PROPOSED TENTATIVE

Plaintiff Red Target LLC succeeded in interest to a contract between Reliant Business Services, LLC and defendant Streamline Garden and Irrigation Management and its sole proprietor, Dock A Wickham, in which plaintiff purchased 15% of the revenue ($14,190.00) generated from the sales of the business for $10,000.00. The amended complaint alleged that defendant had only paid $1,501.60 to Reliant, leaving a balance of $10,888.40. On November 14, 2024, default was entered against defendant on the amended complaint. On December 20, 2024, a court judgment was entered for the balance demanded in the amended complaint of $10,888.40. The total judgment entered was $15,521.60.

Plaintiff has previously moved to amend the default judgment pursuant to Code of Civil Procedure section 473 subdivision (a)(1), to account for payments made by defendant not originally recognized in the original default judgment. The court noted at the time of the first request that this statute was not the correct procedural vehicle to utilize for such a purpose, as it was limited to amending pleadings for mistakes. The pleadings allowed in civil actions for this purpose are complaints, demurrers, answers, and cross-complaints. (Code Civ. Proc., § 422.10.) Thus, by its express terms, Code of Civil Procedure section 473 subdivision (a) does not apply to amendment of judgments.

That being said, again as the court previously noted, trial courts generally retain inherent power to vacate a default judgment or make orders on equitable grounds where a party establishes that the judgment or order resulted from extrinsic fraud or mistake. (*In re Marriage of Melton* (1994) 28 Cal.App.4th 931, 937.) "Extrinsic mistake is found when [among other things] . . . a mistake led a court to do what it never intended. . . . " (*County of San Diego v. Gorham* (2010) 186 Cal.App.4th 1215, 1228–1229 citing *Kulchar v. Kulchar* (1969) 1 Cal.3d 467, 471-472.) Additionally, under Code of Civil Procedure section 473, subdivision (d), the court has the authority to correct judgments based on clerical mistakes so as to conform to the judgment.

The court, relying on this authority, observed at the time of plaintiff's first request that the default judgment was a mistake, as it failed to account for $2,650.00 in payments made by defendant. Equity thus permitted the court to amend the judgment to reflect the true principal balance owed of $8,238.40, prejudgment interest of $1,203.03, attorney fees of $584.30, and costs of $766.00, for a new default judgment of $10,791.73. The court granted plaintiff's request to correct the default judgment, and signed the order on September 17, 2025.

On April 28, 2026, plaintiff filed a new (second) motion to correct the amount of the default judgment. Plaintiff asks the court, again based on mistake, to amend the principal balance to $7,138.40, prejudgment interest of $1,777.73, attorney's fees of $518.30, and costs of $766, for a new default judgment amount of $10,200.43, which is lower than amount in the last motion to correct.

The motion to correct is granted (for the same reasons the court did so on September 16, 2025). The court will sign the proposed order offered for signature.

Plaintiff's counsel, however, is placed on notice that the court will ***not*** entertain a third motion to correct the default judgment based on mistake. While the court acknowledges the importance of accuracy, if there is a third motion, the court will contemplate either setting aside both the entry of default and default judgment (thereby allowing defendant to participate in the lawsuit if for no other reason than accuracy), or setting aside the default judgment and ordering a prove-up hearing to determine the appropriate amount owed. The court will no longer sanction any further motions to correct, for to do so simply undermines the purpose and efficacy of the default judgment process. Plaintiff's counsel should appear either in person or via Zoom at the hearing to discuss this issue.