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3 F.3d 113

24 Bankr.Ct.Dec. 1108, Bankr. L. Rep. P 75,497

In the Matter of William H. DAVIS, Debtor.

James L. SHEERIN, Appellee,

v.

William H. DAVIS, Appellant.

*No. 92-2729.***United States Court of Appeals,
Fifth Circuit.***Sept. 15, 1993.*

William H. Davis, pro se.

Richard L. Fuqua and Patrick H. Tyler, Houston, TX, for appellant.

Kent J. Browning, Houston, TX, for appellee.

Appeal from the United States District Court for the Southern District of Texas.

Before GOLDBERG, HIGGINBOTHAM, and DAVIS, Circuit Judges.

PATRICK E. HIGGINBOTHAM, Circuit Judge:

1 James Sheerin won a fraud judgment against William Davis in Texas state court. Davis then took refuge in bankruptcy. We find that Sheerin produced enough evidence before the bankruptcy court to save his judgment from discharge. We also find that the equitable remedies ordered by the Texas state court are not dischargeable.

I.

2 William Davis and James Sheerin once owned the W.H. Davis Company. Davis was the majority stockholder and Sheerin was the minority owner. After Davis tried to freeze out Sheerin, Sheerin sued and won in state court. The trial court found that Sheerin owned a 45% interest in the corporation and a 45% interest in a partnership, and six tracts of land found to be partnership assets. It issued several orders and awards based on that finding, including an award of \$20,893 for Davis receiving informal dividends to the exclusion of Sheerin, an order that Davis pay \$550,000 to buy out Sheerin's stock, and several equitable remedies to preserve the value of Sheerin's interests in the corporation, partnership, and the six tracts of land. A Texas court of appeals affirmed the judgment in substantial part. *Davis v. Sheerin*, 754 S.W.2d 375 (Tex.App.-Houston [1st Dist.] 1988, writ denied). Davis then filed for bankruptcy.

Sheerin objected to the dischargeability of the debts arising from his judgment against Davis, contending that the facts he had proven in state court established the elements of a nondischargeable claim. The evidence at trial in the bankruptcy court consisted of the state trial court judgment, the jury instructions and answers to