

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN DIEGO, CENTRAL DIVISION

CARTWRIGHT TERMITE & PEST CONTROL, INC., a California corporation,) CASE NO.: 37-2011-00071216-CU-OR-EC
)
Plaintiffs,) RELATED WITH:
) 37-2013-00049616-CU-OR-CTL;
) 37-2013-00078078-CU-BT-CTL
vs.)
) **[PROPOSED] JUDGMENT**
ESOLA CAPITAL INVESTMENT, LLC, a)
California limited liability corporation;) Judge: Honorable Eddie C. Sturgeon
CITIVEST FINANCIAL SERVICES, INC.,) Dept.: 67
a Nevada corporation; DANIEL TEPPER,) Complaint Filed: November 23, 2011
an individual; and DOES 1 through 50,) Overland's Complaint in Intervention Filed:
) January 8, 2016
Defendants.) Trial Date: September 30, 2020

On September 30, 2020, the above-entitled matter proceeded to trial on Intervenor Overland Direct, Inc.'s ("Overland") fraud cause of action as against defendants Daniel Tepper aka Dan Tepper ("Tepper") and Esola Capital Investment, LLC ("Esola"). George Rikos, Esq., of the Law Office of George Rikos, and John F. Whittemore, Esq., of Blanchard, Krasner & French, APC, appeared on behalf of Overland. The Court inquired as to whether any appearances were being made by or on behalf of defendants Tepper or Esola, but no appearances were made.

The Court, after full consideration of the evidence and testimony, issued the Statements of Decision attached hereto as Exhibits "A" and "B," respectively, and incorporated herein by reference.

1 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

2 1. Judgment shall be entered in favor of Overland and against defendants Tepper and
3 Esola.

4 2. All Findings of Fact and Conclusions of Law in the Statements of Decision
5 attached hereto as Exhibits “A” and “B” are expressly incorporated herein.

6 3. Michael R. Cartwright II is the rightful owner of Overland, having acquired all of
7 Overland’s issued and outstanding shares of stock.

8 4. All instruments, including assignments of deeds of trust and grant deeds which
9 purported to convey real property or to assign an interest in deeds of trust against real property
10 from Overland to Esola or “ESOLA Capital, LLC,” or any other company controlled by Tepper
11 are void as having been altered, fabricated, and procured by fraud.

12 5. The following Assignments of Deeds of Trust recorded against the property
13 commonly known as and located at 1376 Broadway, El Cajon, CA 92021 (“Cartwright Property”)
14 are void as a matter of law:

15 a. Assignment of Deed of Trust recorded on December 9, 2010 in the County
16 Recorder’s Office of the County of San Diego as Document No. 2010-0679674;

17 b. Assignment of Deed of Trust recorded on August 29, 2011 in the County
18 Recorder’s Office of the County of San Diego as Document No. 2011-0444454; and

19 c. Assignment of Deed of Trust recorded on November 16, 2012 in the
20 County Recorder’s Office of the County of San Diego as Document No. 2012-0717574.

21 6. The Grant Deed dated August 10, 2010 for the property commonly known as and
22 located at 301 N. Euclid Ave., Ontario, CA 91762 (“Euclid Property”) from Overland to “Esola
23 Capital Investment, LLC in Trust for Aurora Fidelity” is void as a matter of law.

24 7. The Grant Deed dated August 10, 2010 and recorded against the Euclid Property
25 on September 24, 2010 in the County Recorder’s Office of the County of San Bernardino as
26 Document No. 2010-0397754 is void as a matter of law.

27 8. The Assignment of Deed of Trust for the property commonly known as and
28 located at 14735-14737 Friar Street, Van Nuys, CA 91405 (“Friar Property”) dated August 12,

1 2010 from Overland to “ESOLA Capital, LLC in trust for Aurora Fidelity” is void as a matter of
2 law.

3 9. The Assignment of Deed of Trust dated June 10, 2010 and recorded against the
4 Friar Property on December 8, 2010 in the County Recorder’s Office of the County of Los
5 Angeles as Document No. 20101811355 is void as a matter of law.

6 10. The Substitution of Trustee recorded on May 4, 2011 against the Friar Property in
7 the County Recorder’s Office of the County of Los Angeles as Document No. 20110640409 is
8 void as a matter of law.

9 11. The \$600,000 Secured Fixed Rate Note naming Overland as the borrower and
10 Amir Aframian, Houshang Aframian, Maria Aframian, as to an undivided 50% interest, and
11 Azizi-Bolourdi Family 2008 Revocable Trust, as to an undivided 50% interest, as the lenders (the
12 “Euclid Note”), which was secured by a deed of trust recorded against the Euclid Property on
13 November 18, 2009 in the County Recorder’s Office of the County of San Bernardino as
14 Document No. 20090499091 (the “Euclid DOT”), is deemed paid in full by Overland and the
15 Euclid DOT is deemed reconveyed.

16 12. The Assignment of Deed of Trust dated June 10, 2010 and recorded against the
17 property commonly known as and located at 3937 and 3943 South Vermont Avenue, Los
18 Angeles, CA 90037 on December 10, 2010 in the County Recorder’s Office of the County of Los
19 Angeles as Document No. 20101811354 is void as a matter of law.

20 13. The total judgment in favor of Overland Direct, Inc. as against defendants Daniel
21 Tepper and Esola Capital Investment, LLC, jointly and severally, is hereby entered in the amount
22 of one hundred and eight million dollars (\$108,000,000.00).

23 14. The Court reserves on an award of attorneys’ fees and costs.

24
25 Dated: 11/10/2020



26 HON. EDDIE C. STURGEON
27 JUDGE OF THE SUPERIOR COURT
28

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN DIEGO, CENTRAL DIVISION

CARTWRIGHT TERMITE & PEST CONTROL, INC., a California corporation,
Plaintiffs,
vs.
ESOLA CAPITAL INVESTMENT, LLC, a California limited liability corporation;
CITIVEST FINANCIAL SERVICES, INC., a Nevada corporation; DANIEL TEPPER,
an individual; and DOES 1 through 50,
Defendants.

) CASE NO.: 37-2011-00071216-CU-OR-EC
)
) RELATED WITH:
) 37-2013-00049616-CU-OR-CTL;
) 37-2013-00078078-CU-BT-CTL
)
) ~~PROPOSED~~ STATEMENT OF DECISION
) ON INTERVENOR OVERLAND DIRECT,
) INC.'S FRAUD CAUSE OF ACTION AS
) AGAINST DEFENDANT DANIEL TEPPER
)
) Judge: Honorable Eddie C. Sturgeon
) Dept.: 67
) Complaint Filed: November 23, 2011
) Overland's Complaint in Intervention Filed:
) January 8, 2016
) Trial Date: September 30, 2020
)

On September 30, 2020, the above-entitled action proceeded to trial on Intervenor Overland Direct, Inc.'s ("Overland") fraud cause of action, and the following is the Court's Statement of Decision. George Rikos, Esq., of the Law Office of George Rikos, and John F. Whittemore, Esq., of Blanchard, Krasner & French, APC, appeared on behalf of Overland. The Court inquired as to whether any appearances were being made by or on behalf of defendants Daniel Tepper aka Dan Tepper ("Tepper") or Esola Capital Investment, LLC ("Esola") (collectively, "Defendants"), but no appearances were made. [Register of Actions ("ROA") Nos. 1234, 1235.]

1 **SUMMARY OF OVERLAND’S CLAIM**

2 The trial consisted solely of Overland’s cause of action for fraud against Defendants as
3 alleged in Overland’s Complaint in Intervention filed on January 8, 2016. [ROA No. 556.]
4 Overland’s fraud cause of action was bifurcated prior to the first trial in this action, which
5 occurred on August 19, 22-25, and 28-31, 2016 (“August 2016 Trial”).

6 In its Complaint in Intervention, Overland sought: punitive damages; compensatory
7 damages; general damages; attorney’s fees and costs of suit; rescission or cancellation of
8 instruments alleged to have been procured by fraud; and such other relief as the court may deem
9 just and proper. [ROA No. 556, at p. 10.]

10 **FINDINGS OF FACT**

11 With no appearances made by or on behalf of Defendants, the Court requested an offer of
12 proof from Overland. Overland provided an offer of proof which consisted, in part, of a
13 summation of all of the evidence admitted, as well as testimony received during the August 2016
14 trial from the following persons and entity representatives: Cartwright Termite & Pest Control,
15 Inc., Doron Ezra (“Ezra”), Aroua Fidelity Trust Company, Ltd. (“Aurora”), Ranaan Kalir
16 (“Kalir”), Firooz Payan, Esola, Tepper, Houshang Aframian, and Edward Mazzarino. Testimony
17 was also received by Michael R. Cartwright II (“Cartwright”), the person most knowledgeable for
18 Overland.

19 Initially, the Court on its own motion took judicial notice of the Statement of Decision
20 dated December 19, 2016, which this Court issued following the August 2016 Trial, as well as the
21 Judgment (incorporating the Statement of Decision) entered on November 7, 2017 against
22 Defendants. [ROA Nos. 647, 842, 843.] The Court adopts and incorporates herein by this
23 reference all of the findings of fact and conclusions of law in the Statement of Decision. Further,
24 the Court makes the following additional findings of fact.

25 1. Cartwright is the rightful owner of 100 percent of the issued and outstanding
26 shares of stock of Overland pursuant to his and his company, Cartwright Termite & Pest Control,
27 Inc.’s purchase of all of those shares with Bankruptcy Court approval from Ezra’s bankruptcy
28 estate in November 2013 in the action captioned, *In re Doron Ezra and Nava Tomer-Ezra*, Case

1 No. 1:11-bk-12168-MT.

2 2. Aurora and Kalir previously appeared before this Court and did not claim any
3 right, title, or interest in or to any of the properties described below, or to any other assets of
4 Overland. Further, neither Aurora nor Kalir contended during the August 2016 Trial to be the
5 owner or shareholder of Overland, or that Cartwright was not the owner of Overland.

6 3. Tepper is the sole manager and officer of Esola.

7 4. “ESOLA Capital, LLC” is a non-existent entity.

8 5. In mid-to-late 2010, Overland, through its then-president, Ezra, assigned certain
9 instruments to Esola and “ESOLA Capital, LLC” to be held “in trust for Aurora Fidelity” because
10 Aurora was a creditor of Overland and Ezra was acting in good faith to try and resolve a dispute
11 with Aurora, even though no final settlement was ever reached.

12 6. Ezra never executed any instrument outright to Esola, “ESOLA Capital, LLC,”
13 “Esola Capital Investment, LLC,” or any other company of Tepper’s because Ezra was trying to
14 resolve a dispute between Overland and Aurora.

15 7. However, although Ezra was attempting to resolve a dispute with Aurora, neither
16 Tepper nor Aurora had the authority to take or assign Overland’s assets. [See ROA No. 647, at p.
17 4, ¶18.]

18 8. In or around April 2007, Overland loaned \$960,000.00 to Cartwright Termite &
19 Pest Control, Inc., which loan was secured by a Deed of Trust dated April 2, 2007 (“Cartwright
20 DOT”) for the real property located at 1376 Broadway, El Cajon, CA 92021 (“Cartwright
21 Property”). The Cartwright DOT was recorded on April 10, 2017 in the County Recorder’s
22 Office of the County of San Diego as Document No. 2007-0237783.

23 9. On or about June 18, 2009, Overland executed an Assignment of Deed of Trust
24 whereby it assigned a 33.3333 percent interest in its beneficial interest under the Cartwright DOT
25 to Paul Galuppo. Said assignment was recorded on June 23, 2009 in the County Recorder’s
26 Office of the County of San Diego as Document No. 2009-0341637.

27 10. On December 9, 2010, Defendants recorded an Assignment of Deed of Trust dated
28 June 10, 2010 that purported to convey the Cartwright DOT from Overland to “ESOLA Capital,

1 LLC.” This instrument was recorded in the County Recorder’s Office of the County of San Diego
2 as Document No. 2010-0679674. This instrument was determined to be void as a matter of law in
3 the August 2016 Trial. [ROA No. 647, at p. 8, ¶4.]

4 11. On August 29, 2011, Defendants caused to be recorded an Assignment of Deed of
5 Trust dated August 8, 2011 that purported to convey a 65 percent interest in the Cartwright DOT
6 from Overland to “Esola Capital Investments, LLC.” This assignment was signed by Dan Tepper
7 as the “Authorized Signature” of Overland, and was recorded in the County Recorder’s Office of
8 the County of San Diego as Document No. 2011-0444454. This instrument was determined to be
9 void as a matter of law in the August 2016 Trial. [ROA No. 647, at p. 8, ¶5.]

10 12. On November 16, 2012, Defendants caused to be recorded an Assignment of Deed
11 of Trust dated November 14, 2012 that purported to convey a 66.66 percent interest in the
12 Cartwright deed of trust from “Esola Capital, LLC” to Firooz Payan. This assignment was signed
13 by Dan Tepper as the “Managing Member” of “Esola Capital, LLC,” and was recorded in the
14 County Recorder’s Office of the County of San Diego as Document No. 2012-0717574. This
15 instrument was determined to be void as a matter of law in the August 2016 Trial. [ROA No.
16 647, at p. 8, ¶7.]

17 13. On or about August 10, 2010, Ezra executed a grant deed for the real property
18 located at 301 North Euclid Avenue, Ontario, CA 91762 (“Euclid Property”) from Overland to
19 “ESOLA Capital Investment, LLC, in Trust for Aurora Fidelity” (the “Original Euclid Grant
20 Deed”). This instrument was never recorded.

21 14. On September 24, 2010, Defendants recorded a grant deed dated August 10, 2010
22 that purported to convey the Euclid Property from Overland to “Esola Capital Investment, LLC”
23 but without the language “in Trust for Aurora Fidelity” (the “Altered Euclid Grant Deed”). This
24 instrument was recorded in the County Recorder’s Office of the County of San Bernardino as
25 Document No. 2010-0397754.

26 15. During the August 2016 Trial, Defendants had Houshang Aframian appear and
27 provide testimony that the \$600,000 Secured Fixed Rate Note naming Overland as the borrower
28 and Amir Aframian, Houshang Aframian, Maria Aframian, as to an undivided 50% interest, and

1 Azizi-Bolourdi Family 2008 Revocable Trust, as to an undivided 50% interest, as the lenders (the
2 “Euclid Note”), which was secured by a deed of trust recorded against the Euclid Property on
3 November 18, 2009 in the County Recorder’s Office of the County of San Bernardino as
4 Document No. 20090499091 (the “Euclid DOT”), was paid in full by Tepper using funds Tepper
5 fraudulently collateralized using Overland’s assets.

6 16. On or about August 12, 2010, Ezra executed an assignment of deed of trust to
7 assigned a deed of trust (the “Friar DOT”) held by Overland against the real property located at
8 14735-14737 Friar Street, Van Nuys, CA 91405 (“Friar Property”) from Overland to “ESOLA
9 Capital, LLC in trust for Aurora Fidelity” (the “Original Friar Assignment”). This instrument was
10 never recorded.

11 17. On December 8, 2010, Defendants recorded an Assignment of Deed of Trust dated
12 June 10, 2010 that purported to convey the Friar DOT from Overland to “ESOLA Capital, LLC”
13 but without the language “in trust for Aurora Fidelity” (the “Altered Friar Assignment”). This
14 instrument was recorded in the County Recorder’s Office for Los Angeles County as Document
15 No. 20101811355.

16 18. On May 4, 2011, Defendants caused to be recorded a Substitution of Trustee dated
17 April 29, 2011 in the County Recorder’s Office for Los Angeles County as Document No.
18 20110640409. In the Substitution of Trustee, Tepper signed as President on behalf of “Esola
19 Capital, LLC” as the beneficiary of the Friar Note and DOT.

20 19. During the August 2016 Trial, additional instruments were presented in court with
21 blanks and apparent alterations in the paragraphs, and “in trust for Aurora Fidelity” deleted. [See
22 ROA No. 647, at p. 3, ¶15.] In addition to the Altered Euclid Grant Deed and the Altered Friar
23 Assignment, the Court received into evidence an Assignment of Deed of Trust dated June 10,
24 2010 that purported to convey a deed of trust for the real property located at 3937 and 3943 South
25 Vermont Avenue, Los Angeles, CA 90037 (“Vermont Property”) from Overland to “ESOLA
26 Capital Investment, LLC,” with a large gap thereafter (the “Altered Vermont Assignment”). This
27 instrument was recorded on December 8, 2010 in the County Recorder’s Office for Los Angeles
28 County as Document No. 20101811354.

1 trust for Aurora Fidelity” to create new forged and fabricated assignments of deeds of trust and
2 grant deeds, which bore Erza’s fabricated signature. Defendants then recorded or caused to be
3 recorded the forged and fabricated instruments with the intent to steal Overland’s interests in the
4 Cartwright, Euclid, Friar, and Vermont Properties, among others.

5 6. Defendants intended that Overland would rely upon their false representations
6 regarding their purported authorization, control, and ownership as to Overland.

7 7. The falsity of Defendants’ intentional misrepresentations was concealed from
8 Overland and its authorized representatives, including, *inter alia*, Defendants’ misrepresentations
9 that Overland’s stock had been transferred immediately to Tepper on Aurora’s behalf and that
10 Tepper had received a letter of authorization to represent and conduct business as the only
11 authority of Overland.

12 8. Had Ezra, on behalf of Overland, known the true facts, he never would have
13 executed any grant deeds or assignments from Overland to Esola Capital, LLC, Esola Capital
14 Investment, LLC, or any other company in which Tepper held an interest, whether or not “in trust
15 for Aurora Fidelity.”

16 9. Overland was harmed, and its reliance on Defendants’ false representations and
17 concealment of material facts was a substantial factor in causing harm to Overland.

18 10. All instruments, including assignments of deeds of trust and grant deeds which
19 purported to convey real property or to assign an interest in deeds of trust against real property
20 from Overland outright to Esola or “ESOLA Capital, LLC,” or any other company are void as
21 having been altered, fabricated, and procured by fraud.

22 11. The Assignments of Deeds of Trust relating to the Cartwright Property and
23 recorded on December 9, 2010 (Document No. 2010-0679674), August 29, 2011 (Document No.
24 2011-0444454), and November 16, 2012 (Document No. 2012-0717574), respectively, are void
25 as having been altered, fabricated, and procured by fraud. These instruments were previously
26 determined to be void for other reasons, too. [See ROA No. 647, at p. 7-8, ¶3-5, 7.]

27 12. The Original Euclid Grant Deed dated August 10, 2010 from Overland to “ESOLA
28 Capital Investment, LLC, in Trust for Aurora Fidelity,” which was never recorded, is void as

1 having been procured by fraud because neither Tepper nor Aurora had authority to take or assign
2 Overland's assets.

3 13. The Altered Euclid Grant Deed recorded September 24, 2010 (Document No.
4 2010-0397754) purporting to convey the Euclid Property from Overland to "Esola Capital
5 Investment, LLC" but without the language "in Trust for Aurora Fidelity," is void as having been
6 altered, fabricated, and procured by fraud.

7 14. The Original Friar Assignment dated August 12, 2010 from Overland to "ESOLA
8 Capital, LLC in trust for Aurora Fidelity," which was never recorded, is void as having been
9 procured by fraud because neither Tepper nor Aurora had authority to take or assign Overland's
10 assets.

11 24. The Altered Friar Assignment dated June 10, 2010 and recorded December 8, 2010
12 (Document No. 20101811355) from Overland to "ESOLA Capital, LLC" but without the
13 language "in trust for Aurora Fidelity," is void as having been altered, fabricated, and procured by
14 fraud.

15 25. The Substitution of Trustee dated April 29, 2011 and recorded against the Friar
16 Property on May 4, 2011 (Document No. 20110640409) is void as having been procured by
17 fraud.

18 15. The Altered Vermont Assignment dated June 10, 2010 and recorded December 8,
19 2010 (Document No. 20101811354) purporting to convey the Vermont Property from Overland to
20 "ESOLA Capital Investment, LLC" but without the language "in Trust for Aurora Fidelity," is
21 void as having been altered, fabricated, and procured by fraud.

22 16. The Euclid Note, which was secured by the Euclid DOT (Document No.
23 20090499091) is deemed paid in full by Overland.

24 **ORDERS**

25 1. Judgment is entered in favor of Overland and against Defendants as to the fraud
26 cause of action in Overland's Complaint in Intervention.

27 2. The Assignments of Deeds of Trust relating to the Cartwright Property and
28 recorded on December 9, 2010 (Document No. 2010-0679674), August 29, 2011 (Document No.

1 2011-0444454), and November 16, 2012 (Document No. 2012-0717574), respectively, are void
2 as a matter of law.

3 3. The Original Euclid Grant Deed dated August 10, 2010 from Overland to “ESOLA
4 Capital Investment, LLC, in Trust for Aurora Fidelity,” is void as a matter of law.

5 4. The Altered Euclid Grant Deed dated August 10, 2010 and recorded on September
6 24, 2010 (Document No. 2010-0397754) is void as a matter of law.

7 5. The Original Friar Assignment dated August 12, 2010 from Overland to “ESOLA
8 Capital, LLC in trust for Aurora Fidelity,” is void as a matter of law.

9 6. The Altered Friar Assignment dated June 10, 2010 and recorded on December 8,
10 2010 (Document No. 20101811355) is void as a matter of law.

11 7. The Substitution of Trustee recorded against the Friar Property on May 4, 2011
12 (Document No. 20110640409) is void as a matter of law.

13 8. The Altered Vermont Assignment dated June 10, 2010 and recorded on December
14 8, 2010 (Document No. 20101811354) is void as a matter of law.

15 9. The Euclid Note, which was secured by the Euclid DOT (Document No.
16 20090499091) is deemed paid in full by Overland.

17 10. Overland sustained compensatory damages in the amount of forty-eight million
18 dollars (\$48,000,000.00) as a result of Defendants’ false representations and concealment of
19 material facts.

20 11. The intentional, malicious, and outrageous conduct of Defendants warrants an
21 award of punitive damages in the amount of sixty million dollars (\$60,000,000.00).

22 12. The Court awards total compensatory, general, and punitive damages in the
23 amount of one hundred and eight million dollars (\$108,000,000.00) to Overland and against
24 Defendants, jointly and severally.

25 13. The Court reserves on attorney’s fees and costs to be awarded at a later date.

26 Dated: 10/22/2020



27 HON. EDDIE C. STURGEON
28 JUDGE OF THE SUPERIOR COURT

EXHIBIT B

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN DIEGO, CENTRAL DIVISION

CARTWRIGHT TERMITE & PEST CONTROL, INC., a California corporation,
Plaintiffs,
vs.
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) ON INTERVENOR OVERLAND DIRECT,
) INC.'S FRAUD CAUSE OF ACTION AS
) AGAINST DEFENDANT ESOLA CAPITAL
) INVESTMENT, LLC
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) Judge: Honorable Eddie C. Sturgeon
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) Complaint Filed: November 23, 2011
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1 **SUMMARY OF OVERLAND’S CLAIM**

2 The trial consisted solely of Overland’s cause of action for fraud against Defendants as
3 alleged in Overland’s Complaint in Intervention filed on January 8, 2016. [ROA No. 556.]
4 Overland’s fraud cause of action was bifurcated prior to the first trial in this action, which
5 occurred on August 19, 22-25, and 28-31, 2016 (“August 2016 Trial”).

6 In its Complaint in Intervention, Overland sought: punitive damages; compensatory
7 damages; general damages; attorney’s fees and costs of suit; rescission or cancellation of
8 instruments alleged to have been procured by fraud; and such other relief as the court may deem
9 just and proper. [ROA No. 556, at p. 10.]

10 **FINDINGS OF FACT**

11 With no appearances made by or on behalf of Defendants, the Court requested an offer of
12 proof from Overland. Overland provided an offer of proof which consisted, in part, of a
13 summation of all of the evidence admitted, as well as testimony received during the August 2016
14 trial from the following persons and entity representatives: Cartwright Termite & Pest Control,
15 Inc., Doron Ezra (“Ezra”), Aroua Fidelity Trust Company, Ltd. (“Aurora”), Ranaan Kalir
16 (“Kalir”), Firooz Payan, Esola, Tepper, Houshang Aframian, and Edward Mazzarino. Testimony
17 was also received by Michael R. Cartwright II (“Cartwright”), the person most knowledgeable for
18 Overland.

19 Initially, the Court on its own motion took judicial notice of the Statement of Decision
20 dated December 19, 2016, which this Court issued following the August 2016 Trial, as well as the
21 Judgment (incorporating the Statement of Decision) entered on November 7, 2017 against
22 Defendants. [ROA Nos. 647, 842, 843.] The Court adopts and incorporates herein by this
23 reference all of the findings of fact and conclusions of law in the Statement of Decision. Further,
24 the Court makes the following additional findings of fact.

25 1. Cartwright is the rightful owner of 100 percent of the issued and outstanding
26 shares of stock of Overland pursuant to his and his company, Cartwright Termite & Pest Control,
27 Inc.’s purchase of all of those shares with Bankruptcy Court approval from Ezra’s bankruptcy
28 estate in November 2013 in the action captioned, *In re Doron Ezra and Nava Tomer-Ezra*, Case

1 No. 1:11-bk-12168-MT.

2 2. Aurora and Kalir previously appeared before this Court and did not claim any
3 right, title, or interest in or to any of the properties described below, or to any other assets of
4 Overland. Further, neither Aurora nor Kalir contended during the August 2016 Trial to be the
5 owner or shareholder of Overland, or that Cartwright was not the owner of Overland.

6 3. Tepper is the sole manager and officer of Esola.

7 4. "ESOLA Capital, LLC" is a non-existent entity.

8 5. In mid-to-late 2010, Overland, through its then-president, Ezra, assigned certain
9 instruments to Esola and "ESOLA Capital, LLC" to be held "in trust for Aurora Fidelity" because
10 Aurora was a creditor of Overland and Ezra was acting in good faith to try and resolve a dispute
11 with Aurora, even though no final settlement was ever reached.

12 6. Ezra never executed any instrument outright to Esola, "ESOLA Capital, LLC,"
13 "Esola Capital Investment, LLC," or any other company of Tepper's because Ezra was trying to
14 resolve a dispute between Overland and Aurora.

15 7. However, although Ezra was attempting to resolve a dispute with Aurora, neither
16 Tepper nor Aurora had the authority to take or assign Overland's assets. [See ROA No. 647, at p.
17 4, ¶18.]

18 8. In or around April 2007, Overland loaned \$960,000.00 to Cartwright Termite &
19 Pest Control, Inc., which loan was secured by a Deed of Trust dated April 2, 2007 ("Cartwright
20 DOT") for the real property located at 1376 Broadway, El Cajon, CA 92021 ("Cartwright
21 Property"). The Cartwright DOT was recorded on April 10, 2017 in the County Recorder's
22 Office of the County of San Diego as Document No. 2007-0237783.

23 9. On or about June 18, 2009, Overland executed an Assignment of Deed of Trust
24 whereby it assigned a 33.3333 percent interest in its beneficial interest under the Cartwright DOT
25 to Paul Galuppo. Said assignment was recorded on June 23, 2009 in the County Recorder's
26 Office of the County of San Diego as Document No. 2009-0341637.

27 10. On December 9, 2010, Defendants recorded an Assignment of Deed of Trust dated
28 June 10, 2010 that purported to convey the Cartwright DOT from Overland to "ESOLA Capital,

1 LLC.” This instrument was recorded in the County Recorder’s Office of the County of San Diego
2 as Document No. 2010-0679674. This instrument was determined to be void as a matter of law in
3 the August 2016 Trial. [ROA No. 647, at p. 8, ¶4.]

4 11. On August 29, 2011, Defendants caused to be recorded an Assignment of Deed of
5 Trust dated August 8, 2011 that purported to convey a 65 percent interest in the Cartwright DOT
6 from Overland to “Esola Capital Investments, LLC.” This assignment was signed by Dan Tepper
7 as the “Authorized Signature” of Overland, and was recorded in the County Recorder’s Office of
8 the County of San Diego as Document No. 2011-0444454. This instrument was determined to be
9 void as a matter of law in the August 2016 Trial. [ROA No. 647, at p. 8, ¶5.]

10 12. On November 16, 2012, Defendants caused to be recorded an Assignment of Deed
11 of Trust dated November 14, 2012 that purported to convey a 66.66 percent interest in the
12 Cartwright deed of trust from “Esola Capital, LLC” to Firooz Payan. This assignment was signed
13 by Dan Tepper as the “Managing Member” of “Esola Capital, LLC,” and was recorded in the
14 County Recorder’s Office of the County of San Diego as Document No. 2012-0717574. This
15 instrument was determined to be void as a matter of law in the August 2016 Trial. [ROA No.
16 647, at p. 8, ¶7.]

17 13. On or about August 10, 2010, Ezra executed a grant deed for the real property
18 located at 301 North Euclid Avenue, Ontario, CA 91762 (“Euclid Property”) from Overland to
19 “ESOLA Capital Investment, LLC, in Trust for Aurora Fidelity” (the “Original Euclid Grant
20 Deed”). This instrument was never recorded.

21 14. On September 24, 2010, Defendants recorded a grant deed dated August 10, 2010
22 that purported to convey the Euclid Property from Overland to “Esola Capital Investment, LLC”
23 but without the language “in Trust for Aurora Fidelity” (the “Altered Euclid Grant Deed”). This
24 instrument was recorded in the County Recorder’s Office of the County of San Bernardino as
25 Document No. 2010-0397754.

26 15. During the August 2016 Trial, Defendants had Houshang Aframian appear and
27 provide testimony that the \$600,000 Secured Fixed Rate Note naming Overland as the borrower
28 and Amir Aframian, Houshang Aframian, Maria Aframian, as to an undivided 50% interest, and

1 Azizi-Bolourdi Family 2008 Revocable Trust, as to an undivided 50% interest, as the lenders (the
2 “Euclid Note”), which was secured by a deed of trust recorded against the Euclid Property on
3 November 18, 2009 in the County Recorder’s Office of the County of San Bernardino as
4 Document No. 20090499091 (the “Euclid DOT”), was paid in full by Tepper using funds Tepper
5 fraudulently collateralized using Overland’s assets.

6 16. On or about August 12, 2010, Ezra executed an assignment of deed of trust to
7 assigned a deed of trust (the “Friar DOT”) held by Overland against the real property located at
8 14735-14737 Friar Street, Van Nuys, CA 91405 (“Friar Property”) from Overland to “ESOLA
9 Capital, LLC in trust for Aurora Fidelity” (the “Original Friar Assignment”). This instrument was
10 never recorded.

11 17. On December 8, 2010, Defendants recorded an Assignment of Deed of Trust dated
12 June 10, 2010 that purported to convey the Friar DOT from Overland to “ESOLA Capital, LLC”
13 but without the language “in trust for Aurora Fidelity” (the “Altered Friar Assignment”). This
14 instrument was recorded in the County Recorder’s Office for Los Angeles County as Document
15 No. 20101811355.

16 18. On May 4, 2011, Defendants caused to be recorded a Substitution of Trustee dated
17 April 29, 2011 in the County Recorder’s Office for Los Angeles County as Document No.
18 20110640409. In the Substitution of Trustee, Tepper signed as President on behalf of “Esola
19 Capital, LLC” as the beneficiary of the Friar Note and DOT.

20 19. During the August 2016 Trial, additional instruments were presented in court with
21 blanks and apparent alterations in the paragraphs, and “in trust for Aurora Fidelity” deleted. [See
22 ROA No. 647, at p. 3, ¶15.] In addition to the Altered Euclid Grant Deed and the Altered Friar
23 Assignment, the Court received into evidence an Assignment of Deed of Trust dated June 10,
24 2010 that purported to convey a deed of trust for the real property located at 3937 and 3943 South
25 Vermont Avenue, Los Angeles, CA 90037 (“Vermont Property”) from Overland to “ESOLA
26 Capital Investment, LLC,” with a large gap thereafter (the “Altered Vermont Assignment”). This
27 instrument was recorded on December 8, 2010 in the County Recorder’s Office for Los Angeles
28 County as Document No. 20101811354.

1 trust for Aurora Fidelity” to create new forged and fabricated assignments of deeds of trust and
2 grant deeds, which bore Erza’s fabricated signature. Defendants then recorded or caused to be
3 recorded the forged and fabricated instruments with the intent to steal Overland’s interests in the
4 Cartwright, Euclid, Friar, and Vermont Properties, among others.

5 6. Defendants intended that Overland would rely upon their false representations
6 regarding their purported authorization, control, and ownership as to Overland.

7 7. The falsity of Defendants’ intentional misrepresentations was concealed from
8 Overland and its authorized representatives, including, *inter alia*, Defendants’ misrepresentations
9 that Overland’s stock had been transferred immediately to Tepper on Aurora’s behalf and that
10 Tepper had received a letter of authorization to represent and conduct business as the only
11 authority of Overland.

12 8. Had Ezra, on behalf of Overland, known the true facts, he never would have
13 executed any grant deeds or assignments from Overland to Esola Capital, LLC, Esola Capital
14 Investment, LLC, or any other company in which Tepper held an interest, whether or not “in trust
15 for Aurora Fidelity.”

16 9. Overland was harmed, and its reliance on Defendants’ false representations and
17 concealment of material facts was a substantial factor in causing harm to Overland.

18 10. All instruments, including assignments of deeds of trust and grant deeds which
19 purported to convey real property or to assign an interest in deeds of trust against real property
20 from Overland outright to Esola or “ESOLA Capital, LLC,” or any other company are void as
21 having been altered, fabricated, and procured by fraud.

22 11. The Assignments of Deeds of Trust relating to the Cartwright Property and
23 recorded on December 9, 2010 (Document No. 2010-0679674), August 29, 2011 (Document No.
24 2011-0444454), and November 16, 2012 (Document No. 2012-0717574), respectively, are void
25 as having been altered, fabricated, and procured by fraud. These instruments were previously
26 determined to be void for other reasons, too. [See ROA No. 647, at p. 7-8, ¶3-5, 7.]

27 12. The Original Euclid Grant Deed dated August 10, 2010 from Overland to “ESOLA
28 Capital Investment, LLC, in Trust for Aurora Fidelity,” which was never recorded, is void as

1 having been procured by fraud because neither Tepper nor Aurora had authority to take or assign
2 Overland's assets.

3 13. The Altered Euclid Grant Deed recorded September 24, 2010 (Document No.
4 2010-0397754) purporting to convey the Euclid Property from Overland to "Esola Capital
5 Investment, LLC" but without the language "in Trust for Aurora Fidelity," is void as having been
6 altered, fabricated, and procured by fraud.

7 14. The Original Friar Assignment dated August 12, 2010 from Overland to "ESOLA
8 Capital, LLC in trust for Aurora Fidelity," which was never recorded, is void as having been
9 procured by fraud because neither Tepper nor Aurora had authority to take or assign Overland's
10 assets.

11 24. The Altered Friar Assignment dated June 10, 2010 and recorded December 8, 2010
12 (Document No. 20101811355) from Overland to "ESOLA Capital, LLC" but without the
13 language "in trust for Aurora Fidelity," is void as having been altered, fabricated, and procured by
14 fraud.

15 25. The Substitution of Trustee dated April 29, 2011 and recorded against the Friar
16 Property on May 4, 2011 (Document No. 20110640409) is void as having been procured by
17 fraud.

18 15. The Altered Vermont Assignment dated June 10, 2010 and recorded December 8,
19 2010 (Document No. 20101811354) purporting to convey the Vermont Property from Overland to
20 "ESOLA Capital Investment, LLC" but without the language "in Trust for Aurora Fidelity," is
21 void as having been altered, fabricated, and procured by fraud.

22 16. The Euclid Note, which was secured by the Euclid DOT (Document No.
23 20090499091) is deemed paid in full by Overland.

24 **ORDERS**

25 1. Judgment is entered in favor of Overland and against Defendants as to the fraud
26 cause of action in Overland's Complaint in Intervention.

27 2. The Assignments of Deeds of Trust relating to the Cartwright Property and
28 recorded on December 9, 2010 (Document No. 2010-0679674), August 29, 2011 (Document No.

1 2011-0444454), and November 16, 2012 (Document No. 2012-0717574), respectively, are void
2 as a matter of law.

3 3. The Original Euclid Grant Deed dated August 10, 2010 from Overland to “ESOLA
4 Capital Investment, LLC, in Trust for Aurora Fidelity,” is void as a matter of law.

5 4. The Altered Euclid Grant Deed dated August 10, 2010 and recorded on September
6 24, 2010 (Document No. 2010-0397754) is void as a matter of law.

7 5. The Original Friar Assignment dated August 12, 2010 from Overland to “ESOLA
8 Capital, LLC in trust for Aurora Fidelity,” is void as a matter of law.

9 6. The Altered Friar Assignment dated June 10, 2010 and recorded on December 8,
10 2010 (Document No. 20101811355) is void as a matter of law.

11 7. The Substitution of Trustee recorded against the Friar Property on May 4, 2011
12 (Document No. 20110640409) is void as a matter of law.

13 8. The Altered Vermont Assignment dated June 10, 2010 and recorded on December
14 8, 2010 (Document No. 20101811354) is void as a matter of law.

15 9. The Euclid Note, which was secured by the Euclid DOT (Document No.
16 20090499091) is deemed paid in full by Overland.

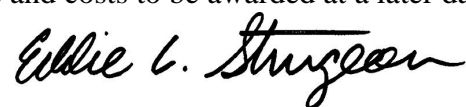
17 10. Overland sustained compensatory damages in the amount of forty-eight million
18 dollars (\$48,000,000.00) as a result of Defendants’ false representations and concealment of
19 material facts.

20 11. The intentional, malicious, and outrageous conduct of Defendants warrants an
21 award of punitive damages in the amount of sixty million dollars (\$60,000,000.00).

22 12. The Court awards total compensatory, general, and punitive damages in the
23 amount of one hundred and eight million dollars (\$108,000,000.00) to Overland and against
24 Defendants, jointly and severally.

25 13. The Court reserves on attorney’s fees and costs to be awarded at a later date.

26 Dated: 10/22/2020



HON. EDDIE C. STURGEON
JUDGE OF THE SUPERIOR COURT

1 *Cartwright Termite & Pest Control, Inc.*
2 Case No.: 37-2011-00071216-CU-OR-EC

3 **PROOF OF SERVICE**

4 I, the undersigned, declare:

5 That I am, and was at the time of service of the papers herein referred to, over the age of 18 years
6 and not a party to the action; I am not a registered California process server; and I am employed in the
7 County of San Diego, State of California, in which county the within-mentioned service occurred. My
8 business address is 800 Silverado Street, 2nd Floor, La Jolla, California 92037.

9 On **October 28, 2020**, I caused the following document(s) to be served:

10 **[PROPOSED] JUDGMENT**

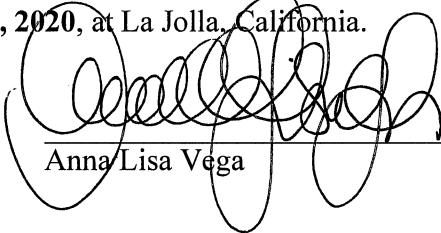
11 The manner of service was:

12 **X** by mailing a copy thereof to each addressee named hereafter at the address listed below.
13 I sealed each envelope and, with the postage thereon fully prepaid, I placed each for deposit in the United
14 States Postal Service, at my business address shown above, following ordinary business practices.

15 Esola Capital Investment, LLC Defendant
16 c/o Dan Tepper
17 Agent for Service of Process
18 15720 Ventura Blvd Suite 405
19 Encino, CA 91436

20 Daniel Tepper Defendant
21 4256 Tarzana Estates Drive
22 Tarzana, CA 91356

23 I declare under penalty of perjury under the laws of the State of California that the foregoing is
24 true and correct. Executed on **October 28, 2020**, at La Jolla, California.

25 
26 _____
27 Anna Lisa Vega
28