

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Adesola Aiyedun v. Autocred, Inc. et al.

Aiyedun v. Autocred · No. 2:24-cv-04341-ODW (ASx) · Decided November 17, 2025

SUMMARY

The United States District Court for the Central District of California denied Adesola Aiyedun’s motion for default judgment against Reign Recovery Services, Inc. in an action alleging violations of the Federal Fair Debt Collection Practices Act and California’s Rosenthal Fair Debt Collection Practices Act. The court held that the complaint did not sufficiently allege a breach of the peace or the force or threat of force necessary to state the asserted claims. The court dismissed the First Amended Complaint with leave to amend, set aside the clerk’s entry of default, and allowed twenty-one days to amend.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Otis D. Wright, II
JURISDICTION	United States District Court for the Central District of California
DECIDED	November 17, 2025
DOCKET	2:24-cv-04341-ODW (ASx)
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff moved for default judgment against Reign Recovery Services, Inc. after the Clerk entered default. The court denied the motion, sua sponte dismissed the First Amended Complaint with leave to amend, and set aside the entry of default.
STANDARD OF REVIEW	Entry of default judgment under Federal Rule of Civil Procedure 55(b) is discretionary. The court evaluates the Eitel factors and accepts well-pleaded allegations as true after default, except allegations concerning damages; legally insufficient claims are not established by default.
PRECEDENTIAL VALUE	Unpublished federal district court order; generally persuasive only and not precedential except as permitted by applicable rules.
PARTIES	Adesola Aiyedun v. Autocred, Inc., Reign Recovery Services, Inc.

TOPICS

default judgment default pleadings fair debt collection civil procedure

PRACTICE AREAS

Civil procedure Fair debt collection Consumer protection Commercial litigation

QUESTIONS PRESENTED

1. Whether Aiyedun satisfied the procedural prerequisites for default judgment under Federal Rule of Civil Procedure 55 and the Central District of California's local rules.
2. Whether the well-pleaded allegations stated a sufficiently meritorious FDCPA claim based on repossession allegedly involving a breach of the peace.
3. Whether the allegations stated claims under California Civil Code sections 1788.10(a) and 1788.17 of the Rosenthal Fair Debt Collection Practices Act.
4. Whether the court should deny default judgment, dismiss the First Amended Complaint with leave to amend, and set aside the entry of default.

HOLDINGS

1. Aiyedun satisfied the procedural requirements for seeking default judgment under Federal Rule of Civil Procedure 55 and the applicable local rules.
2. A defendant's default does not automatically entitle a plaintiff to default judgment, and a district court retains discretion to deny default judgment when the complaint does not state a legally sufficient claim.
3. Alleging that a repossession company entered a secured private gated parking structure without consent, without alleging force or threat of force or comparable conduct, was insufficient to plausibly establish a breach of the peace and therefore failed to state a sufficiently meritorious FDCPA claim.
4. The allegations did not state sufficiently meritorious claims under California Civil Code section 1788.10(a) or section 1788.17 because they did not establish force, threatened force, a criminal act, or an underlying FDCPA violation.
5. Because the First Amended Complaint failed to state a claim but the deficiencies might be cured, the court dismissed it with leave to amend and set aside the default entered against RRS on that pleading.

KEY QUOTATIONS

“However, before a court can enter a default judgment against a defendant, the plaintiff must satisfy the procedural requirements in Rules 54(c) and 55, and Central District Civil Local Rules 55-1 and 55-2. Even if these procedural requirements are satisfied, “a defendant’s default does not automatically entitle the plaintiff to a court-ordered judgment.”” (at 2)

“Although well-pleaded allegations are taken as true, “claims which are legally insufficient[] are not established by default.”” (at 4)

“Thus, to plausibly allege breach of the peace, a plaintiff cannot simply allege that the repossession company entered the property without consent; rather, a plaintiff must also allege facts showing use of force or threat of force.” (at 5)

FACTUAL BACKGROUND

Aiyedun purchased a 2007 Jaguar X-Type through a loan agreement granting a security interest in the vehicle, which was later assigned to Autocred. Autocred engaged RRS to repossess the vehicle, and RRS repossessed it from a private gated parking structure without Aiyedun's consent. Aiyedun alleged that the repossession violated the FDCPA and California's Rosenthal Fair Debt Collection Practices Act, but did not allege that RRS used or threatened force, entered through a locked gate, or broke or neutralized locks.

PROCEDURAL HISTORY

Aiyedun filed suit against Autocred, Inc. and Reign Recovery Services, Inc. on May 24, 2024, and filed a First Amended Complaint on June 11, 2024. Autocred was dismissed pursuant to a joint stipulation. After RRS was served with the First Amended Complaint, failed to appear, and had its default entered, Aiyedun moved for default judgment. The court found that the complaint failed to state sufficiently meritorious FDCPA and Rosenthal Act claims, denied default judgment, dismissed the First Amended Complaint with leave to amend, and directed the Clerk to set aside the default.

DISPOSITION

dismissed

CASES CITED

- PepsiCo, Inc. v. Cal. Sec. Cans, 238 F. Supp. 2d 1172, 1174-75 (C.D. Cal.)
- Draper v. Coombs, 792 F.2d 915, 924-25 (9th Cir. 1986)
- Aldabe v. Aldabe, 616 F.2d 1089, 1092 (9th Cir. 1980)
- TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987) (per curiam)
- Geddes v. United Fin. Grp., 559 F.2d 557, 560 (9th Cir. 1977)
- Adriana Int'l Corp. v. Thoeren, 913 F.2d 1406, 1414 (9th Cir. 1990)
- Eitel v. McCool, 782 F.2d 1470, 1471-72 (9th Cir. 1986)
- Viet. Reform Party v. Viet Tan-Viet. Reform Party, 416 F. Supp. 3d 948, 962 (N.D. Cal.)
- Cripps v. Life Ins. Co. of N. Am., 980 F.2d 1261, 1267 (9th Cir. 1992)
- Rivin v. Patrick K. Willis Co., Inc., No. 2:20-cv-07431-RGK (KSx), 2020 WL 8365251, at *4 (C.D. Cal. Dec. 4, 2020)
- Clark v. PAR, Inc., No. 2:15-cv-02322-MWF (FFMx), 2015 WL 13781846, at *6 (C.D. Cal. July 22, 2015)
- Hartford Fin. Corp. v. Burns, 96 Cal. App. 3d 591, 600 (1979)
- Brooks v. Leon's Quality Adjusters, Inc., No. 1:15-cv-000965-JLT, 2016 WL 4539967, at *14 (E.D. Cal. Aug. 30, 2016)

- Van Dorn v. Couch, 21 Cal. App. 2d Supp. 749, 755 (1937)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Warner v. Midland Credit Mgmt., Inc., 540 F. Supp. 3d 946, 968 (C.D. Cal.)
- Atl. Specialty Ins. Co. v. Top Sealand Int'l Co., No. 2:22-cv-04468-MCS (GJSx), 2022 WL 19770292, at *2 (C.D. Cal. Dec. 9, 2022)
- GS Holistic, LLC v. Ravens Smoke Shop, Inc., No. 2:22-cv-07199-MWF (Ex), 2023 WL 5504964, at *3 (C.D. Cal. July 10, 2023)

OPINION

O 1 2 3 4 5 6 United States District Court 7 Central District of California 8 9 ADESOLA AIYEDUN, Case No. 2:24-cv-04341-ODW (ASx) 10 11 Plaintiff, ORDER DENYING PLAINTIFF'S 12 MOTION FOR DEFAULT v. 13 JUDGMENT [48] 14 AUTOCRED, INC. et al., 15 Defendants. 16 17 I. INTRODUCTION 18 Plaintiff Adesola Aiyedun brings this action against Defendant Reign Recovery 19 Services, Inc. ("RRS") for violation of the Federal Fair Debt Collection Practices Act 20 ("FDCPA") and California's Rosenthal Fair Debt Collection Practices Act (the 21 "Rosenthal Act").

(First Am. Compl. ("FAC"), Dkt. No. 12.)¹ RRS failed to appear 22 and defend, and Aiyedun now moves for default judgment. (Mot. Default J. ("Motion" 23 or "Mot."), Dkt. No. 48.) For the reasons discussed below, the Court DENIES 24 Aiyedun's Motion.² 25 26 1 On August 13, 2025, the Court dismissed Autocred, Inc. in light of Aiyedun and Autocred's Joint 27 Stipulation for Dismissal.

(Dkt. No. 43.) RRS remains as the sole defendant in this action. 28 2 After carefully considering the papers filed in support of the Motion, the Court deemed the matter appropriate for decision without oral argument. Fed. R. Civ. P. 78; C.D. Cal. L.R. 7-15. 1 II. BACKGROUND 2 Aiyedun purchased a 2007 Jaguar X-Type (the "Vehicle") from non-party 3 Carfluent, Inc. (FAC ¶ 10.)

Aiyedun executed a loan agreement (the "Contract") to 4 facilitate the purchase, which provided Carfluent and its assignees a security interest in 5 the Vehicle. (Id. ¶¶ 11–12.) Carfluent later assigned the Contract to Autocred, an 6 automobile loan financing company and debt collector. (Id. ¶¶ 6–7, 13.) Autocred 7 engaged RRS, a repossession agent, to repossess the Vehicle.

(Id. ¶ 18.) In late 8 October 2023, RRS repossessed the Vehicle, which was secured in a private gated 9 parking structure. (Id. ¶¶ 19–20.) RRS did not have Aiyedun's consent to enter the 10 structure. (Id. ¶¶ 21–23.) 11 On May 24, 2024, Aiyedun brought this action against Autocred and RRS. 12 (Compl., Dkt. No. 1.)

On June 11, 2024, Aiyedun amended her complaint. (FAC.) On 13 March 3, 2025, Aiyedun served RRS with the First Amended Complaint. (Proof 14 Service FAC, Dkt. No. 45.) RRS failed to appear or defend the case. Accordingly, 15 upon Aiyedun's request, on April 2, 2025, the Clerk

entered RRS's default. (Default, 16 Dkt. No. 47.) 17 On July 22, 2025, Aiyedun filed this Motion against RRS.

(Mot.) Aiyedun 18 requests relief of \$2,000.00 in statutory damages, \$14,396.00 in attorneys' fees, and 19 \$711.22 in costs. (Id. at 16–22.) 20 III. LEGAL STANDARD 21 Federal Rule of Civil Procedure ("Rule") 55(b) authorizes a district court to grant 22 a default judgment after the Clerk enters default under Rule 55(a).

However, before a 23 court can enter a default judgment against a defendant, the plaintiff must satisfy the 24 procedural requirements in Rules 54(c) and 55, and Central District Civil Local 25 Rules 55-1 and 55-2. Even if these procedural requirements are satisfied, "[a] 26 defendant's default does not automatically entitle the plaintiff to a court-ordered 27 judgment." *PepsiCo, Inc., v. Cal. Sec. Cans*, 238 F. Supp. 2d 1172, 1174 (C.D.

Cal. 28 2002) (citing *Draper v. Coombs*, 792 F.2d 915, 924–25 (9th Cir. 1986)). Instead, "[t]he 1 district court's decision whether to enter a default judgment is a discretionary one." 2 *Aldabe v. Aldabe*, 616 F.2d 1089, 1092 (9th Cir. 1980) (collecting cases). 3 Generally, after the Clerk enters a default, the defendant's liability is conclusively 4 established, and the well-pleaded factual allegations in the plaintiff's complaint "will 5 be taken as true," except those pertaining to the amount of damages.

TeleVideo Sys., 6 Inc. v. Heidenthal, 826 F.2d 915, 917–18 (9th Cir. 1987) (per curiam) (quoting *Geddes 7 v. United Fin. Grp.*, 559 F.2d 557, 560 (9th Cir. 1977)). The court need not make 8 detailed findings of fact when entering default judgment, except as to damages. See 9 *Adriana Int'l Corp. v. Thoeren*, 913 F.2d 1406, 1414 (9th Cir. 1990). 10 IV. DISCUSSION 11 Aiyedun moves for entry of default judgment against RRS totaling \$17,107.22.

12 (Mot. 16–22.) The Court will first address whether Aiyedun satisfies the procedural 13 requirements for default judgment. The Court will then determine whether the Eitel 14 factors weigh in favor of default judgment. 15 A. Procedural Requirements 16 Local Rule 55-1 requires that the movant establish: (1) when and against which 17 party default was entered; (2) the pleading on which default was entered; (3) whether 18 the defaulting party is a minor or incompetent person; (4) that the Servicemembers Civil 19 Relief Act does not apply; and (5) that the defaulting party was properly served with 20 notice, if required under Rule 55(b)(2).

In turn, Rule 55(b)(2) requires written notice 21 on the defaulting party if that party "has appeared personally or by a representative." 22 Aiyedun satisfies the procedural requirements necessary for obtaining a default 23 judgment.

On April 2, 2025, the Clerk entered default against RRS as to Aiyedun's 24 First Amended Complaint. (See Default.) Aiyedun's counsel submits declaration 25 testimony that RRS is not a

minor or incompetent person and that the Servicemembers 26 Civil Relief Act does not apply. (Decl. Russell S. Thompson, IV ISO Mot. ¶¶ 5–6, Dkt. 27 No. 48-2.)

Finally, service of the Motion is not required because RRS has not appeared. 28 1 Fed. R. Civ. P. 55(b)(2) (requiring written notice only when the defaulting party has 2 appeared). 3 Thus, Aiyedun satisfies the procedural requirements for entry of default 4 judgment. 5 B. Factors 6 In considering whether entry of default judgment is warranted, courts consider 7 the “Eitel factors”: “(1) the possibility of prejudice to the plaintiff”; “(2) the merits of 8 plaintiff’s substantive claim”; “(3) the sufficiency of the complaint”; “(4) the sum of 9 money at stake”; (5) the possibility of a material factual dispute; “(6) whether the 10 default was due to excusable neglect”; and (7) the strong policy favoring decisions on 11 the merits.

Eitel v. McCool, 782 F.2d 1470, 1471–72 (9th Cir. 1986). “Of all the Eitel 12 factors, courts often consider the second and third factors to be the most important.” 13 Viet. Reform Party v. Viet Tan-Viet. Reform Party, 416 F. Supp. 3d 948, 962 (N.D. Cal. 14 2019) (internal quotation marks omitted).

Thus, the Court considers these factors first. 15 1. Second & Third Eitel Factors 16 The second and third Eitel factors require a plaintiff to “state a claim on which 17 the [plaintiff] may recover.” PepsiCo, 238 F. Supp. 2d at 1175 (alteration in original). 18 Although well-pleaded allegations are taken as true, “claims which are legally 19 insufficient[] are not established by default.” Cripps v. Life Ins.

Co. of N. Am., 980 F.2d 20 1261, 1267 (9th Cir. 1992). 21 Aiyedun asserts three claims against RRS, for violation of the FDCPA and the 22 Rosenthal Act. (FAC ¶¶ 24–31, 41–52.) The Court examines each in turn. 23 a. Count I—FDCPA 24 The FDCPA prohibits enforcers of security interests from “[t]aking or 25 threatening to take any nonjudicial action to effect dispossession... of property if...

26 there is no present right to possession of the property claimed as collateral through an 27 enforceable security interest.” 15 U.S.C. § 1692f(6)(A). Courts look to state law 28 regarding security interests to determine whether a secured party had a present right to 1 possess the collateral. Rivin v. Patrick K. Willis Co., Inc., No. 2:20-cv-07431-RGK 2 (KSx), 2020 WL 8365251, at *4 (C.D.

Cal. Dec. 4, 2020). A secured party may take 3 possession of a collateral “[w]ithout judicial process, if it proceeds without breach of 4 the peace.” Cal. Com. Code § 9609(b)(2). However, “a breach of the peace can 5 extinguish a present right to possession.” Clark v. PAR, Inc., No. 2:15-cv-02322-MWF 6 (FFMx), 2015 WL 13781846, at *6 (C.D. Cal. July 22, 2015).

7 California statutes do not define “breach of the peace” and left that up for 8 interpretation by state courts. See Cal. Com. Code § 9609 cmt. 3 (“[T]his section does 9 not define or explain the

conduct that will constitute a breach of the peace, leaving that 10 matter for continuing development by the courts.”) Although California law bars 11 repossession companies from “[u]nlawfully entering any private building or secured 12 area without the consent of the owner,” Cal. Bus. & Prof.

Code § 7508.2(d), California 13 courts have interpreted breach of the peace to occur only where “force or threats of force 14 are necessary to secure possession of the collateral without judicial intervention,” 15 *Hartford Fin. Corp. v. Burns*, 96 Cal. App. 3d 591, 600 (1979).

Thus, to plausibly 16 allege breach of the peace, a plaintiff cannot simply allege that the repossession 17 company entered the property without consent; rather, a plaintiff must also allege facts 18 showing use of force or threat of force. See *Brooks v. Leon’s Quality Adjusters, Inc*, 19 No. 1:15-cv-000965-JLT, 2016 WL 4539967, at *14 (E.D. Cal. Aug. 30, 2016) 20 (“Notably, Plaintiff has identified no cases—and the Court has located none—where 21 the mere entry upon the property of a third party constitutes a breach of the peace under 22 California law.”); see also *Van Dorn v. Couch*, 21 Cal. App.

2d Supp. 749, 755 (1937) 23 (“[I]t is generally held that the owner of personal property... may go upon that land to 24 retake it without committing a trespass if he can do so without committing... breach 25 of the peace.”). 26 Here, Aiyedun alleges only that RRS, without Aiyedun’s consent, repossessed 27 the Vehicle by entering a “secured private gated parking structure.” (FAC ¶¶ 20–23.)

28 This allegation alone, even accepted as true, does not suggest a breach of the peace, and 1 therefore fails to “raise [the] right to relief above the speculative level.” *Bell Atl. Corp. 2 v. Twombly*, 550 U.S. 544, 555 (2007). Aiyedun does not allege that (1) RRS used or 3 threatened to use any force to enter the structure, (2) RRS entered a structure secured 4 by a locked gate, or (3) RRS broke or neutralized any locks to enter the property.

(See 5 FAC ¶ 20 (referring to a “secured” and “private gated parking structure” but failing to 6 mention any locks or force).) These are the type of allegations that courts require to 7 establish a breach of the peace. See, e.g., *Rivin*, 2020 WL 8365251, at *4 (finding the 8 plaintiff sufficiently pleaded a claim under 15 U.S.C. § 1692f(6) by alleging defendants 9 breached the peace when they entered his property, “secured by a locked gate and fence, 10 without permission”).

11 Thus, Aiyedun has not pleaded a sufficiently meritorious claim for violation of 12 the FDCPA, and therefore the second and third Eitel factors favor denial of entry of 13 default judgment on Aiyedun’s first cause of action. 14 b. Counts III & IV—Rosenthal Act 15 The Rosenthal Act is California’s adopted version of the FDCPA. *Warner v. 16 Midland Credit Mgmt., Inc.*, 540 F. Supp. 3d 946, 968 (C.D.

Cal. 2021). In her third 17 and fourth causes of action, Aiyedun alleges violations of two separate provisions of 18 the Rosenthal Act: section 1788.10(a) and section 1788.17, respectively. (FAC ¶¶ 41– 19 52.) 20 Section 1788.10(a) of the Rosenthal Act prohibits a debt collector from collecting 21 a covered debt by “[t]he use, or threat of use, of physical force or violence or any 22 criminal means to cause harm to... the property of any person.” Aiyedun argues that 23 RRS’s entrance of a secured area without the owner’s consent constituted a criminal act 24 to harm the Vehicle.

(Mot. 11.) In so arguing, Aiyedun relies on the same arguments 25 she advanced for RSS’s alleged violation of the FDCPA. (Id.) But as the Court 26 explained above, Aiyedun has not pleaded sufficient facts to establish physical force or 27 threat of physical force—let alone a criminal act.

As Aiyedun fails to advance an 28 argument regarding RRS’s liability under this section 1788.10 that is untethered from 1 her FDCPA argument, the Court finds that Aiyedun has not met her burden of pleading 2 a sufficiently meritorious claim under section 1788.10 of the Rosenthal Act.

Therefore, 3 the second and third Eitel factors favor denial of entry of default judgment on Aiyedun’s 4 third cause of action. 5 Section 1788.17 of the Rosenthal Act requires compliance with the provisions of 6 the FDCPA. Aiyedun correctly argues that a violation of the FDCPA is a per se 7 violation of the Rosenthal Act, so by establishing her FDCPA claim, she may also 8 establish her claim under the Rosenthal Act.

(Mot. 10.) But as explained above, 9 Aiyedun does not establish her FDCPA claim. Consequently, Aiyedun also does not 10 establish her claim under the Rosenthal Act. Thus, the second and third Eitel factors 11 favor denial of entry of default judgment on Aiyedun’s fourth cause of action. 12 Aiyedun’s failure to state a claim for relief for any of her causes of action dooms 13 her Motion.

Atl. Specialty Ins. Co. v. Top Sealand Int’l Co., No. 2:22-cv-04468-MCS 14 (GJSx), 2022 WL 19770292, at *2 (C.D. Cal. Dec. 9, 2022) (“Because Plaintiff does 15 not meet the threshold requirement of an adequately pleaded complaint, [she] is not 16 entitled to default judgment.”).

Accordingly, the Court declines to address the 17 remaining Eitel factors and DENIES Aiyedun’s Motion. See GS Holistic, LLC v. 18 Ravens Smoke Shop, Inc., No. 2:22-cv-07199-MWF (Ex), 2023 WL 5504964, at *3 19 (C.D. Cal. July 10, 2023) (“Because the decision to grant default judgment is at the sole 20 discretion of the Court, the Court may render judgment based on an assessment of the 21 second and third Eitel factors alone.”).

However, the Court also finds that these 22 deficiencies may be cured and grants Aiyedun leave to amend her pleading. See id. 23 (granting leave to amend pleadings after denying motion for default judgment). 24 V. CONCLUSION 25 For the reasons discussed above, the Court DENIES Aiyedun’s Motion for 26 Default Judgment. (Dkt. No. 48.)

In light of Aiyedun's failure to state a well-pleaded claim against RRS, the Court sua sponte DISMISSES the First Amended Complaint WITH LEAVE TO AMEND. As the First Amended Complaint is no longer operative, the Court directs the Clerk to SET ASIDE the default entered against RRS as to the First Amended Complaint. (Dkt. No. 47.) If Aiyedun elects to amend her pleading, she must do so no later than twenty-one (21) days after the date of this Order.

Aiyedun must serve the amended complaint on RRS within twenty-one (21) days of filing it with the Court and file a proof of service with the Court immediately thereafter. If Aiyedun fails to timely amend, this dismissal will be deemed a dismissal with prejudice as of the lapse of the deadline to amend. IT IS SO ORDERED. November 17, 2025 ~N.

OTIS D. GHT, II UNITED STATES DISTRICT JUDGE
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