

ATTORNEY OR PARTY WITHOUT ATTORNEY NAME: Jared M. Hartman FIRM NAME: Semnar & Hartman, LLP STREET ADDRESS: 41707 Winchester Road, Suite 201 CITY: Temecula STATE: CA ZIP CODE: 92590 TELEPHONE NO.: 951-293-4187 FAX NO.: 888-819-8230 EMAIL ADDRESS: jared@temeculaconsumerattorneys.com ATTORNEY FOR (name): Plaintiffs SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Diego STREET ADDRESS: 330 West Broadway MAILING ADDRESS: CITY AND ZIP CODE: San Diego 92101 BRANCH NAME: Central Courthouse	STATE BAR NUMBER: 254860	11/17/2025 9:25:29 AM FOR COURT USE ONLY Clerk of the Superior Court By T. Automation, Deputy Clerk
PLAINTIFF/PETITIONER: David Caan; et al., DEFENDANT/RESPONDENT: Pennymac Loan Services LLC		
NOTICE OF ENTRY OF JUDGMENT OR ORDER (Check one): <input checked="" type="checkbox"/> UNLIMITED CASE (Amount demanded exceeded \$35,000) <input type="checkbox"/> LIMITED CASE (Amount demanded was \$35,000 or less)		CASE NUMBER: 37-2023-00040740-CU-OR-CTL

TO ALL PARTIES :

1. A judgment, decree, or order was entered in this action on (date): November 14, 2025
2. A copy of the judgment, decree, or order is attached to this notice.

Date: November 15, 2025

Jared M. Hartman
(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)


(SIGNATURE)

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SAN DIEGO
CENTRAL**

MINUTE ORDER

[X] Amended on 11/14/2025

DATE: 11/14/2025

TIME: 9:00 AM

DEPT: C-67

JUDICIAL OFFICER: MICHAEL T. SMYTH
CLERK: Herlinda Chavarin
REPORTER/ERM: Nancy Castrejon CSR 14186
BAILIFF/COURT ATTENDANT: M. Neel

CASE NO: **37-2023-00040740-CU-OR-CTL** CASE INIT.DATE: 09/19/2023
CASE TITLE: **Caan vs Pennymac Loan Services LLC [IMAGED]**
CASE CATEGORY: Civil CASE TYPE: (U)Other Real Property: Other Real Property

HEARING TYPE: Summary Judgment/Summary Adjudication
MOVING PARTY:

APPEARANCES

Jared Michael Hartman, Attorney for Plaintiff(s), present in person.
Jessica McElroy, attorney for Pennymac Loan Services LLC, Defendant, present in person.

The Court hears argument of counsel.

The Court CONFIRMS the tentative ruling as follows:

Defendant PennyMac Loan Services, LLC's Motion for Summary Judgment, or in the alternative, Adjudication is **DENIED** in part and **GRANTED** in part. The motion is granted only as to the fourth cause of action for negligent misrepresentation, which Plaintiff has agreed to abandon.

Plaintiffs' Objection No. 5 is sustained. Defendant's Objection Nos. 5-12 to the Declaration of Attorney Hartmen are sustained to the degree Attorney Hartman purports to summarize what the deponent said. Defendant's Objection No. 2-3, 9-10, and 39 to the Declaration of David Caan are sustained to the degree that Plaintiff's declaration purports to make legal conclusions rather than describe what he believed. All other objections are overruled.

The moving party bears the initial burden of production to make a prima facie showing that there are no triable issues of material fact. (*Aguilar v. Atlantic Richfield Co.* (2001) 25 Cal.4th 826, 850.) A prima facie showing is one that is sufficient to support the position of the party in question; "no more is called for." (*Id.* at 851.) The moving party must show that the undisputed facts, when applied to the issues framed by the pleadings, entitle the moving party to judgment. (*Juge v. County of Sacramento* (1993) 12 Cal.App.4th 59, 66.) If the moving party carries this burden, it causes a shift, and the opposing party is then subject to its own burden of production to make a prima facie showing that a triable issue of material facts exists. (*Aguilar, supra*, 25 Cal.4th at 850.) Courts must view the evidence and inferences "in the light most favorable to the opposing party." (*Id.* at 843.) "A motion for summary adjudication . . . shall proceed in all procedural respects as a motion for summary judgment" and "shall be granted only if it

DATE: 11/14/2025

MINUTE ORDER

Page 1

completely disposes of a cause of action, . . . a claim for damages, or an issue of duty.” (Code Civ. Proc., § 437c(f).)

In 2023, Military & Veterans Code section 800(b) provided:

“(1) In order for an obligation or liability of a reservist to be subject to the provisions of this chapter, the reservist or reservist’s designee shall deliver to the obligor both of the following:

(A) A written request by or on behalf of the reservist for a deferment of financial obligations. For purposes of this subparagraph, ‘written request’ includes an electronic communication.

(B) A copy of the reservist’s military orders.

(2) If required by a financial institution, proof that the reservist’s employer does not provide continuing income to the reservist while the reservist is on active military duty, including the reservist’s military pay, of more than 90 percent of the reservist’s monthly salary and wage income earned before the call to active duty.”

Section 813 further provided:

“(a) Any person who receives a good faith request from a service member for relief pursuant to this chapter and who believes the request is incomplete or otherwise not legally sufficient, or that the service member is not entitled to the relief requested, shall, within 30 days of the request, provide the service member with a written response acknowledging the request, setting forth the person’s basis for believing or asserting the request is incomplete or not legally sufficient, or that the service member is not entitled to the relief requested. The response ***shall clearly identify the specific information or materials that are missing from the request and that would be required to grant the relief requested***, and provide contact information including a mailing address and telephone number, which the service member can use to contact the person.

(b) If the person fails to make such a response in the timeframe set forth in this section, the person waives any objection to the request, and the service member shall be entitled to the relief requested.”

(Emphasis added.) The evidence shows Defendant repeatedly asked Plaintiff David for a “hardship letter describing why CA Deferment is being requested” under penalty of perjury. (See, e.g., Meyer Decl., ¶ Ex. B [June 2, 2023 Letter].) It is undisputed that Plaintiff intentionally did not submit the requested “hardship letter” because his reading of California law was that it was not required. (ROA 97, McElroy Decl., Ex. A [Deposition of D. Caan], p. 54:19-23 [“Q: . . . [Y]ou understood that PennyMac was requesting you to submit additional documentation to support your deferment request, correct? A: Yes.”];

id., p. 62:7-14 [Q: . . . [D]id you ever submit a hardship letter to PennyMac? A: No. Q: Why not? A: Because it's not called for by statute, and it feels like it was – you know, like I'd be begging, like – you know, and it's – it doesn't seem right."]; ROA 96, Meyer Decl., Ex. A [email chain where Plaintiff stated "I will not be signing hardship documentation"].)

Plaintiff is correct. Section 800(b)(2) permits Defendant to request proof regarding income but the statute does not require a "hardship letter." That language appears nowhere in the statute. The evidence shows Defendant repeatedly conflated a request for proof of income with a demand for a "hardship letter." (*id.* at Ex. A [June 2023 email chain].) Defendant continues to do so in its moving papers. (E.g., ROA 94, Mot. at 6:3-4 ["At no point did D. Caan ever submit a hardship letter describing why he was requesting the deferment to Pennymac."]; *id.* at 11:4-8 [emphasizing the hardship letter].) The ambiguous requirement for a "hardship letter" is beyond the scope of the statute.

In sum, to be entitled to deferment, the Code requires only (1) a deferment request (importantly, the Code does not require that this letter include reasons); (2) military orders; and (3), if requested by the financial institution, proof regarding income. Plaintiff complied with most of these requirements. He provided a deferment request, a copy of his deployment orders, and proof that his civilian employer would not pay him during active duty. (See, e.g., ROA 96, Meyer Decl., Ex C.) It appears that Plaintiff did not fully comply with the third statutory requirement in that he did not provide proof of his military pay during active duty. The evidence does not show that Defendant clearly identified to Plaintiff that this was the missing information it was seeking. (ROA 103, Ex. 1 [Caan Depo.], p. 82:17-83:18 [discussing Plaintiff's willingness to have provided his military pay if it was ever requested].)

No evidence in the record indicates Defendant clarified to Plaintiffs that the "hardship letter" was actually a request for proof of his military pay. (See, e.g., ROA 105, Ex. 10 [Santana PMK Depo.], pp. 35:16-36:11 [admitting hardship instructions did not include instructions regarding pay]; *id.*, Ex. 11 [Santana PMK Depo.], p. 33:13-18 [no specific definitions for hardship letter]; *id.*, Ex. 15 [Santana PMK Depo.], p. 205:10-15 [stating that the request for hardship letter did not request an explanation about pay or military pay].) The only evidence to that effect is Ms. Meyer's declaration stating that on June 28, 2023, she "attempted to reach D. Caan by telephone to verify his current rate of military pay, but was unable to reach him and noted that his phone had been disconnected." (ROA 96, Meyer Decl., ¶ 13; *id.*, ¶ 15 [same June 30, 2023].) By her own admission, Ms. Meyer never spoke to Plaintiff about his military pay on these occasions and no document reflects that Plaintiff was notified, orally or writing, that his request was missing proof of military pay. Plaintiff David has testified that his military pay was not requested. (ROA 103, Ex. 1 [Caan Depo.], p. 82:17-83:18.) Accordingly, the court finds there is a triable controversy as to whether Defendant's response clearly identified the specific information or materials that were missing from Plaintiffs' request as required by Section 813(a).

In reviewing all the evidence before the court, it appears that Plaintiffs may not have been eligible for deferment, since Plaintiff David's income during active duty, including military pay, was more than 90 percent of his "income earned before the call to active duty." (Mil. & Vet. Code, § 800(b)(2); see, e.g., ROA 97, McElroy Decl., Ex. A [Deposition of D. Caan], pp. 107:8-15, 119:10-19 [conceding he received more net pay during active duty]; see also *id.*, Ex. C [compare civilian and military earnings statements], BATES 01110-01114.) But under Section 813(b), whether Plaintiff was eligible for deferment is irrelevant if Defendant never met its obligations under Section 813(a) to clearly identify what was missing from his request. As for whether Plaintiff's request was made in "good faith," that is an issue for the finder of fact.

The court further finds, like it did on demurrer, that the second and third causes of action are contingent on whether Plaintiffs are successful on their first cause of action. If Defendant sent written correspondence containing debt obligations that were incorrect because Plaintiffs were entitled to deferment, the Rosenthal Act claim may be supportable. The Consumer Credit Reporting Agencies Act cause of action may be supportable for the same reason, if Defendant “should have known” that its credit reporting was inaccurate due to Plaintiffs’ deferment. The court is also unconvinced at this stage that following Metro 2 formatting guidelines provides an affirmative defense simply because it arguably provided Plaintiffs with information on how to dispute Defendant’s credit reporting.

Finally, the court also denies adjudication of damages as the court is not permitted to line-item veto certain compensatory damages and whether there are emotional distress damages available is an issue to be resolved by the trier of fact.

The motion is denied except as to the fourth cause of action for negligent misrepresentation, which Plaintiff has agreed to abandon.

IT IS SO ORDERED:

Michael T. Smyth

Judge Michael T. Smyth

PLAINTIFF/PETITIONER: David Caan; et al., DEFENDANT/RESPONDENT: Pennymac Loan Services LLC	CASE NUMBER: 37-2023-00040740-CU-OR-CTL
-----------------------------------------------------------------------------------------------	--------------------------------------------

**PROOF OF SERVICE BY FIRST-CLASS MAIL
NOTICE OF ENTRY OF JUDGMENT OR ORDER**

(NOTE: You cannot serve the Notice of Entry of Judgment or Order if you are a party in the action. The person who served the notice must complete this proof of service.)

1. I am at least 18 years old and **not a party to this action**. I am a resident of or employed in the county where the mailing took place, and my residence or business address is (*specify*):
 41707 Winchester Road, Suite 201
 Temecula, California 92592

2. I served a copy of the *Notice of Entry of Judgment or Order* by enclosing it in a sealed envelope with postage fully prepaid and (*check one*):

- a. deposited the sealed envelope with the United States Postal Service.
- b. placed the sealed envelope for collection and processing for mailing, following this business's usual practices, with which I am readily familiar. On the same day correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

3. The *Notice of Entry of Judgment or Order* was mailed:

- a. on (*date*): November 15, 2025
- b. from (*city and state*): Temecula, CA

4. The envelope was addressed and mailed as follows:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> a. Name of person served:
Cheryl Chang
Street address: 2029 Century Park East 6th Floor
City: Los Angeles
State and zip code: CA 90067 | <ul style="list-style-type: none"> c. Name of person served:

Street address:
City:
State and zip code: |
| <ul style="list-style-type: none"> b. Name of person served:

Street address:
City:
State and zip code: | <ul style="list-style-type: none"> d. Name of person served:

Street address:
City:
State and zip code: |

Names and addresses of additional persons served are attached. (*You may use form POS-030(P).*)

5. Number of pages attached:

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: November 15, 2025

Jared M. Hartman

 (TYPE OR PRINT NAME OF DECLARANT)



 (SIGNATURE OF DECLARANT)