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Appendix A

**UNITED STATES COURT OF APPEALS
FOR THE EIGHTH CIRCUIT**

No: 24-3519

Crawford & Company; Broadspire Services

Plaintiffs - Appellees

v.

Teresa Faye Morris DDS PC

Defendant

Teresa Faye Morris, also known as Teresa F. Moody

Defendant - Appellant

Teresa Faye Morris, a/k/a Teresa F. Moody, a/k/a Teresa Faye Morris-Moody, as Trustee of The
Morris-Moody Family Trust U/A 08/22/2017, f/k/a The Morris Family Trust

Defendant

Appeal from U.S. District Court for the Western District of Missouri - Springfield
(6:23-cv-03204-SRB)

JUDGMENT

Before GRUENDER, BENTON, and KOBES, Circuit Judges.

This appeal from the United States District Court was submitted on the record of the district court and briefs of the parties.

After consideration, it is hereby ordered and adjudged that the judgment of the district court in this cause is affirmed in accordance with the opinion of this Court.

September 04, 2025

Order Entered in Accordance with Opinion:
Clerk, U.S. Court of Appeals, Eighth Circuit.

/s/ Susan E. Bindler

United States Court of Appeals
For the Eighth Circuit

No. 24-3519

Crawford & Company; Broadspire Services

Plaintiffs - Appellees

v.

Teresa Faye Morris DDS PC

Defendant

Teresa Faye Morris, also known as Teresa F. Moody

Defendant - Appellant

Teresa Faye Morris, a/k/a Teresa F. Moody, a/k/a Teresa Faye Morris-Moody, as
Trustee of The Morris-Moody Family Trust U/A 08/22/2017, f/k/a The Morris
Family Trust

Defendant

Appeal from United States District Court
for the Western District of Missouri - Springfield

Submitted: September 3, 2025

Filed: September 4, 2025

[Unpublished]

Before GRUENDER, BENTON, and KOBES, Circuit Judges.

PER CURIAM.

Missouri resident Teresa Faye Morris appeals following the district court's¹ adverse grant of summary judgment in this diversity action. Having carefully reviewed the record² and the parties' arguments on appeal, we find no basis for reversal. See *Bruhn Farms Joint Venture v. Fireman's Fund Ins. Co.*, 823 F.3d 1161, 1165 (8th Cir. 2016) (standard of review). Accordingly, we affirm. See 8th Cir. R. 47B.

¹The Honorable Stephen R. Bough, United States District Judge for the Western District of Missouri.

²We grant Appellant's Motions to Supplement the Record.

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IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI
SOUTHERN DIVISION

Appendix B

JUDGMENT IN A CIVIL CASE

CRAWFORD & COMPANY, et al.,)	
)	
Plaintiffs,)	
)	
v.)	Case No. 23-cv-03204-SRB
)	
TERESA FAYE MORRIS DDS PC, et al.,)	
)	
Defendant.)	

 Jury Verdict. This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.

 X **Decision by Court.** This action came before the Court. The issues have been determined and a decision has been rendered.

IT IS ORDERED AND ADJUDGED that

As for the reasons stated in this Court's prior Order (Doc. #147), Plaintiffs' Motion for Summary Judgment (Doc. #137) is **GRANTED IN PART** and **DENIED IN PART** as further stated below:

IT IS ORDERED, ADJUDGED AND DECREED that Plaintiffs are entitled to summary judgment on Count I, fraud and conspiracy to commit fraud in their favor and against Morris and Morris PC, jointly and severally, for the principal sum of \$900,000.00, plus prejudgment interest.

IT IS ORDERED, ADJUDGED AND DECREED that Plaintiffs are entitled to summary judgment on Count II, conversion in their favor and against Morris and Morris PC, jointly and severally, for the principal sum of \$900,000.00, plus prejudgment interest.

IT IS FURTHER ORDERED that Plaintiffs are entitled to summary judgment on Count III, money had and received in their favor and against Morris and Morris PC, jointly and severally, for the principal sum of \$900,000.00, plus prejudgment interest.

IT IS FURTHER ORDERED that Plaintiffs are entitled to summary judgment on Count V, alter ego liability.

Lastly, **IT IS FURTHER ORDERED** that Plaintiffs motion is **DENIED** insofar as Plaintiffs are not entitled to summary judgment on Count XI, punitive damages and Count X, attorney fees.

This case is **DISMISSED**.

November 25, 2024
Date

Paige Wymorc-Wynn
Clerk of Court

/s/ Tracey D. Peters
(by) Deputy Clerk

IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
SOUTHERN DIVISION

CRAWFORD & COMPANY, et al.,)	
)	
Plaintiff,)	
)	
v.)	Case No. 23-CV-03204-SRB
)	
TERESA FAYE MORRIS DDS PC, et al.,)	
)	
Defendants.)	

ORDER

Before the Court is Plaintiff Crawford & Company and Broadspire Services, Inc.'s ("Plaintiffs") Motion for Default Judgment Against Teresa Faye Morris as Trustee. (Doc. #139.) For the reasons set forth below, the motion is GRANTED.

I. FACTUAL BACKGROUND¹

Plaintiffs filed this suit against Defendants Teresa Faye Morris DDS PC, Teresa Faye Morris, and The Morris-Moody Family Trust (collectively, "Defendants") and alleged that Defendants fraudulently diverted a \$900,000 settlement check issued by Plaintiffs, who are claims administrators, to herself. Plaintiffs filed a first amended complaint on January 19, 2024, which added a third Defendant: Teresa Faye Morris, as Trustee of The Morris-Moody Family Trust U/A 08/22/2017, f/k/a The Morris Family Trust (Ms. Morris as Trustee is referred to herein as the "Trustee Defendant" and The Morris-Moody Family Trust U/A 08/22/2017, f/k/a The Morris Family Trust is referred to herein as the "Trust").

With respect to the Trust, Plaintiffs assert claims (1) for a declaration that no valid trust exists, (2) for a declaration in the alternative in the event the Trust is valid, that the Trust is

¹ Only those facts and issues necessary to resolve the pending motion are discussed below. Additional facts are discussed in Section III. All page numbers refer to the pagination automatically generated by ECF.

revocable, and (3) alternatively, if the Trust is valid and irrevocable, avoidance of transfers of real property to the Trust under Missouri's Uniform Fraudulent Transfers Act. (Doc. #80, Counts VI, VII, VIII.)

The Trustee Defendant acknowledged service of process on the Trust's behalf, as shown in an Acknowledgement of Service. The Trustee Defendant failed to timely file or serve an answer or other responsive pleadings for the Trust. On March 19, 2024, Plaintiffs moved for a Clerk's Entry of Default as to the Trust. On March 26, 2024, a Clerk's Entry of Default was entered against the Trust pursuant to Federal Rule of Civil Procedure 55(a). The Trustee Defendant has not moved to set aside the Clerk's Entry of Default.

Plaintiffs now move for the entry of a default judgment against the Trustee Defendant and the Trust. A response to the pending motion was due on or before November 18, 2024. No response has been filed.

II. LEGAL STANDARD

"Once default is entered [under Rule 55(a)], the defaulting defendant 'has no further standing to contest the factual allegations of plaintiff's claim for relief' and 'is deemed to have admitted all well pleaded allegations in the complaint.'" *Carrington v. Varela*, No. 20-CV-00573-SRB, 2021 WL 1255183, at *2 (W.D. Mo. Apr. 5, 2021) (quoting *Taylor v. City of Ballwin*, 859 F.2d 1330, 1333 n.7 (8th Cir. 1988)). An entry of default thus establishes a defendant's liability, leaving only the issue of damages, if any. *See Batchelor v. Profile Recovery Grp., LLC*, No. 4:10CV01502 AGF, 2011 WL 766389, at *1 (E.D. Mo. Feb. 25, 2011) (citing *Brown v. Kenron Aluminum & Glass Corp.*, 477 F.2d 526, 531 (8th Cir. 1973)). A court must simply "review the complaint and consider whether the unchallenged facts constitute a legitimate cause of action, since a party in default does not admit mere conclusions of law."

Carrington, 2021 WL 1255183, at *2 (quoting *Marshall v. Baggett*, 616 F.3d 849, 852 (8th Cir. 2010)).

Rule 55(b)(2) provides in part that “[t]he court may conduct hearings or make referrals . . . when, to enter or effectuate judgment, it needs to” determine specific issues or an amount of damages. Fed. R. Civ. P. 55(b)(2). Alternatively, a court may determine the appropriate relief based upon affidavits and documentary evidence supplied by the plaintiff. See *Taylor*, 859 F.2d at 1333 (citations omitted). Whether an evidentiary hearing is necessary is a decision soundly committed to the discretion of the district court. See *id.*

III. DISCUSSION

In Count VI, Plaintiffs seek a declaratory judgment “that no valid trust exists because the Trust is illusory and a sham.” (Doc. #140, p. 2.) Pursuant to 28 U.S.C. § 2201(a), “any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.” 28 U.S.C. § 2201(a).

Upon review of the record, along with the supporting materials submitted by Plaintiffs, the Court finds Plaintiffs are entitled to a declaratory judgment. First, there is a substantial and continuing controversy between the parties that is amenable to a declaratory judgment. As explained by Plaintiffs, “Ms. Morris asserts that all of her property is owned by the Trust and that the Trust property is protected from Plaintiffs’ claims asserted in this lawsuit.” (Doc. #140, pp. 12-13.)

Second, the record shows that the Trust is illusory and a sham. As explained by Plaintiffs:

the Trust is illusory because the trustor retains possession, use, and responsibility for the trust property—negating a trustee’s basic duties and

leaving no responsibilities for the trustee. The entire notion of a "trustee" is irrelevant and pointless when the trustor retains possession, use, and responsibility. The result is an illusory trust. Also . . . the Trust is a sham because it was created for an improper purpose, used for improper purposes, and was, in fact, never treated as a bona fide trust by Ms. Morris. The Trust was created for the specific purpose of shielding assets from creditors at a time when Ms. Morris knew she was or would eventually become insolvent. Furthermore, Ms. Morris, as the Trustee Defendant, exercised her dominion and control over the Trust at all times for her own benefit, unconstrained by fiduciary duties, doing whatever she pleased with trust assets.

For these reasons, and for the additional reasons stated by Plaintiffs, Plaintiffs are entitled to a declaratory judgment on Count VI that the Trust is not a valid trust under applicable law. The Court further finds that an evidentiary or other hearing is not necessary. Fed. R. Civ. P. 55(b)(2). Because Count VII and Count VIII are only pled in the alternative should the Trust be deemed valid, the Court need not address those Counts.

IV. CONCLUSION

Accordingly, Plaintiff Crawford & Company and Broadspire Services, Inc.'s Motion for Default Judgment Against Teresa Faye Morris as Trustee (Doc. #139) is GRANTED. It is hereby ORDERED and DECLARED that Plaintiffs are awarded a default judgment on Count VI that the Trust is not a valid trust under applicable law, and as a result, the Trust is disregarded and its assets and income constitute the assets and income of Ms. Morris.

The Clerk of Court is directed to mail a copy of this Order to Teresa Faye Morris at her last known address via certified mail.

IT IS SO ORDERED.

/s/ Stephen R. Bough
STEPHEN R. BOUGH
UNITED STATES DISTRICT JUDGE

Dated: November 20, 2024

Carrington, 2021 WL 1255183, at *2 (quoting *Marshall v. Baggett*, 616 F.3d 849, 852 (8th Cir. 2010)).

Rule 55(b)(2) provides in part that “[t]he court may conduct hearings or make referrals . . . when, to enter or effectuate judgment, it needs to” determine specific issues or an amount of damages. Fed. R. Civ. P. 55(b)(2). Alternatively, a court may determine the appropriate relief based upon affidavits and documentary evidence supplied by the plaintiff. *See Taylor*, 859 F.2d at 1333 (citations omitted). Whether an evidentiary hearing is necessary is a decision soundly committed to the discretion of the district court. *See id.*

III. DISCUSSION

In Count VI, Plaintiffs seek a declaratory judgment “that no valid trust exists because the Trust is illusory and a sham.” (Doc. #140, p. 2.) Pursuant to 28 U.S.C. § 2201(a), “any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.” 28 U.S.C. § 2201(a).

Upon review of the record, along with the supporting materials submitted by Plaintiffs, the Court finds Plaintiffs are entitled to a declaratory judgment. First, there is a substantial and continuing controversy between the parties that is amenable to a declaratory judgment. As explained by Plaintiffs, “Ms. Morris asserts that all of her property is owned by the Trust and that the Trust property is protected from Plaintiffs’ claims asserted in this lawsuit.” (Doc. #140, pp. 12-13.)

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UNITED STATES COURT OF APPEALS
FOR THE EIGHTH CIRCUIT

Appendix C

No: 24-3519

Crawford & Company and Broadspire Services

Appellees

v.

Teresa Faye Morris DDS PC

Teresa Faye Morris, also known as Teresa F. Moody

Appellant

Teresa Faye Morris, a/k/a Teresa F. Moody, a/k/a Teresa Faye Morris-Moody, as Trustee of The
Morris-Moody Family Trust U/A 08/22/2017, f/k/a The Morris Family Trust

Appeal from U.S. District Court for the Western District of Missouri - Springfield
(6:23-cv-03204-SRB)

ORDER

The petition for rehearing en banc is denied. The petition for rehearing by the panel is
also denied.

October 22, 2025

Order Entered at the Direction of the Court:
Clerk, U.S. Court of Appeals, Eighth Circuit.

/s/ Susan E. Bindler

**Additional material
from this filing is
available in the
Clerk's Office.**