

HIRU CORPORATION OTC:HIRU
Supplemental filing Statement of Defense
SUPPLEMENTAL OTC MARKETS FILING

West Palm Beach, Florida, February 9, 2024 -- Hiru Corporation www.otchiru.com what follows is a complaint against HIRU and ex management.

The company is of the opinion that this is a material event that needs to be the close to a shareholders and it's followers.

Disclaimer Regarding Forward Looking Statements

Certain statements that we make may constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements include information concerning future strategic objectives, business prospects, anticipated savings, financial results (including expenses, earnings, liquidity, cash flow and capital expenditures), industry or market conditions, demand for and pricing of our products, acquisitions and divestitures, anticipated results of litigation and regulatory developments or general economic conditions. In addition, words such as "believes," "expects," "anticipates," "intends," "plans," "estimates," "projects," "forecasts," and future or conditional verbs such as "will," "may," "could," "should," and "would," as well as any other statement that necessarily depends on future events, are intended to identify forward-looking statements. Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. Although we make such statements based on assumptions that we believe to be reasonable, there can be no assurance that actual results will not differ materially from those expressed in the forward-looking statements. We caution investors not to rely unduly on any forward-looking statements.

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otchiru.com

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Attorneys for Plaintiff
100143-1

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

AMERICA FIRST CREDIT UNION, a
federally chartered credit union,

Plaintiff,

vs.

JOEL NATARIO AND JANE DOE
NATARIO, as husband and wife;
KATHRYN GAVIN AND JOHN DOE
GAVIN, as husband and wife; HIRU
CORPORATION, a Georgia corporation;
AZ CUSTOM BOTTLED WATER LLC, a
Nevada limited liability company;
SALOME WATER AND ICE LLC, a
Nevada limited liability company; ABC
Organizations I-X; John Does 1-3; and Jane
Roes 4-6,

Defendants.

NO. CV2023-012400

**MOTION FOR ENTRY OF
DEFAULT JUDGMENT, AWARD
OF ATTORNEYS' FEES AND
TAXABLE COSTS PURSUANT
TO ARIZ. R. CIV. P. 55(B), AND
OTHER AFFIRMATIVE RELIEF
AGAINST KATHRYN GAVIN;
HIRU CORPORATION; AZ
CUSTOM BOTTLED WATER
LLC; SALOME WATER AND ICE
LLC**

Plaintiff, AMERICA FIRST CREDIT UNION, a federally chartered credit union
("Plaintiff"), by its undersigned counsel, hereby moves the Court, pursuant to the
provisions of Ariz. R. Civ. P. 55(b)(1), to enter judgment by default in favor of Plaintiff
and against Defendants, KATHRYN GAVIN; HIRU CORPORATION, a Georgia
corporation; AZ CUSTOM BOTTLED WATER LLC, a Nevada limited liability
company; SALOME WATER AND ICE LLC ("Defendants"), individually, against any

1 marital community that may be subject to this judgment. Plaintiff seeks such relief
2 since a proper and effective default has been entered against the Defendants as follows:

3 A. COUNT ONE: JUDGMENT AGAINST KATHRYN GAVIN AS
4 FOLLOWS:

5 1. For the Account No. 8292 Negative Deposit Account Balance of
6 \$811,034.73, owed as July 7, 2023;

7 2. For pre-judgment accruing interest from July 7, 2023, on the
8 Account No. 8292 Negative Deposit Account Balance until the date of judgment at the
9 legal rate of 10.00% per annum;

10 3. For post-judgment interest on the Account No. 8292 Negative
11 Account Balance at the legal rate of 10.00% per annum as allowed by A.R.S. §44-1201;

12 B. COUNT THREE: JUDGMENT AGAINST SALOME WATER AND
13 ICE, LLC AS FOLLOWS:

14 1. For the Account No. 5420 Negative Deposit Account Balance of
15 \$2,769,163.95 owed as July 7, 2023;

16 2. For pre-judgment accruing interest from July 7, 2023, on the
17 Account No. 5420 Negative Deposit Account Balance until the date of judgment at the
18 legal rate of 10.00% per annum;

19 3. For any and all and costs to be incurred in connection with this
20 action;

21 4. For post-judgment interest on the Account No. 5420 Negative
22 Account Balance at the legal rate of 10.00% per annum as allowed by A.R.S. §44-1201;

23 5. For Plaintiff's attorneys' fees and costs expended and incurred to
24 collect the amounts due and owing as are expressly authorized under the terms of the
25 Deposit Agreement and A.R.S. §12-341.01

26 C. COUNT FOUR: JUDGMENT AGAINST SALOME WATER AND ICE
27 LLC, AZ CUSTOM BOTTLED WATER LLC, AND KATHRYN GAVIN:
28

1 1. For the statutory double damages as expressly authorized by A.R.S.
2 § 12-671(A), in the amount of \$1,680,000.00 as of July 7, 2023;

3 2. For pre-judgment accruing interest from July 7, 2023, until the date
4 of judgment at the legal rate of 10.00% per annum;

5 3. For any and all and costs to be incurred in connection with this
6 action;

7 4. For post-judgment interest at the legal rate of 10.00% per annum as
8 allowed by A.R.S. §44-1201;

9 5. For Plaintiff's attorneys' fees and costs expended and incurred to
10 collect the amounts due and owing as are expressly authorized under A.R.S. § 12-
11 671(A);

12 D. COUNT FIVE: JUDGMENT AGAINST SALOME WATER AND ICE
13 LLC, AZ CUSTOM BOTTLED WATER LLC, AND KATHRYN GAVIN AS
14 FOLLOWS:

15 1. For the statutory double damages as expressly authorized by A.R.S.
16 § 12-671(A), in the amount of \$4,970,000.00 as of July 7, 2023;

17 2. For pre-judgment accruing interest from July 7, 2023, until the date
18 of judgment at the legal rate of 10.00% per annum;

19 3. For any and all and costs to be incurred in connection with this
20 action;

21 4. For post-judgment interest at the legal rate of 10.00% per annum as
22 allowed by A.R.S. §44-1201;

23 5. For Plaintiff's attorneys' fees and costs expended and incurred to
24 collect the amounts due and owing as are expressly authorized under A.R.S. § 12-
25 671(A); and

26 E. COUNT SIX: JUDGMENT AGAINST HIRU CORPORATION AND
27 KATHRYN GAVIN AS FOLLOWS:
28

1 1. For the statutory double damages as expressly authorized by A.R.S.
2 § 12-671(A), in the amount of \$5,580,000.00 as of July 7, 2023;

3 2. For pre-judgment accruing interest from July 7, 2023, until the date
4 of judgment at the legal rate of 10.00% per annum;

5 3. For any and all and costs to be incurred in connection with this
6 action;

7 4. For post-judgment interest at the legal rate of 10.00% per annum as
8 allowed by A.R.S. §44-1201;

9 5. For Plaintiff's attorneys' fees and costs expended and incurred to
10 collect the amounts due and owing as are expressly authorized under A.R.S. § 12-
11 671(A); and

12 F. JUDGMENT AGAINST DEFENDANTS KATHRYN GAVIN; HIRU
13 CORPORATION, a Georgia corporation; AZ CUSTOM BOTTLED WATER LLC, a
14 Nevada limited liability company; AND SALOME WATER AND ICE LLC, a Nevada
15 limited liability company, as follows:

16 1. That Plaintiff is awarded attorneys' fees in the amount of
17 \$26,538.50 and costs in the amount of \$4,184.63.

18 The Defendants are not an infant, incompetent or engaged in military service. In
19 addition, Plaintiff's claim against the Defendants is for a sum certain set forth in
20 Plaintiff's *First Amended Complaint*. This Motion is supported by the following
21 Memorandum of Points and Authorities.

22 DATED: December 11, 2023.

23 **FOLKS HESS, PLLC**

24
25 By: 

26 Larry O. Folks
27 1850 N. Central Ave., #1140
28 Phoenix, AZ 85004
 Attorneys for Plaintiff

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1 3. For post-judgment interest on the Account No. 8292 Negative
2 Account Balance at the legal rate of 10.00% per annum as allowed by A.R.S. §44-1201;

3 B. COUNT THREE: JUDGMENT AGAINST SALOME WATER AND
4 ICE, LLC AS FOLLOWS:

5 1. For the Account No. 5420 Negative Deposit Account Balance of
6 \$2,769,163.95 owed as July 7, 2023;

7 2. For pre-judgment accruing interest from July 7, 2023, on the
8 Account No. 5420 Negative Deposit Account Balance until the date of judgment at the
9 legal rate of 10.00% per annum;

10 3. For any and all and costs to be incurred in connection with this
11 action;

12 4. For post-judgment interest on the Account No. 5420 Negative
13 Account Balance at the legal rate of 10.00% per annum as allowed by A.R.S. §44-1201;

14 5. For Plaintiff's attorneys' fees and costs expended and incurred to
15 collect the amounts due and owing as are expressly authorized under the terms of the
16 Deposit Agreement and A.R.S. §12-341.01

17 C. COUNT FOUR: JUDGMENT AGAINST SALOME WATER AND ICE
18 LLC, AZ CUSTOM BOTTLED WATER LLC, AND KATHRYN GAVIN:

19 1. For the statutory double damages as expressly authorized by A.R.S.
20 § 12-671(A), in the amount of \$1,680,000.00 as of July 7, 2023;

21 2. For pre-judgment accruing interest from July 7, 2023, until the date
22 of judgment at the legal rate of 10.00% per annum;

23 3. For any and all and costs to be incurred in connection with this
24 action;

25 4. For post-judgment interest at the legal rate of 10.00% per annum as
26 allowed by A.R.S. §44-1201;

1 5. For Plaintiff's attorneys' fees and costs expended and incurred to
2 collect the amounts due and owing as are expressly authorized under A.R.S. § 12-
3 671(A);

4 D. COUNT FIVE: JUDGMENT AGAINST SALOME WATER AND ICE
5 LLC, AZ CUSTOM BOTTLED WATER LLC, AND KATHRYN GAVIN AS
6 FOLLOWS:

7 1. For the statutory double damages as expressly authorized by A.R.S.
8 § 12-671(A), in the amount of \$4,970,000.00 as of July 7, 2023;

9 2. For pre-judgment accruing interest from July 7, 2023, until the date
10 of judgment at the legal rate of 10.00% per annum;

11 3. For any and all and costs to be incurred in connection with this
12 action;

13 4. For post-judgment interest at the legal rate of 10.00% per annum as
14 allowed by A.R.S. §44-1201;

15 5. For Plaintiff's attorneys' fees and costs expended and incurred to
16 collect the amounts due and owing as are expressly authorized under A.R.S. § 12-
17 671(A); and

18 E. COUNT SIX: JUDGMENT AGAINST HIRU CORPORATION AND
19 KATHRYN GAVIN AS FOLLOWS:

20 1. For the statutory double damages as expressly authorized by A.R.S.
21 § 12-671(A), in the amount of \$5,580,000.00 as of July 7, 2023;

22 2. For pre-judgment accruing interest from July 7, 2023, until the date
23 of judgment at the legal rate of 10.00% per annum;

24 3. For any and all and costs to be incurred in connection with this
25 action;

26 4. For post-judgment interest at the legal rate of 10.00% per annum as
27 allowed by A.R.S. §44-1201;
28

1 5. For Plaintiff's attorneys' fees and costs expended and incurred to
2 collect the amounts due and owing as are expressly authorized under A.R.S. § 12-
3 671(A); and

4 F. JUDGMENT AGAINST DEFENDANTS KATHRYN GAVIN; HIRU
5 CORPORATION, a Georgia corporation; AZ CUSTOM BOTTLED WATER LLC, a
6 Nevada limited liability company; AND SALOME WATER AND ICE LLC, a Nevada
7 limited liability company, as follows:

8 1. That Plaintiff is awarded attorneys' fees in the amount of
9 \$26,538.50 and costs in the amount of \$4,184.63.

10 **II. The Plaintiff is Entitled to Its Attorneys' Fees and Costs**

11 The Court has the authority to award attorneys' fees and costs in the amount
12 of \$30,723.13 in favor of the Plaintiff. A court does not have the discretion to refuse to
13 award *contractually authorized* attorneys' fees. *See Chase Bank of Ariz. v. Acosta*, 179
14 Ariz. 563, 575, 880 P.2d 1109, 1121 (Ariz. Ct. App. 1994). A contractual provision for
15 attorneys' fees will be enforced according to its terms. *Id.*

16 **A. Attorneys' Fees and Costs are Contractually Authorized.**

17 Defendant KATHRYN GAVIN executed her Joint Owner Designation
18 on Existing Accounts agreement on August 20, 2022, which includes her agreement "to
19 the terms and conditions of the Membership and Account Agreement" The
20 Membership Application and Joint Owner Designation on Existing Accounts is attached
21 to the First Amended Complaint as Exhibit "4" and incorporated in full by this reference.

22 The Membership & Account Agreement, attached as Exhibit "5" to the First
23 Amended Complaint and incorporated in full by this reference, provides:

24 **26. Special Account Instructions.**

25 * * *

26 In the event either party brings a legal action to enforce
27 the Agreement or collect any overdrawn funds on
28 accounts accessed under this Agreement, the prevailing

1 party shall be entitled, subject to applicable law, to
2 payment by the other party of its reasonable attorney's
3 fees and costs, including fees on any appeal, bankruptcy
4 proceedings, and any post-judgment collection costs, if
application. (bold original)

5 On December 28, 2022, Defendant Joel Natorio executed a executed a Business
6 Account Application and Account Card, which is attached to the First Amended
7 Complaint as Exhibit "7" and incorporated in full by this reference, for SALOME
8 WATER AND ICE, LLC. The Business Account Application provides:

9 **3. CERTIFICATE OF AUTHORITY**

10 a. The Member Business and each Responsible
11 individual named on this Business Account
12 Application and Account Card certifies and agrees that
13 the Member Business accounts and services will be
14 governed by the terms set forth in the Business
15 Membership and Account Agreement and Business
Account Application and account Card (bold
original)

16 The Business Membership & Account Agreement, attached to the First Amended
17 Complaint as Exhibit "8" and incorporated in full by reference, further provides:

18 **24. Enforcement.** You agree to be liable to the Credit
19 Union for any liability, loss or expense as provided in
20 the Agreement that the Credit Union incurs as a result
21 of any dispute involving your accounts or services. . . .
22 In the event either party brings a legal action to
23 enforce the agreement or collect any overdrawn funds
24 on accounts accessed under this Agreement, the
25 prevailing party shall be entitled (subject to applicable
law) to payment by the other part of its reasonable
attorney fees and costs, including fees on any appeal,
bankruptcy proceedings, and any post-judgment
collection actions, if applicable. (bold original)

26 **B. Attorneys' Fees and Costs are Authorized Under Arizona Law.**

27 A.R.S. § 12-671 expressly authorizes an award of costs and reasonable
28 attorney's fees as allowed by the court on the basis of time and effort expended by such

1 attorney on behalf of plaintiff involving the drawing a check or draft on no account or
2 insufficient account with intent to defraud. This is a clear case of Defendants' fraud
3 which triggers Plaintiff's statutory right to an award of attorneys' fees and costs.

4 The *Affidavit of Larry O. Folks* asserts that the attorneys' fees and costs are
5 reasonable due to the significant amount of time it took to trace Defendants' fraudulent
6 actions.

7 WHEREFORE, for the foregoing reasons, Plaintiff requests that the Court: (i)
8 enter Judgment by default against the Defendants for the relief requested in the First
9 Amended Complaint; (ii) enter Judgment for attorneys' fees and costs in the amount of
10 \$30,723.13; and (iii) enter an order for such other and further relief as the Court may
11 deem just and appropriate under the circumstances.

12 DATED: December 11, 2023.

13 FOLKS HESS, PLLC

14 By: 

15 Larry O. Folks
16 1850 N. Central Ave., #1140
17 Phoenix, AZ 85004
18 *Attorneys for Plaintiff*

19
20 **ORIGINAL** of the foregoing e-filed:
21 December 11, 2023, with:

22 MARICOPA County Superior Court – TurboCourt

23 **COPY** of the foregoing e-delivered:
24 December 11, 2023, to:

25 The Honorable Sara Agne
26 MARICOPA County Superior Court - TurboCourt
27
28

1 **COPY** of the foregoing sent via
2 first-class mail and email: December 11, 2023, to:

3 Anthony J. Knowles, Esq.
4 KNOWLES LAW FIRM, PLC
5 2852 South Carriage Lane
6 Mesa, AZ 85202
7 tonyknowles@knowleslaw.org
8 *Attorney for Defendant, Joel Natario*

9 HIRU Corporation
10 Attn: Statutory Agent
11 300 Colonial Center Parkway
12 Roswell, Georgia 30076-4891
13 *Defendant*

14 AZ Custom Bottled Water LLC
15 c/o The Corporate Experts Limited, Registered Agent
16 304 South Jones Boulevard, Suite 6202
17 Las Vegas, Nevada 89107
18 *Defendant*

19 Salome Water and Ice, LLC
20 c/o The Corporate Experts Limited, Registered Agent
21 304 South Jones Boulevard, Suite 6202
22 Las Vegas, Nevada 89107
23 *Defendant*

24 Kathryn Gavin
25 13835 North Tatum Blvd., Suite 9
26 Phoenix, Arizona 85032
27 *Defendant*

28 Kathryn Gavin
c/o Emerald Gold Esthetics
4716 East Thunderbird Road, Suite 117
Phoenix, Arizona 85032
Defendant

By: 
An employee of Folks Hess, PLLC

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EXHIBIT A

**Status Report
Pursuant to Servicemembers Civil Relief Act**

SSN: XXX-XX-4870
Birth Date: Apr-XX-1992
Last Name: GAVIN
First Name: KATHRYN
Middle Name:
Status As Of: Dec-11-2023
Certificate ID: Q0B0XYWFZ6N8XVS

On Active Duty On Active Duty Status Date			
Active Duty Start Date	Active Duty End Date	Status	Service Component
NA	NA	No	NA
This response reflects the individuals' active duty status based on the Active Duty Status Date			

Left Active Duty Within 367 Days of Active Duty Status Date			
Active Duty Start Date	Active Duty End Date	Status	Service Component
NA	NA	No	NA
This response reflects where the individual left active duty status within 367 days preceding the Active Duty Status Date			

The Member or His/Her Unit Was Notified of a Future Call-Up to Active Duty on Active Duty Status Date			
Order Notification Start Date	Order Notification End Date	Status	Service Component
NA	NA	No	NA
This response reflects whether the individual or his/her unit has received early notification to report for active duty			

Upon searching the data banks of the Department of Defense Manpower Data Center, based on the information that you provided, the above is the status of the individual on the active duty status date as to all branches of the Uniformed Services (Army, Navy, Marine Corps, Air Force, Space Force, NOAA, Public Health, and Coast Guard). This status includes information on a Servicemember or his/her unit receiving notification of future orders to report for Active Duty.

Sam Yousefzadeh

Sam Yousefzadeh, Director
Department of Defense - Manpower Data Center
4800 Mark Center Drive, Suite 04E25
Alexandria, VA 22350

The Defense Manpower Data Center (DMDC) is an organization of the Department of Defense (DoD) that maintains the Defense Enrollment and Eligibility Reporting System (DEERS) database which is the official source of data on eligibility for military medical care and other eligibility systems.

The DoD strongly supports the enforcement of the Servicemembers Civil Relief Act (50 USC App. § 3901 et seq, as amended) (SCRA) (formerly known as the Soldiers' and Sailors' Civil Relief Act of 1940). DMDC has issued hundreds of thousands of "does not possess any information indicating that the individual is currently on active duty" responses, and has experienced only a small error rate. In the event the individual referenced above, or any family member, friend, or representative asserts in any manner that the individual was on active duty for the active duty status date, or is otherwise entitled to the protections of the SCRA, you are strongly encouraged to obtain further verification of the person's status by contacting that person's Service. Service contact information can be found on the SCRA website's FAQ page (Q35) via this URL: <https://scra.dmdc.osd.mil/scra/#/faqs>. If you have evidence the person was on active duty for the active duty status date and you fail to obtain this additional Service verification, punitive provisions of the SCRA may be invoked against you. See 50 USC App. § 3921(c).

This response reflects the following information: (1) The individual's Active Duty status on the Active Duty Status Date (2) Whether the individual left Active Duty status within 367 days preceding the Active Duty Status Date (3) Whether the individual or his/her unit received early notification to report for active duty on the Active Duty Status Date.

More information on "Active Duty Status"

Active duty status as reported in this certificate is defined in accordance with 10 USC § 101(d) (1). Prior to 2010 only some of the active duty periods less than 30 consecutive days in length were available. In the case of a member of the National Guard, this includes service under a call to active service authorized by the President or the Secretary of Defense under 32 USC § 502(f) for purposes of responding to a national emergency declared by the President and supported by Federal funds. All Active Guard Reserve (AGR) members must be assigned against an authorized mobilization position in the unit they support. This includes Navy Training and Administration of the Reserves (TARs), Marine Corps Active Reserve (ARs) and Coast Guard Reserve Program Administrator (RPAs). Active Duty status also applies to a Uniformed Service member who is an active duty commissioned officer of the U.S. Public Health Service or the National Oceanic and Atmospheric Administration (NOAA Commissioned Corps).

Coverage Under the SCRA is Broader in Some Cases

Coverage under the SCRA is broader in some cases and includes some categories of persons on active duty for purposes of the SCRA who would not be reported as on Active Duty under this certificate. SCRA protections are for Title 10 and Title 14 active duty records for all the Uniformed Services periods. Title 32 periods of Active Duty are not covered by SCRA, as defined in accordance with 10 USC § 101(d)(1).

Many times orders are amended to extend the period of active duty, which would extend SCRA protections. Persons seeking to rely on this website certification should check to make sure the orders on which SCRA protections are based have not been amended to extend the inclusive dates of service. Furthermore, some protections of the SCRA may extend to persons who have received orders to report for active duty or to be inducted, but who have not actually begun active duty or actually reported for induction. The Last Date on Active Duty entry is important because a number of protections of the SCRA extend beyond the last dates of active duty.

Those who could rely on this certificate are urged to seek qualified legal counsel to ensure that all rights guaranteed to Service members under the SCRA are protected

WARNING: This certificate was provided based on a last name, SSN/date of birth, and active duty status date provided by the requester. Providing erroneous information will cause an erroneous certificate to be provided.