

BELL NUNNALLY PARTNERS PERRIN FOURMY AND JEFF LOWENSTEIN SECURE \$1.5M+ BREACH OF CONTRACT JUDGMENT FOR BANK OF UTAH IN AIRCRAFT LEASE DISPUTE

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Bell Nunnally partners Perrin B. Fourmy and Jeffrey S. Lowenstein represented Bank of Utah in an aircraft leasing matter involving a foreign-based lessor against the Dallas based lessee who abandoned an aircraft, attempting to walk away from liability for required maintenance and payments.

The lessee was a subsidiary of Megatel Homes, a large Dallas based home building entity. Despite running a highly profitable business, Megatel Homes' owner had attempted to set up a judgment-proof subsidiary, as the lease was through a shell company with no assets and no underlying business. The court rejected this assertion and found the lessee liable for breach of contract and declaratory judgment, and found its parent company and the owner of both entities liable under veil-piercing and alter ego theories of liability.

The entity that leased the aircraft initially sued Bank of Utah asserting breach of contract and seeking declaratory judgment. Bank of Utah then asserted its own counter-claims for breach of contract and declaratory judgment. The 14th Judicial District Court, Dallas County, Tex. – after a one-day trial – on July 12 denied all the lessee's claims, issuing a ruling in favor of Bank of Utah and awarding damages, interest and attorney's fees totaling over \$1.5M. Lessee's counsel has indicated plans to appeal, but has yet to do so.

Related Media Coverage:

- ["Litigation Roundup: Private Planes, Insurance Claims, Patent Suits Against Big Names,"](#) *Texas Lawbook*, August 2, 2022

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