil procedure | consumer protection | defamation | Equal Credit Opportunity Act | South Carolina Uniform Power of Attorney Act | South Carolina Unfair Trade Practices Act

QUESTIONS PRESENTED

1. Whether Marshall's defamation claim stated a plausible claim where the complaint alleged that Navy Federal internally designated his account as "sovereign citizen" and published that designation to representatives.
2. Whether Marshall's South Carolina Uniform Power of Attorney Act claim stated a plausible claim where the complaint alleged refusal to recognize a valid power of attorney but did not attach the document or plead supporting facts establishing its validity.
3. Whether Marshall's South Carolina Unfair Trade Practices Act claim stated a plausible claim where the alleged predicate acts were wrongful denial of credit and defamation, neither of which was adequately established in the complaint.
4. Whether the district court should consider Navy Federal's objections to the report and recommendation when those objections were filed untimely without an extension request or excuse.
5. Whether the motion to dismiss should be denied as to Marshall's ECOA procedural claim.

HOLDINGS

1. The complaint failed to state a defamation claim because its allegations that Navy Federal designated Marshall's account as a "sovereign citizen" and published that designation internally and to representatives were insufficient to establish the required elements of defamation.
2. Marshall's SCUPAA claim failed because the complaint offered only the conclusory assertion that Navy Federal refused to recognize a valid power of attorney and supplied no additional facts or supporting document establishing that the power of attorney was legally valid.
3. The SCUTPA claim was properly dismissed because Marshall did not adequately establish either alleged predicate act—wrongful denial of credit or defamation—and therefore did not plead a viable unfair or deceptive act claim.
4. The court overruled Navy Federal's objections to the recommendation concerning the ECOA procedural claim as untimely because they were filed after the objection deadline and Navy Federal neither sought an extension nor offered an excuse for the delay.
5. The motion to dismiss was denied as to Marshall's ECOA procedural claim, and that claim was allowed to proceed.

KEY QUOTATIONS

> *"a plaintiff can recover damages for a false spoken or written statement which damages his reputation [only] if he can show . . . the statement (1) had a defamatory meaning; (2) was published with actual or implied malice; (3) was false; (4) was published by the defendant; (5) concerned the plaintiff; and (6) resulted in presumed damages or in special damages to the plaintiff."* (Report at 7)

> *"It is therefore the judgment of the Court NFCU's motion to dismiss is GRANTED IN PART, AND DENIED IN PART."* (disposition paragraph)

FACTUAL BACKGROUND

Marshall alleged that Navy Federal labeled his account "sovereign citizen," published that designation internally and to its representatives, and thereby caused reputational, emotional, and financial harm. He also alleged that Navy Federal refused to recognize a purported durable power of attorney executed in Georgia, asserting that the power of attorney complied with South Carolina law. Marshall further alleged that Navy Federal engaged in wrongful denial of credit and defamation constituting unfair or deceptive trade practices. The complaint did not attach the power of attorney or provide additional facts supporting its legal validity.

PROCEDURAL HISTORY

Marshall asserted claims under the Equal Credit Opportunity Act, defamation, the South Carolina Uniform Power of Attorney Act, and the South Carolina Unfair Trade Practices Act. The magistrate judge recommended dismissal of the defamation, SCUPAA, and SCUTPA claims while allowing Marshall's ECOA procedural claim to proceed. Marshall timely objected, while NFCU's objections to the recommendation concerning the ECOA claim were untimely. The district court adopted the report and recommendation, dismissed the three state-law and defamation claims, and denied dismissal of the ECOA procedural claim.

DISPOSITION

other

CASES CITED

- Mathews v. Weber, 423 U.S. 261, 270 (1976)
- Parker v. Evening Post Pub. Co., 452 S.E.2d 640, 644 (S.C. App. 1994)
- Wright v. Ernst & Young LLP, 152 F.3d 169, 178 (2d Cir. 1998)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly
- Health Promotion Specialists, LLC v. S.C. Bd. of Dentistry, 743 S.E.2d 808, 816 (S.C. 2013)
- Mathis v. Adams, No. 14-10605, 577 Fed. Appx. 966, 967 (11th Cir. Aug. 19, 2014)

INSTRUCTIONS FOR AN AI ASSISTANT