

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PRECEDENTIAL VALUE	Unpublished federal district court order; generally persuasive only and not precedential except as permitted by applicable rules.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)

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