

**PARTIES/ATTORNEYS**

Plaintiff	Credit Corp Solutions Inc	Hada L. Fernandez
Defendant	Christian Villa Huerta	Pro Per

**PROPOSED TENTATIVE**

On December 5, 2025, Credit Corp. Solutions, Inc. (plaintiff) filed a complaint against Christian Villa Huerta (defendant), for breach of contract and common count (for money lent, paid, and expended). Plaintiff is the successor-in-interest (as assignee) of First Electronic Bank, the original creditor. According to the complaint, defendant opened a line of credit from the original creditor, and agreed to repay \$39,169.10. The amount was advanced to plaintiff after signing a written promissory note. Plaintiff has allegedly defaulted, and now owes the full amount. Defendant in propria persona filed an answer on January 16, 2026.

On January 21, 2026, defendant, again in propria persona, filed a motion to compel arbitration. The motion is admittedly meagre, consisting of a very brief Memorandum of Points and Authorities (with no citations to statute or case law); a proposed order; and a notice of motion. The proof of service of the motion indicates service by mail on January 21, 2026, to plaintiff’s counsel. Defendant seems to be relying on the documents contained in Exhibit A attached to the original complaint, which consists of 13 pages as follows: 1) “Promissory Note and Disclosures” (which contains ); and 2) a ”Facts” sheet.

Item 17 of the written agreement attached to the complaint outlines the arbitration agreement in relevant part as follows:

“By electronically signing this Agreement you agree to this Arbitration Agreement (Clause) unless you opt out by the method described below:

**Background.** . . . You, we, and related third parties waive the right to go to court, except a state court of limited jurisdiction that does not allow class actions (‘Small Claims court’), as described in this clause . . .

**Scope.** This Clause governs the parties to this Agreement, their heirs, successors, assigns, and third parties related to any Dispute . . . This Clause governs all ‘Disputes’ involving the parties to this Agreement and/or our services, Assignees, and agents. . . This includes all claims even indirectly related to your application and/or agreement(s) with us . . . It includes all claims related to collections, privacy, and customer information . . . It includes disputes based on contract, tort, . . . common law and equity claims for monetary damages and injunctive or declaratory relief . . .

**Waiver.** You waive your rights to (1) Have juries resolve Disputes; (2) Have courts, other than Small Claims courts, resolve Disputes . . .’

**Governing Law.** This transaction involves interstate commerce, so the Federal Arbitration Act (‘FAA’) governs . . .”

Defendant’s electronic signature appears on page 7, with a date of November 22, 2021. The lender was First Electronic Bank, which was the assignor of the debt at issue in the lawsuit.

Defendant wishes to compel arbitration under this agreement. Plaintiff has not filed opposition, even though it was served with the motion and all parts by mail on January 21, 2026. Opposition was due nine (9) court days before today’s hearing, or March 12, 2026.

Code of Civil Procedure section 1281.2, which is the procedural vehicle for a motion to compel arbitration even when the FAA governs, as is the case here, requires a trial court to grant a petition to compel arbitration “if [the court] determines that an agreement to arbitrate the controversy exists.” This statute creates a summary proceeding for resolving the petition, with the trial court sitting as the trier of fact, weighing all affidavits, declarations, and other documentary evidence to reach a final determination. (*Rosenthal v. Great Western Financial Securities Corporation* (1996) 14 Cal.4th 394, 413.) The party seeking to compel arbitration has the initial burden to plead and prove the existence of a valid arbitration agreement that applies to the dispute by a preponderance of the evidence. Once that burden is satisfied, the party opposing arbitration must prove by a preponderance of the evidence any defense to the agreement's enforcement. (*Ibid.*; see *Avery v. Integrated Healthcare Holdings, Inc.* (2013) 218 Cal.App.4th 50, 59; *Sorokunov v. NetApp, Inc.* (Mar. 3, 2026, No. A171964) \_\_\_\_ Cal.App..5th \_\_\_\_ [2026 WL 590943, at p. 3.]

Defendant meets this initial burden by showing by a preponderance of evidence the existence of written agreement between the parties, which governs the present dispute. (See, e.g., *Gamboa v. Northeast Community Clinic* (2021) 72 Cal.App.5th 158, 165 [the moving party can meet his or her initial burden by submitting a copy of the arbitration agreement].) There is a written arbitration agreement between defendant and plaintiff’s predecessor-in-interest, and the litigation issues fall within the ambit of the written arbitration agreement. It is uncontested that plaintiff is bound by the arbitration agreement, as it stepped into the shoes of the original debtor when it purchased the very debt at issue in the arbitration agreement. (See, e.g., Civ. Code, § 1589 [a voluntary acceptance of the benefit of the transaction is equivalent to the consent to all obligations arising from it]; see also *Thomas v. Westlake* (2012) 204 Cal.App.4th 605, 613, fn. 5 [a successor-in- interest is bound by the arbitration agreements the predecessor signed].) Indeed, the arbitration agreement expressly indicates all assignees, such as plaintiff, are bound by the agreement. As there is no opposition, no defense has been advanced. (*Engalla v. Permanente Medical Group* (1997) 15 Cal.4th 951, 972 [a party opposing the petition or motion to compel

arbitration bears the burden of proving by a preponderance of evidence any fact necessary for defense].)

**Summary:** The court grants plaintiff's motion to compel arbitration. The court stays the matter pursuant to Code of Civil Procedure section 1284.4 pending resolution of arbitration. The court directs the clerk to put the court's ruling in the minute order. The court will want to set a CMC schedule to monitor the progress of arbitration, so the parties should be prepared to discuss dates for this purpose (say, for example, every three (3) or (6) months).