

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Ameris Bank v. M & T Transport LLC

Case No. 8:24-cv-02219-CAS-JDEx (C.D. Cal. May 29, 2025) · No. 8:24-cv-02219-CAS-JDEx · Decided May 29, 2025

SUMMARY

The United States District Court for the Central District of California granted Ameris Bank’s motion for default judgment against M & T Transport LLC and Ryan McKeegan. The court found that defendants breached an equipment financing agreement and a corresponding personal guaranty. Judgment awarded compensatory damages, prejudgment interest, attorney fees, and costs.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Christina A. Snyder
JURISDICTION	United States District Court for the Central District of California
DECIDED	May 29, 2025
DOCKET	8:24-cv-02219-CAS-JDEx
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for default judgment under Federal Rule of Civil Procedure 55(b)(2) after defendants were personally served, failed to appear, and had defaults entered.
STANDARD OF REVIEW	On a motion for default judgment, the court evaluates the Eitel factors. Well-pleaded allegations concerning liability are taken as true upon default, but allegations concerning damages are not; the plaintiff must prove damages through testimony, affidavits, or documentary evidence.
PRECEDENTIAL VALUE	unpublished, nonprecedential district-court judgment
PARTIES	Ameris Bank, doing business as Balboa Capital v. M & T Transport LLC, Ryan McKeegan

TOPICS

- default judgment
- breach of contract
- contracts
- commercial litigation
- prejudgment interest

PRACTICE AREAS

civil procedure

contracts

commercial litigation

remedies

QUESTIONS PRESENTED

1. Whether the Eitel factors supported entry of default judgment against defendants who were served but failed to appear.
2. Whether plaintiff adequately pleaded breach-of-contract claims based on the equipment financing agreement and personal guaranty.
3. Whether plaintiff proved the amount of compensatory damages without a damages hearing.
4. Whether plaintiff was entitled to prejudgment interest, attorney fees, and costs.

HOLDINGS

1. Default judgment was warranted because all Eitel factors favored entry of judgment: plaintiff would otherwise lack a remedy, the claims were well pleaded, the requested amount was proportionate to defendants' conduct, material-fact disputes were unlikely, excusable neglect was unlikely, and defendants' failure to appear made a merits determination impracticable.
2. Plaintiff adequately pleaded that M & T breached the equipment financing agreement and that McKeegan breached the personal guaranty.
3. The court could award \$270,281.76 in compensatory damages without conducting a damages hearing because the amount was ascertainable from the agreements, accounting records, and supporting declaration.
4. Plaintiff was entitled to \$34,354.56 in prejudgment interest at 10 percent per annum from July 11, 2024, through May 19, 2025.
5. Plaintiff was entitled to \$9,005.63 in attorney fees under the contractual fee provision and C.D. Cal. Local Rule 55-3, and \$561.00 in taxable costs under Federal Rule of Civil Procedure 54(d)(1) and applicable local rules.

KEY QUOTATIONS

“facts alleged in the complaint not relating to damages are deemed to be true upon default.” (at 5)

“Although “[c]ases should be decided upon their merits whenever reasonably possible,” termination of a case before hearing the merits is allowed whenever a defendant fails to defend an action.” (at 11)

FACTUAL BACKGROUND

Ameris Bank financed equipment for M & T Transport LLC under a written Equipment Financing Agreement and Ryan McKeegan executed a corresponding personal guaranty. M & T failed to make required monthly payments, and McKeegan failed to perform under the guaranty. Defendants were served with the complaint and default-related papers but did not appear or defend. The court found damages of \$270,281.76, prejudgment interest of \$34,354.56, attorney fees of \$9,005.63, and costs of \$561.00.

PROCEDURAL HISTORY

Ameris Bank sued M & T Transport LLC for breach of an equipment financing agreement and Ryan McKeegan for breach of a personal guaranty. Defendants were served but did not appear or respond. The court granted plaintiff's motion for default judgment and directed the Clerk to enter judgment.

DISPOSITION

other

CASES CITED

- Landstar Ranger, Inc. v. Parth Enters. Inc., 725 F. Supp. 2d 916 (C.D. Cal. 2010)
- PepsiCo, Inc. v. Cal. Sec. Cans, 238 F. Supp. 2d 1172 (C.D. Cal. 2002)
- Seiko Epson Corp. v. Prinko Image Co. (USA), 2018 WL 6264988, at *2 (C.D. Cal. Aug. 22, 2018)
- Bd. of Trustees of Sheet Metal Workers v. Moak, 2012 U.S. Dist. LEXIS 156381, 2012 WL 5379565, at *2 (N.D. Cal. Oct. 31, 2012)
- Cathcart, 2010 U.S. Dist. LEXIS 19998, 2010 WL 1048829, at *4
- Cripps v. Life Ins. Co. of N. Am., 980 F.2d 1261, 1267 (9th Cir. 1992)
- Danning v. Lavine, 572 F.2d 1386, 1388 (9th Cir. 1978)
- Oasis W. Realty, LLC v. Goldman, 51 Cal. 4th 811, 821 (2011)
- CDF Firefighters v. Maldonado, 158 Cal. App. 4th 1226, 1239 (2008)
- Beacon Sales Acquisition, Inc. v. S. W. Solar, Inc., 2022 WL 3574413, at *2 (C.D. Cal. June 7, 2022)
- Fair Hous. of Marin v. Combs, 285 F.3d 899, 906 (9th Cir. 2002)
- Vogel v. Rite Aid Corp., 992 F. Supp. 2d 998, 1012 (C.D. Cal. 2014)
- NewGen, LLC v. Safe Cig, LLC, 840 F.3d 606, 617 (9th Cir. 2016)
- Wells Fargo Bank, N.A. v. Darmont Constr. Corp., 2021 WL 5862170, at *3 (C.D. Cal. July 29, 2021)
- Pay Less Drug Stores v. Bechdolt, 92 Cal. App. 3d 496, 501 (1979)
- Ameris Bank v. Old Pylon Trucking, LLC, 2024 WL 2406693, at *3 (C.D. Cal. Apr. 16, 2024)
- Craigslist, Inc. v. Naturemarket, Inc., 694 F. Supp. 2d 1039, 1060-61 (N.D. Cal. 2010)
- Wecosign, Inc. v. IFG Holdings, Inc., 845 F. Supp. 2d 1072, 1082 (C.D. Cal. 2012)
- Shanghai Automation Instrument Co. v. Kuei, 194 F. Supp. 2d 995, 1005 (N.D. Cal. 2001)
- Adobe Sys. Inc. v. Kern, 2009 WL 5218005, at *6 (N.D. Cal. Nov. 24, 2009)
- TeleVideo Sys. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987)
- Bd. of Trs. of the Boilermaker Vacation Tr. v. Skelly, Inc., 389 F. Supp. 2d 1222, 1226 (N.D. Cal. 2005)
- Speirs v. BlueFire Ethanol Fuels, Inc., 243 Cal. App. 4th 969, 989 (2015)
- Runyan v. Pac. Air Indus., Inc., 2 Cal. 3d 304, 316 n.15 (1970)
- W. Air Charter, Inc. v. Schembari, 2019 WL 6998789, at *2 (C.D. Cal. Mar. 7, 2019)
- Fireman's Fund Ins. Co. v. Allstate Ins. Co., 234 Cal. App. 3d 1154 (1991)
- Vogel v. Harbor Plaza Ctr., LLC, 893 F.3d 1152, 1159 (9th Cir. 2018)

- *Carnes v. Zamani*, 488 F.3d 1057, 1059 (9th Cir. 2007)
- *Grove v. Wells Fargo Fin. Cal., Inc.*, 606 F.3d 577, 580 (9th Cir. 2010)
- *Escriba v. Foster Poultry Farms, Inc.*, 743 F.3d 1236, 1247 (9th Cir. 2014)
- *Save Our Valley v. Sound Transit*, 335 F.3d 932, 945 (9th Cir. 2003)
- *Marx v. Gen. Revenue Corp.*, 568 U.S. 371, 377 (2013)

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