

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

USAA LIFE INSURANCE COMPANY,

Plaintiff,

v.

**EUGENE STAUCH, LANDEN HIOTT,
AND LETECIA STAUCH,**

Defendants.

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CIVIL ACTION NO. 1:23-cv-00413

**AGREED MOTION FOR DEFAULT JUDGMENT, INTERPLEADER RELIEF,
AND DISTRIBUTION OF THE DEATH BENEFIT**

Plaintiff USAA Life Insurance Company files this Agreed Motion for Default Judgment, Interpleader Relief, and Distribution of the Death Benefit. For the reasons below, USAA Life requests that the Court enter a default judgment against Defendant Letecia Stauch (“Letecia”), award USAA Life the relief requested in its Complaint in Interpleader, dismiss USAA Life with prejudice from this action, and distribute the Death Benefit to Eugene Stauch and Landen Hiott. In support of this Motion, USAA Life respectfully shows the Court as follows:

This action involves a \$25,000 death benefit (the “Death Benefit”) due under a Term Life Insurance Rider for Children (the “Child Rider”) for life insurance policy number D433972188 (the “Policy”) insuring and owned by Letecia. *See* ECF No. 1. The Child Rider specifies that USAA Life will pay the Death Benefit, “to the Insured, if living” or “to the estate of the Insured Child.”

Gannon Stauch was murdered in late January 2020. Letecia was arrested for Gannon’s murder in March 2020 and was charged with murder in the first degree, child abuse resulting in death, tampering with a deceased human body, and tampering with physical evidence in Case No. D0212020CR001358, *The People of the State of Colorado v. Letecia Stauch*, in the District

Court of El Paso County, Colorado. In light of the charges, USAA Life could not tender the Death Benefit to Letecia if Letecia was barred from receiving the Death Benefit pursuant to Colorado Revised Statutes section 15-11-803(3).

Eugene Stauch and Landen Hiott are Gannon's parents and are equally entitled to Gannon's intestate estate. *See* Colo. Rev. Stat. Ann. § 15-11-103(4).

USAA Life initiated this action on February 13, 2023 by filing a Complaint in Interpleader against the Defendants to determine to proper payee(s) of the Death Benefit. *See* ECF No. 1.

The Clerk entered default against Letecia through the Entry of Default on April 10, 2023. ECF No. 13.

On April 26, 2023, the Court granted USAA Life's Motion for Leave to Deposit Funds into the Registry of the Court. *See* ECF No. 17. USAA Life deposited the Death Benefit plus applicable interest, in the amount of \$26,415.24 into the Court's Registry, which the Court received on May 17, 2023.

USAA Life, Eugene Stauch, and Landen Hiott have now agreed to resolve all claims and disputes relating to this interpleader action and the Death Benefit, and request that the Court enter their Agreed Order and:

- a. ENTER default judgment against Letecia;¹

¹ With respect to default judgment in the context of interpleader actions, "[a] named interpleader defendant who fails to answer the interpleader complaint and assert a claim to the res forfeits any claim of entitlement that might have been asserted." *Shuqualak Lumber Co. v. Hardin*, No. CIVA 1:08CV297-P-S, 2009 WL 2767676, at *2 (N.D. Miss. Aug. 27, 2009). In accordance with the entry of default judgment, a plaintiff should be awarded the relief requested in its complaint in interpleader, including dismissal of the plaintiff from the action and any potential claims the defendants may have had against plaintiff with respect to the interpleaded funds. *Id.*; *see Sun Life Assurance Co. of Canada v. Turner*, No. 3:10-CV-2063-O, 2011 WL

- b. GRANT USAA Life Insurance Company's claim for interpleader;
- c. ORDER that the Defendants are enjoined and restrained from instituting or prosecuting further any proceeding in any State or United States court, including this Court, either at law or in equity, against USAA Life or its affiliates and agents arising out of or relating to the Death Benefit;
- d. ORDER that USAA Life and its affiliates and agents be fully and finally discharged from any further liability, whether to Defendants or otherwise, arising out of or relating to the Death Benefit;
- e. ORDER the Clerk of the Court to distribute the Death Benefit and interest deposited into the Registry as follows:
 - i. \$13,207.62 to be paid to Eugene Stauch and mailed to his counsel of record at the address below; and
 - ii. \$13,207.62 to be paid to Landen Hiott and mailed to her counsel of record at the address below;
- f. ORDER that any and all claims, demands, debts, or causes of action arising out of or relating to the Annuities and/or the Death Benefit that could have been asserted herein against USAA Life by Defendants are dismissed with prejudice and this action is dismissed with prejudice, with each party bearing its own attorneys' fees and costs of court.

WHEREFORE, the Parties' respectfully request that the Court enter the Agreed Order, filed concomitantly herewith, which fully and finally resolves this interpleader action.

Respectfully submitted,

By: /s/ Amy B. Boyea
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13234397, at *3 (N.D. Tex. May 19, 2011) (finding default judgment appropriate on a complaint in interpleader where multiple competing claims expose the plaintiff to multiple liabilities).

*Attorneys for Plaintiff USAA Life Insurance
Company*

CERTIFICATE OF CONFERENCE

This is to certify that USAA Life conferred with counsel for Eugene Stauch and Landen Hiott and counsel confirmed they are unopposed to the relief requested herein.

/s/ Amy B. Boyea
Amy B. Boyea

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served on May 23, 2023 via CM/ECF on:

Carolyn Juarez
NEUGEBOREN O'DOWD PC
726 Front St., Ste. 220
Louisville, Colorado 80027

/s/ Amy B. Boyea
Amy B. Boyea

grizzlytruecrime

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

USAA LIFE INSURANCE COMPANY,

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**EUGENE STAUCH, LANDEN HIOTT,
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CIVIL ACTION NO. 1:23-cv-00413

**AGREED ORDER GRANTING JOINT MOTION FOR DEFAULT JUDGMENT,
INTERPLEADER RELIEF, AND PAYMENT OF THE DEATH BENEFIT**

Before the Court is the Agreed Motion for Default Judgment, Interpleader Relief, and Payment of the Death Benefit (ECF No. 22). It is hereby ORDERED that the Agreed Motion (ECF No. 22) is GRANTED.

It is therefore ORDERED that:

- a. Default judgment is entered in favor of Plaintiff USAA Life Insurance Company against Defendant Letecia Stauch.
- b. USAA Life Insurance Company’s claim for interpleader is GRANTED.
- c. Defendants are enjoined and restrained from instituting or prosecuting further any proceeding in any State or United States court, including this Court, either at law or in equity, against USAA Life or its affiliates and agents arising out of or relating to the Death Benefit.
- d. USAA Life and its affiliates and agents be fully and finally discharged from any further liability, whether to Defendants or otherwise, arising out of or relating to the Death Benefit.
- e. The Clerk of the Court shall tender the Death Benefit and interest deposited into the Registry as follows:
 - i. \$13,207.62 shall be paid to Eugene Stauch and mailed to his counsel of record at the address below; and
 - ii. \$13,207.62 shall be paid to Landen Hiott and mailed to her counsel of record at the address below.

- f. Any and all claims, demands, debts, or causes of action arising out of or relating to the Death Benefit that could have been asserted herein against USAA Life by Defendants are dismissed with prejudice and this action is dismissed with prejudice, with each party bearing its own attorneys' fees and costs of court.

SO ORDERED this ____ day of _____, 2023.

UNITED STATES DISTRICT JUDGE

AGREED:

By: /s/ Amy B. Boyea

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