JS-6

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

J D FACTORS, LLC, a California Limited Liability Company,

Plaintiff,

vs.

SOL-TAIC SOLAR, INC., a Colorado Corporation, BRYAN DIRKES, an Individual, and MONA DIRKES, an Individual, and DOES 1 through 10,

Defendants.

CASE NO. CV14-00666 DDP (CWx)
Location: Courtroom 3
Judge: Hon. Dean D. Pregerson

JUDGMENT

[Notice of Motion and Motion for a Default Judgment; Memorandum of Points and Authorities; Declarations of Matthew Johnson and Jason J. Jarvis; and Request for Judicial Notice Filed Concurrently Herewith]

DATE: July 14, 2014
TIME: 10:00 a.m.
CTRM: 3

Complaint Filed: January 28, 2014

PURSUANT TO THE MOTION FOR ENTRY OF DEFAULT JUDGMENT SUBMITTED by Plaintiff J D FACTORS, LLC ("Plaintiff" or "J D Factors") against Defendants Sol-Taic Solar, Inc. ("Sol-Taic"), Bryan Dirkes, and Mona Dirkes (collectively, "Defendants"),

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NOW, THEREFORE, IT IS HEREBY ADJUDGED, ORDERED AND DECREED that:

(1) The Court specifically finds that Defendants Sol-Taic and Bryan Dirkes knowingly and intentionally converted Plaintiff's property by wrongfully diverting and collecting the proceeds from the Accounts (as that term is defined in California Commercial Code §9102(a)(2)) purchased by J D Factors.

(2) The Court further specifically finds that Defendants Sol-Taic and Bryan Dirkes, knowingly and intentionally, for purposes of deceiving J D Factors and obtaining financing/funding, concealed material facts that: (a) Defendants Sol-Taic and Bryan Dirkes had been diverting payments on the Accounts to Sol-Taic; and (b) Defendants Sol-Taic and Bryan Dirkes had been falsifying and creating wholly fraudulent invoices while representing to J D Factors that they were valid invoices which were due for payment and eligible for funding.

(3) Defendants Sol-Taic and Bryan Dirkes, who were under a duty to disclose the diversion of payments and the falsified and fraudulent invoices, concealed these material facts with the intention of inducing J D Factors to continue purchasing Accounts from and advancing funds to Sol-Taic. J D Factors justifiably relied upon Defendants Sol-Taic's and Bryan Dirkes' representations and was induced to continue to advance funds to and purchase invoices from Sol-Taic. In doing so, J D Factors was damaged by purchasing Accounts from Sol-Taic, the payments on which would be paid to Sol-Taic directly, and not to J D Factors. In this regard, the Court finds that Defendants Sol-Taic's and Bryan Dirkes' conduct was fraudulent and they acted with the specific intent to injure and harm J D Factors.

(4) Judgment on Plaintiff's First Claim for Relief for Breach of Contract shall be entered in favor of Plaintiff and against Defendant Sol-Taic Solar, Inc.

(5) Judgment on Plaintiff's Second Claim for Relief for Breach of Guaranty shall be entered in favor of Plaintiff and against Defendants Bryan Dirkes

and Mona Dirkes.

(6) Judgment on Plaintiff's Third Claim for Relief for Fraudulent Concealment shall be entered in favor of Plaintiff and against Defendants Sol-Taic Solar Inc. and Bryan Dirkes.

(7) Judgment on Plaintiff's Fifth Claim for Relief for Conversion shall be entered in favor of Plaintiff and against Defendants Sol-Taic Solar Inc., Bryan Dirkes, and Mona Dirkes.

(8) Plaintiff shall have judgment for monetary damages against Defendants, jointly and severally, in the total amount of $565,046.69, which consists of the principal amount of $350,077.69, reasonable attorney's fees in the amount of $39,569.00, and costs in the amount of $400.00; and punitive damages in the amount of $175.000.00.

(9) Plaintiff's Fourth Claim for Relief for an Accounting and Sixth Claim of Relief for Injunction are dismissed.

(10) Plaintiff shall be entitled to post-judgment costs and interest, according to proof.

Dated: July 29, 2014

THE HONORABLE DEAN PREGERSON
UNITED STATES DISTRICT JUDGE