

INDIANA COURT OF APPEALS

Michael Watters v. Brandi Cole

No. 25A-CT-1703 (Ind. Ct. App. Apr. 2, 2026) · No. 25A-CT-1703 · Decided April 2, 2026

SUMMARY

The Indiana Court of Appeals affirmed a judgment in favor of Brandi Cole against Michael Watters and Allure Pools & Spas, Inc. arising from the defective installation of a fiberglass swimming pool. The court held that evidence supported findings of fraudulent misrepresentation concerning Allure Pools’ experience and use of subcontractors, and that piercing the corporate veil was warranted because the company was undercapitalized and its corporate form had been used to promote fraud and injustice. The trial court’s award included \$70,800 in compensatory damages and \$54,699.15 in attorney fees.

CASE DETAILS

COURT	Indiana Court of Appeals
WRITING FOR THE COURT	May; Mathias; Felix
JURISDICTION	Indiana Court of Appeals
DECIDED	April 2, 2026
DOCKET	25A-CT-1703
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a bench-trial judgment awarding Brandi Cole compensatory damages and attorney fees against Allure Pools & Spas, Inc. and Michael Watters, including personal liability against Watters after piercing the corporate veil.
STANDARD OF REVIEW	Under Indiana Trial Rule 52, findings and judgment are reviewed for clear error. A finding is clearly erroneous when unsupported by facts or reasonable inferences; the appellate court does not reweigh evidence or judge witness credibility. Legal conclusions are reviewed de novo. Unchallenged findings are accepted as true.
PRECEDENTIAL VALUE	Published Indiana Court of Appeals opinion
PARTIES	Michael Watters v. Brandi Cole

TOPICS

fraudulent inducement

corporate veil piercing

breach of contract

construction law

standard of review

PRACTICE AREAS

fraudulent inducement

corporate law

contracts

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appellate procedure

QUESTIONS PRESENTED

1. Whether the trial court clearly erred in finding that Watters, through Allure Pools, made fraudulent misrepresentations that induced Cole to contract for the pool installation.
2. Whether the trial court clearly erred in piercing Allure Pools' corporate veil and holding Watters personally liable.

HOLDINGS

1. The trial court did not clearly err in finding that Watters and Allure Pools made material, false representations concerning their experience and the nature of the pool-installation business, that Cole relied on those representations, and that the misrepresentations proximately caused her injury.
2. The trial court properly pierced Allure Pools' corporate veil and held Watters personally liable because the corporate form was sufficiently ignored, controlled, or manipulated to constitute a mere instrumentality and its misuse would result in fraud or injustice.
3. When a trial court enters findings and conclusions sua sponte, the specific findings control appellate review as to the issues they cover; where no specific findings exist, the appellate court may affirm on any legal theory supported by the evidence.

KEY QUOTATIONS

“When a court exercises its equitable power to pierce a corporate veil, it engages in a highly fact-sensitive inquiry.” (15)

“Allowing Watters to hide behind the corporate veil of a company that has no assets and no anticipated future income would be unjust because it would effectively prohibit Cole from recovering for the harm she suffered because she was defrauded.” (17)

FACTUAL BACKGROUND

Allure Pools was formed in April 2021 by Michael Watters, who had construction experience but no prior experience installing pools. Its advertising claimed more than fifty-two years of combined experience in the building and pool industry, although the pool business was newly formed and all installation work was performed by subcontractors. Brandi Cole relied on the advertising and contracted with Allure Pools for a \$100,400 fiberglass pool installation. The pool was improperly backfilled and installed, developed cracks and leaks, and required complete replacement; at trial, Allure Pools had no assets, jobs, or anticipated income.

PROCEDURAL HISTORY

Cole sued Allure Pools and Watters for breach of contract, breach of express warranty, fraudulent misrepresentation, and corporate-veil piercing. After a two-day bench trial, the Franklin Circuit Court found that defendants breached the contract and express warranty, made fraudulent misrepresentations, and that piercing the corporate veil was warranted; it awarded Cole \$70,800 in compensatory damages and \$54,699.15 in attorney fees and rejected defendants' counterclaim. Watters appealed the findings of fraudulent misrepresentation and corporate-veil piercing, and the Indiana Court of Appeals affirmed.

DISPOSITION

affirmed

CASES CITED

- Card v. Sprinkle, 194 N.E.3d 627, 634 (Ind. Ct. App. 2022)
- Moriarty v. Moriarty, 150 N.E.3d 616, 626 (Ind. Ct. App. 2020)
- Erie Ins. Exch. v. Sams, 20 N.E.3d 182, 187 (Ind. Ct. App. 2014)
- Johnson v. Wysocki, 990 N.E.2d 456, 460-61 (Ind. 2013)
- Reed v. Reid, 980 N.E.2d 277, 292 (Ind. 2012)
- CoMentis, Inc. v. Purdue Research Found., 765 F. Supp. 2d 1092, 1106 (N.D. Ind. 2011)
- Siegel v. Williams, 818 N.E.2d 510, 516 (Ind. Ct. App. 2004)
- Safe Auto Ins. Co. v. Farm Bur. Ins. Co., 867 N.E.2d 221, 225-26 (Ind. Ct. App. 2007)
- Harris v. Copas, 165 N.E.3d 611, 622 (Ind. Ct. App. 2020)
- Kesling v. Hubler Nissan, Inc., 997 N.E.2d 327, 329 (Ind. Ct. App. 2013)
- CBR Event Decorators, Inc. v. Gates, 962 N.E.2d 1276, 1281-82 (Ind. Ct. App. 2012)
- White v. Am. Legion Post #354, Inc., 267 N.E.3d 451, 461 (Ind. Ct. App. 2025)
- Elpers Bros. Constr. & Supply, Inc. v. Smith, 230 N.E.3d 920, 930 (Ind. Ct. App. 2024)
- Escobedo v. BHM Health Assocs., Inc., 818 N.E.2d 930, 933 (Ind. 2004)
- Winkler v. V.G. Reed & Sons, Inc., 638 N.E.2d 1228, 1232 (Ind. 1994)
- Aronson v. Price, 644 N.E.2d 864, 867 (Ind. 1994)
- Longhi v. Mazzoni, 914 N.E.2d 834, 839 (Ind. Ct. App. 2009)
- Blackwell v. Superior Safe Rooms LLC, 174 N.E.3d 1082, 1098 (Ind. Ct. App. 2021)
- Israel v. Israel, 189 N.E.3d 170, 177 (Ind. Ct. App. 2022)
- In re F.S., 53 N.E.3d 582, 590 (Ind. Ct. App. 2016)