TENTATIVE RULINGS
LAW & MOTION CALENDAR
Friday, September 18, 2026 3:00 pm
Courtroom 19 –Hon. Oscar A. Pardo
3055 Cleveland Avenue, Santa Rosa

The tentative rulings will become the ruling of the Court unless a party desires to be heard. If you desire to appear and present oral argument, **YOU MUST NOTIFY** the Judge's Judicial Assistant by telephone at **(707) 521-6724**, and all other opposing parties of your intent to appear, **and whether that appearance is in person or via Zoom**, no later 4:00 p.m. the court day immediately preceding the day of the hearing.

If the tentative ruling is accepted, no appearance is necessary unless otherwise indicated.

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1. 24CV03100, Jooblay, Inc. v. Sanchez

The **unopposed** demurrer is **SUSTAINED WITH LEAVE TO AMEND** with respect to defendants Juliana Alders and Christine Baker (collectively "Moving Defendants"). Jooblay may file a Fifth Amended Complaint within 20 days of notice of this order. The Court will not accept a late filing. Counsel for Moving Defendants is ordered to submit a written order consistent with this ruling and compliant with California Rules of Court, rule 3.1312.

I. Procedural history

This action arises out of the ownership of two properties: 9579 Ross Station Road in Sebastopol (the "Ross Station property") and 1551 Laguna Road, Santa Rosa. Jooblay's central contention is that the 2021 auction sale proceedings were not proper and therefore title was not properly conveyed to defendant Edward Sanchez. As a result, Jooblay argues, Sanchez's purported transfer of the Ross Station property to Moving Defendants was void.

Jooblay filed its original Complaint on May 28, 2024, alleging seven causes of action against numerous defendants. On November 7, 2024, non-moving defendants demurred to the First, Second, Fifth, and Sixth Causes of Action in the Complaint. The Court sustained the demurrer with leave to amend, giving Jooblay 30 days to amend the Complaint. Moving Defendants demurred to the Complaint on January 9, 2025, but withdrew the demurrer after Jooblay filed its First Amended Complaint ("FAC") on February 18, 2025.

On March 27, 2025, non-moving defendants again demurred to the First, Second, Fifth, and Sixth Causes of Action in the FAC. The Court again sustained with leave to amend, giving Jooblay 20 days to file an amended complaint. Moving Defendants demurred to the FAC on April 21, 2025, but their demurrer was found to be moot after Jooblay filed its *Amended* Second Amended Complaint on July 10, 2025, in response to the Court's June 4, 2025, Order. (See Minute Orders, dated June 27, 2025, and Minute Orders, dated July 11, 2025.)

On August 13, 2025, this Court signed an order allowing Jooblay to file a Third Amended Complaint ("TAC") based on a joint stipulation by all parties. (See Stipulation and Order, filed August 13, 2025.) On September 2, 2025, Jooblay filed its TAC alleging two causes of action against moving Defendants: quiet title (First Cause of Action) and cancellation of their grant deed (Seventh Cause of Action). Moving Defendants demurred to the TAC on November 5, 2024. The Court sustained the demurrer with leave to amend on March 6, 2026. One of the Court's rationales for granting leave to amend was that "while Moving Defendants have demurred to every complaint in this action, this [was] the Court's first instance in reaching the merits of Defendants' demurrer to a complaint due to the timing of non-moving Defendants' demurrers and Jooblay's amendments in response to those motions."

Jooblay filed its currently operative Fourth Amended Complaint ("4AC") on April 10, 2026. This matter comes on calendar for Moving Defendants' demurrer to the three causes of action alleged against them: the First for quiet title; the Fourth for declaratory relief; and the Seventh for cancellation of their grant deed. As to each cause of action, Moving Defendants assert that the 4AC "does not state sufficient facts to state a cause of action," and that the cause of action "is uncertain in that it cannot be ascertained what facts give rise to the purported cause of action."

II. Jooblay has not opposed the instant demurrer

Jooblay's opposition to the instant demurrer was due on September 4. (CCP § 1005(b) [nine court days before hearing; September 7 was a court holiday].) No opposition has been filed as of September 14. Moving Defendants filed a Notice of Plaintiff's Non-Opposition on September 11. This circumstance does not oblige the Court to sustain the demurrer. (See, e.g., *Sheppard v. North Orange County Regional Occupational Program* (2010) 191 Cal.App.4th 289, 295 [demurrer overruled in part despite lack of opposition].)

The Court notes that because Jooblay's opposition to Moving Defendants' demurrer to the TAC was filed seven days late, the Court declined to consider it.

III. Governing law

A. Demurrers generally

A demurrer can be used only to challenge defects that appear on the face of the pleading under attack or from matters outside the pleading that are judicially noticeable. (C.C.P. § 430.30(a).) A party may demur to a pleading when another action is pending between the same parties on the same cause of action. (C.C.P. § 430.10(c).) At demurrer, all facts properly pleaded are treated as admitted, but contentions, deductions and conclusions of fact or law are disregarded. (*Serrano v. Priest* (1971) 5 Cal.3d 584, 591.) Similarly, opinions, speculation, or allegations contrary to law or facts which are judicially noticed are also disregarded. (*Coshow v. City of Escondido* (2005) 132 Cal.App.4th 687, 702.) Each evidentiary fact that might eventually form part of a party's proof does not need to be alleged. (*C.A. v. William S. Hart Union High School Dist.* (2012) 53 Cal.4th 861, 872.) Conclusory pleadings are permissible and appropriate where supported by properly pleaded facts. (*Perkins v. Superior Court* (1981) 117 Cal.App.3d 1, 6.) "The distinction between conclusions of law and ultimate facts is not at all clear and involves at most a matter of degree." (*Burks v. Poppy Const. Co.* (1962) 57 Cal.2d 463, 473.) Leave to amend should generally be granted liberally where there is some reasonable possibility that a party may cure the defect through amendment. (*The Swahn Group, Inc. v. Segal* (2010) 183 Cal.App.4th 831, 852.)

B. Quiet title

A cause of action for quiet title requires a plaintiff to allege: (1) description of the property subject to the action; (2) the title of the plaintiff as to which a determination is sought and the basis of title; (3) the adverse claims to the title of the plaintiff against which a determination is sought; (4) the date as of which determination is sought; and (5) a prayer for the determination of the title of the plaintiff against the adverse claims. (C.C.P. § 761.020(a)–(e).)

An action to quiet title may address adverse claims in addition to those traditionally referred to as clouds on title because "a quiet title action, unlike in a cancellation action, is for the purpose of stopping the mouth of a person who has asserted or is asserting a claim to the plaintiff's property . . . . It is not aimed at a particular piece of evidence, but at the pretensions of an individual." (*Water for Citizens of Weed California v. Churchwell White LLP* (2023) 88 Cal.App.5th 270, 284–285 [citations omitted].) For quiet title actions, "a claim includes a legal or equitable right, title, estate, lien, or interest in property or cloud upon title. (C.C.P. § 760.010, subd. (a).)" (*Id.* at 281.) A void instrument garners no validity from the fact that it is recorded. (*OC Interior Services, LLC v. Nationstar Mortgage, LLC* (2017) 7 Cal.App.5th 1318, 1331.)

C. Cancellation of grant deed

A written instrument, in respect to which there is a reasonable apprehension that if left outstanding it may cause serious injury to a person against whom it is void or voidable, may, upon his application, be so adjudged, and ordered to be delivered up or canceled. (Civ. Code § 3412.) To obtain cancellation of a written instrument under section 3412, a plaintiff must allege the instrument is "void or voidable" and would cause "serious injury" if not canceled. (*Saterbak v. JPMorgan Chase Bank, N.A.* (2016) 245 Cal.App.4th 808, 818–819.) The same tender requirements apply to actions to cancel an instrument as to quiet title causes of action. (*Id.* at p. 819.)

Where a complaint seeks to quiet title to real property and cancels an instrument and both claims are based on the same facts, it is said that the cancellation claim is incidental to the claim to quiet title such that the action asserts only one claim. (*Ephraim v. Metropolitan Trust Co. of Cal.* (1946) 28 Cal.2d 824, 833.) In a suit to remove a cloud, the complaint must state facts, not mere conclusions, showing the apparent validity of the instrument designated, and point out the reason for asserting that it is actually invalid. (*Id.* at p. 833–834.)

IV. Amendments to the TAC

The 4AC differs from the TAC in the following material respects:

- Additional allegations regarding the failure of lenders to comply with certain provisions of the California Code of Regulations, which Jooblay alleges "renders the Promissory Note unenforceable and voidable at the election of Jooblay." (4AC ¶ 22, second sentence; compare TAC ¶ 22.) The new allegations do not refer to Moving Defendants.
- Addition of three paragraphs alleging misconduct by Sanchez in the process of acquiring title to the Ross Station property. (4AC ¶¶ 35-37.) The new allegations do not refer to Moving Defendants.
- Addition of the allegation that "By reason of the invalid Trustee's Deed, Sanchez was a mere putative title holder to the Ross Station Property" and therefore "held no valid or otherwise legal or equitable title to the Ross Station Property . . . which he could transfer, grant, or [convey] to any subsequent grantee or transferee." (4AC ¶ 45, second sentence; compare TAC ¶ 42.) This does not refer directly to Moving Defendants, but it is clear that they are the "subsequent grantees" referred to.
- "Sanchez cannot be deemed a bona fide purchaser" changed to "Sanchez *and any of his subsequent transferees* cannot be deemed a bona fide purchaser." (4AC ¶ 47; compare TAC ¶ 44.) Again, "subsequent transferees" clearly refers to Moving Defendants.
- Addition of "Jooblay is the current legal and valid owner and title holder of the Ross Station Property." (4AC ¶ 53, second sentence; compare TAC ¶ 50.) This does not refer to Moving Defendants, except to imply that they are *not* the current title holders.
- "By way of the Grant Deed, Jooblay has held and enjoyed" changed to "By way of the Grant Deed, Jooblay, *as grantee thereunder*, has held and enjoyed," clarifying that the reason the Grant Deed conferred fee simple title on Jooblay is that Jooblay was the grantee under that deed. (4AC ¶ 54; compare TAC ¶ 51.) This amendment does not refer to the Moving Defendants.
- "Ross Station Property was conveyed" changed to "Ross Station Property was *invalidly and wrongfully* conveyed." (4AC ¶ 55; compare TAC ¶52.) This amendment does not refer to Moving Defendants.
- Addition of the entire Fourth Cause of Action for declaratory relief against, among others, Moving Defendants. (4AC ¶¶ 83-102.)

V. Analysis

A. First and Seventh Causes of Action

Moving Defendants observe that the amendments to the TAC have not addressed the concerns the Court expressed in its ruling on their previous demurrer. The Court agrees. The amendments that appear in the 4AC primarily augment Jooblay's prior claims about the irregularities associated with Sanchez's acquisition of purported title to the Ross Station property. All previous versions of Jooblay's complaints have clearly set forth Jooblay's legal theory that since Sanchez did not acquire good title to the Ross Station property in the non-judicial foreclosure, he was incapable as a matter of law of transferring title to the property to anyone. Jooblay has now made it yet more clear. For example, Jooblay changed "Sanchez cannot be deemed a bona fide purchaser" to "Sanchez *and any of his subsequent transferees* cannot be deemed a bona fide purchaser." (4AC ¶ 47.) This amendment makes the point that because Sanchez was not a bona fide purchaser, Moving Defendants must not be either. But the TAC already said that Moving Defendants "cannot be deemed as bona fide purchasers for value by reason [that] their interest in the Ross Station Property having been conveyed to them outside the chain of title." (TAC ¶ 48.) The amendment to 4AC ¶ 47 adds nothing to that. In general, the amendments to the TAC add nothing to Jooblay's position except increased emphasis.

Moreover, statements to the effect of "Alders and Baker cannot be deemed bona fide purchasers" are legal conclusions, which have no place in a complaint. (See Rutter Group, Civil Procedure Before Trial ¶¶ 6:124-6:125.1 [distinguishing ultimate facts from legal conclusions].) By statute, Moving Defendants were capable of taking good title from Sanchez even if his own title was defective, so long as they "in good faith and for a valuable consideration acquire[d the] title . . . by an instrument that [was] first duly recorded" (Civ. Code § 1107); that is, so long as they were bona fide purchasers. If Jooblay's position is that this statute is inapplicable under the facts of this case, Jooblay needs to explain what those facts are, not simply repeat its conclusory assertion that the statute does not apply.

In its ruling on Moving Defendants' demurrer to the TAC, the Court noted in its discussion of the First Cause of Action (quiet title) that "[t]he TAC conclusively states that Alders and Baker cannot be deemed as bona fide purchasers. However, there are no facts alleged to support the conclusion that both Sanchez and Alders-Baker's executed deeds were recorded outside the chain of title." The same is true of the 4AC. The Court noted that "Jooblay does not present any factual allegations that would put Moving Defendants on notice (either actual or constructive) of Jooblay's claim to title of the Ross Station Property or facts that reasonably bring into question the state of title reflected in the recorded chain of title." The same is true of the 4AC. In its discussion of the Seventh Cause of Action (cancellation of grant deed), the Court noted that "the allegations in the TAC that the conveyance was outside the chain of title are not substantiated by sufficient facts." The same is true of the 4AC.

The demurrer is sustained as to the First and Seventh Causes of Action as applied to Moving Defendants for the same reasons Moving Defendants' demurrer to the TAC was sustained as to those causes of action.

B. Fourth Cause of Action

The biggest change between the TAC and the 4AC is the addition of the Fourth Cause of Action, which seeks declaratory relief against Sanchez, Moving Defendants, and several lenders. Jooblay's allegations in this cause of action are substantially similar to those in its First and Seventh Causes of Action, discussed above: "because the Trustee's Deed to Sanchez is outside the chain of title, . . . the Trustee's Deed granting the [Ross Station] Road Property to Sanchez is void as a matter of law," and Sanchez could not "convey any beneficial interest to Alders-Baker for the reason that at the time of the execution and recording of the Alders-Baker Grant Deed in favor of Alders-Baker, Sanchez neither owned or held any valid or legal title, interest or rights in or to the Ross Station Property . . . ." (4AC ¶¶ 98, 99.) Again, the legal theory is that since Sanchez allegedly had no title to the property, nobody to whom he purported to transfer title could possibly have taken good title. Again, Jooblay does not allege any facts suggesting that Moving Defendants are not bona fide purchasers as contemplated by Civ. Code § 1107.

The principal difference between the Fourth Cause of Action and the First and Seventh is the nature of the relief Jooblay prays for. The prayers associated with the First and Seventh Causes of Action ask the Court to take affirmative action adverse to the Moving Defendants: to "[exclude] the adverse interests granted and/or conveyed by . . . the Alders-Baker Grant Deed" in the case of the First Cause of Action, and "that the . . . Alders-Baker Grant Deed be adjudged invalid and void, and . . . canceled by this Court" in the case of the Seventh. In both cases, Jooblay asks the Court to issue an order establishing that Jooblay owns the property and Moving Defendants do not. In contrast, the prayer associated with the Fourth Cause of Action is merely for a declaration that, inter alia, "Alders-Baker holds no valid legal or beneficial interest in the Ross Station Property," that "all subsequent [transfers by Sanchez of] the Ross Station Property are recorded outside the chain of title and, therefore, void, not merely voidable," and that "said instruments granted and conveyed no title or beneficial interests in the Ross Station Property to the grantees named thereunder or to any subsequent transferees thereto." (4AC at p. 28.) The Fourth Cause of Action, therefore, does not seek to divest Moving Defendants of title; it merely asks the Court to declare that they *should* be divested of title.

This is a distinction without a difference. The Court cannot declare what Jooblay asks it to declare unless it has a factual basis for agreeing with Jooblay's conclusory assertions that both Sanchez's and Moving Defendants' deeds to the property were recorded outside the chain of title and that Moving Defendants did not take good title under the bona fide purchaser principle. As with the First and Seventh Causes of Action, Jooblay has alleged no such factual basis. Accordingly, the demurrer is sustained as to the Fourth Cause of Action as it applies to Moving Defendants.

VI. Conclusion

The demurrer is sustained. The Court will grant Jooblay one more opportunity to amend the complaint to allege specific facts – not legal conclusions! – supporting its contentions that (1) the transfer of the Ross Station property to Moving Defendants was outside the chain of title, and (2) Moving Defendants are not bona fide purchasers of the Ross Station property. Jooblay may file a Fifth Amended Complaint within 20 days of notice of this order.

2. <u>24CV04538, Discover Bank v. Bishop</u>

I. Introduction

Plaintiff Discover Bank ("Plaintiff") filed a collections action against Defendant Steven Bishop ("Defendant") on August 1, 2024, seeking repayment of $8,788 in credit debt.

Plaintiff now brings a motion for entry of judgment against Defendant. The **<u>unopposed</u>** motion is **GRANTED.**

II. Analysis

On May 1, 2025, the parties filed a Notice of Settlement and a Stipulation for Entry of Judgment Pending Performance ("Stipulation"; Ren Dec, Exh. A). Under the Stipulation, Defendant agreed to pay a reduced amount of $7,056.76 in 24 monthly installments, with each installment due on the 28th of the month. (Stipulation ¶ 16.) It further provided that:

> Time is of the essence . . ., and should Defendant(s) fail to make any payment on or before the stated due date, then Plaintiff shall immediately be free to pursue all available remedies including but not limited to Code of Civil Procedure section 664.6, and to file a Motion . . . to have judgment entered against Defendant for $8,788.00 plus Court costs, less any amounts received by Plaintiff from Defendant.

(Stipulation ¶ 6.)

Defendant failed to make the payment that was due on May 28, 2026. (Ren Dec ¶¶ 6, 7.) Plaintiff filed the instant motion on June 30, 2026. Plaintiff seeks judgment in the amount of $3,564.99, consisting of the stipulated judgment of $8,788.00 minus $5,586.57 in payments made by Defendant, plus $363.56 in costs.

"If parties to pending litigation stipulate . . . for settlement of the case . . . , the court, upon motion, may enter judgment pursuant to the terms of the settlement." (CCP §664.6(a).) As noted above, the Stipulation explicitly contemplated that the Court could entertain such a motion. The requested judgment is directly in line with the terms of the settlement. Accordingly, the Court will grant the motion and enter judgment as requested.

III. Conclusion

Plaintiff's motion is **GRANTED**. The Court will sign Plaintiff's two proposed orders, one granting the instant motion and the other granting judgment.

3. <u>25CV08515, Frazee v. Greer</u>

Plaintiff filed a wage complaint against her former employer with the California Department of Industrial Relations ("DIR") in February of 2022. Following a hearing in June of 2024, DIR issued an order awarding $68,878.55 to Plaintiff. On October 22, 2025, DIR filed a Request That Clerk Enter Judgment in this Court, asking the Court to enter judgment against Plaintiff's former employer in the amount of $78,690.13, the amount awarded to Plaintiff plus post-hearing interest and filing fees. The Court duly entered judgment in that amount on Dec. 12, 2025.

Plaintiff's former employer's name is given as "Steve Greer, an individual" on all of DIR's pleadings and orders, including its request for entry of judgment. The Court entered judgment against Steve Greer as requested. However, Greer's full first name is Stephen. (Ryan Dec ¶ 6.) This matter comes on calendar for hearing on Plaintiff's motion to correct the judgment to reflect that it is against "STEPHEN GREER, an individual, a.k.a. STEVE GREER."

"The court may, upon motion of the injured party, or its own motion, correct clerical mistakes in its judgment or orders and entered . . . ." (CCP § 473(d).) While the clerical mistake here was DIR's and not the Court's, this power extends to errors made by a party. The difference between judicial error (which a court may *not* modify pursuant to CCP § 473(d)) and clerical error "rests not upon the party committing the error, but rather on whether it was the deliberate result of judicial reasoning and determination." (*Rochin v. Pat Johnson Mfr. Co.* (1998) 67 Cal.App.4th 1228, 1238.) Here, the error was committed by Plaintiff's counsel, and since it was not a deliberate result of judicial determination, the Court is authorized to correct it and will do so.

The **<u>unopposed</u>** motion is **GRANTED.** The Court will sign Plaintiff's proposed order.

4. <u>26CV01911, Isakova v. Poppy Bank</u>

<u>I.</u> Introduction

Plaintiff Ester Isakova has filed the instant lawsuit against her former employer Poppy Bank ("Defendant"), alleging a number of Government Code and Labor Code violations, including gender discrimination, disability discrimination, and retaliation. This matter comes on calendar for hearing on Defendant's motion to compel arbitration.

The motion to compel arbitration is **GRANTED.** The Court will sign the proposed order filed by Defendant, after amending it by adding "pending" after the word "stayed."

II. Background

In connection with her employment with Defendant, Plaintiff executed an agreement entitled "At-Will Confidential Info/Arbitration Agreement." (Krause Dec, Exh. A; the "Agreement.") The Agreement contains a section headed "ARBITRATION AND EQUITABLE RELIEF." (*Id.* at p. 7, § 13; the "Arbitration Agreement.") The heading is in boldface type; the heading and the entire section are in all capital letters. The Arbitration Agreement contains the following provision (in all capital letters):

> I agree that any and all controversies, claims, or disputes with anyone (including the bank and any employee, officer, director, shareholder, or benefit plan of the bank, in their capacity as such or otherwise), arising out of, relating to, or resulting from my employment with the bank or the termination of my employment with the bank, including any breach of this agreement, or interpretation of this agreement, shall be subject to binding arbitration administered by JAMS . . . .

Plaintiff does not dispute that she signed the Agreement, though she declares that she does not recall doing so. (Isakova Dec ¶ 3.) In her opposition to the instant motion, she argues that the Agreement is unenforceable because it is unconscionable. Specifically, she argues that:

- The Agreement is procedurally unconscionable because it is a contract of adhesion (Oppo at pp. 3-4);
- The Agreement is substantively unconscionable because it is overbroad as to time and scope (Oppo at pp. 5-8);
- The Agreement is substantively unconscionable because it lacks mutuality (Oppo at pp. 8-9); and
- The Agreement is substantively unconscionable because it contains non-competition agreements that violate Bus. & Prof. Code §§ 16600 et seq. (Oppo at pp. 9-11).

For the reasons set forth below, the Court disagrees with Plaintiff.

III. Governing law

Unconscionability is a judicially created doctrine and involves a highly context-dependent analysis. (*Sanchez v. Valencia Holding Co., LLC* (2015) 61 Cal.4th 899, 911.) Unconscionability has two elements: procedural and substantive. Well-established California law requires both elements to be present for an unconscionability defense to succeed. The two elements, however, need not be present to the same degree and are evaluated on a sliding scale. "[T]he more substantively oppressive the contract term, the less evidence of procedural unconscionability is required to come to the conclusion that the term is unenforceable, and vice versa." (*Armendariz v. Foundation Health Psychcare Services, Inc.* (2000) 24 Cal.4th 83, 114.)

A. Procedural unconscionability

"Procedural unconscionability pertains to the making of the agreement; it focuses on the oppression that arises from unequal bargaining power and the surprise to the weaker party that results from hidden terms or the lack of informed choice." (*Ajamian v. CantorCO2e, L.P.* (2012) 203 Cal.App.4th 771, 795.) The first step in determining procedural unconscionability is an inquiry into whether the contract is one of adhesion. (*OTO, L.L.C. v. Kho* (2019) 8 Cal.5th 111, 126.) "An adhesive contract is standardized, generally on a preprinted form, and offered by the party with superior bargaining power 'on a take-it-or-leave-it basis.'" (*Ibid*.) "Arbitration contracts imposed as a condition of employment are typically adhesive." (*Id.* at p. 126.) Once the court determines the contract is one of adhesion, the question becomes whether the circumstances of the contract's formation created such oppression or surprise that the overall fairness must be subject to closer scrutiny. (*Ibid*.)

> The circumstances relevant to establishing oppression include, but are not limited to (1) the amount of time the party is given to consider the proposed contract; (2) the amount and type of pressure exerted on the party to sign the proposed contract; (3) the length of the proposed contract and the length and complexity of the challenged provision; (4) the education and experience of the party; and (5) whether the party's review of the proposed contract was aided by an attorney.

(*Grand Prospect Partners, L.P. v. Ross Dress for Less, Inc.* (2015) 232 Cal.App.4th 1332, 1348.)

B. Substantive unconscionability

"Substantive unconscionability pertains to the fairness of an agreement's actual terms and to assessments of whether they are overly harsh or one-sided." (*Pinnacle Museum Tower Assn. v. Pinnacle Market Development (US), LLC* (2012) 55 Cal.4th 223, 246.) Mere unequal benefit is insufficient to show substantive unconscionability; rather, the terms must be "so one-sided as to shock the conscience." (*24 Hour Fitness, Inc. v. Superior Court* (1998) 66 Cal.App.4th 1199, 1213.) Though many factors go into determining substantive unconscionability, the primary consideration in assessing substantive unconscionability is mutuality. (*Abramson v. Juniper Networks, Inc.* (2004) 115 Cal.App.4th 638, 657.) Lack of mutuality, unlimited duration, and broad scope of claims covered are all factors which may be considered substantively unconscionable within an arbitration provision. (*Cook v. University of Southern California* (2024) 102 Cal.App.5th 312, 321-328.)

IV. Analysis

A. The Agreement is not procedurally unconscionable.

1. Duress

Plaintiff declares, and repeats in her opposition brief with citations to her declaration, that Defendant never explained the meaning of "arbitration" or any other term used in the Agreement, did not give her an opportunity to ask questions about the Agreement, did not tell her that she could consult an attorney before signing it, and gave her "a shorter than normal deadline" to sign the Agreement. (Oppo at p. 2; Isakova Dec ¶¶ 3-6.) With respect to the last point, Plaintiff does not clarify what the normal deadline would have been, how much less time than that she was given to sign the Agreement, or what would have happened if she had requested additional time. As to the additional declaratory statements, the Court is simply perplexed and finds that these negatively impact her credibility. Plaintiff does not explain why she would sign a document she did not understand or whether she was precluded from asking any questions in regard to this clause, including what the word 'arbitration' meant or what would occur if she refused signing the document. A plaintiff cannot simply divest themselves from these types of interactions by passively claiming ignorance after the fact.

Because those comments appear in the "Procedural History" section of Plaintiff's opposition brief and not in the "Argument" section, it is unclear whether Plaintiff is merely stating them by way of background information or suggesting that these points are aspects of the procedural unconscionability surrounding Plaintiff's execution of the Agreement. In the latter case, she is incorrect. To begin with, "[a] cardinal rule of contract law in California is that a party's failure to . . . carefully read a contract before signing it is no defense to the contract's enforcement." (*Desert Outdoor Advertising v. Superior Court* (2011) 196 Cal.App.4th 866, 872; see also *Iyere v. Wise Auto Group* (2023) 87 Cal.App.5th 747, 759.)

Moreover, Plaintiff acknowledged in the Agreement itself that she did not sign it under duress. The Agreement contains a section headed "Voluntary Nature of Agreement" that provides, in all capital letters, that

> I acknowledge and agree that I am executing this agreement voluntarily and without any duress or undue influence by the bank or anyone else. I further acknowledge and agree that I have carefully read this agreement and that I have asked any questions needed for me to understand the terms, consequences, and binding effect of this agreement and fully understand it, including that **I am waiving my right to a jury trial**. Finally, I agree that I have been provided an opportunity to seek the advice of an attorney of my choice before signing this agreement.

(*Id.* at p. 8, original emphasis.) Whether or not Plaintiff understood what "arbitration" means, she is likely to have understood what "waiving my right to a jury trial" means, and as noted, that is printed in boldface type. More importantly, Plaintiff cites no authority for the proposition that Defendant was required to do any of the things she mentions, and the Court is aware of none.

2. Adhesion

Plaintiff argues that the Agreement is procedurally unconscionable because it is a contract of adhesion, noting that "Plaintiff was forced to sign the Arbitration Agreement in order to continue her employment with Defendant." (Oppo at p. 4.) Virtually all employment arbitration agreements are adhesive in that respect, but "under both federal and state law, an employee's rights to a jury trial and a judicial forum can be validly waived by agreement, even where the waiver is required as a condition of employment." (*Lagatree v. Luce, Forward, Hamilton & Scripps* (1999) 74 Cal.App.4th 1105, 1127-1128.) The adhesive nature of an employment agreement is not dispositive on the issue of unconscionability. (*Serpa v. California Surety Investigations* (2013) 215 Cal.App.4th 695, 704.) When there is no other indication of oppression or surprise, "the degree of procedural unconscionability of an adhesion agreement is low, and the agreement will be enforceable unless the degree of substantive unconscionability is high." (*Ibid*.) Under the present circumstances, the Court finds that is extremely low procedural unconscionability, if any.

B. The Agreement is not substantively unconscionable.

1. Overbreadth as to scope

Plaintiff argues that the Agreement is overbroad in scope in that it calls for arbitration of disputes with not just Defendant, but individuals and officers of the bank "in their capacity as such or otherwise." (Oppo at p. 4.) The argument is unavailing.

In support of this argument, Plaintiff cites to *Cook v. University of Southern California* (2024) 102 Cal.App.5th 312. There, the reviewing court held that the arbitration agreement at issue was substantively unconscionable because it explicitly required arbitration of *all* claims against non-parties, not just claims related to Cook's employment:

> By its express terms, the agreement requires the arbitration of "all claims, *whether or not arising out of Employee's University employment*, remuneration or termination, that Employee may have against the University or any of its related entities, including but not limited to faculty practice plans, or its or their officers, trustees, administrators, employees or agents, in their capacity as such or otherwise; and all claims that the University may have against Employee." *The plain language of the agreement requires Cook to arbitrate claims that are unrelated to her employment with USC.*

(*Id.* at p. 321, emphasis supplied.) Thus, for example, if Cook was "the victim of a botched surgery in a USC hospital in 15 years, her claims could be subject to the arbitration agreement." (*Id.* at p. 318.) That is, what the *Cook* court found unconscionable about the arbitration agreement was its applicability to non-signatories *accompanied by* its applicability to non-employment-related claims. Along similar lines, in *Stoker v. Blue Origin, LLC* (2026) 120 Cal.App.5th 91, the reviewing court found an arbitration agreement unconscionable because it stated that it applied "to any and all claims . . . between the Company and me, including, *without limitation*, claims arising out of or relating to my . . . employment with the company." (*Id.* at p. 107, original emphasis (citing to *Cook*).) As with *Cook*, the problem was that because of the "without limitation" language, the arbitration agreement purported to cover all claims of every sort whatsoever, for example if the plaintiff's car was rear-ended by a company employee.

The Agreement at issue here suffers from no such deficiency, as it is explicitly limited to controversies "arising out of, relating to, or resulting from [Plaintiff's] employment with [Defendant] or the termination of [her] employment with [Defendant]." (Agreement § 13.) Plaintiff suggests that "it takes little imagination to think of situations in which claims unrelated to Plaintiff's employment could arise, particularly given that Plaintiff herself has been a customer of [Defendant] and has held several accounts there." (Oppo at p. 7.) Indeed, it is easy to think of such situations, but it is very difficult to understand how, as Plaintiff suggests, they "would be bound by this Arbitration Agreement" despite "patently fall[ing] outside the scope of her employment." (Oppo at pp. 7-8.) If they fall outside the scope of her employment, then they also fall outside the scope of the above-quoted "arising out of" passage. Scenarios like the one Plaintiff describes, or like *Cook*'s botched-surgery hypothetical, cannot fall under the Agreement because they are not even arguably related to Plaintiff's employment. Therefore, the *Cook* and *Stoker* rationales do not apply here.

Defendant is particularly concerned about the fact that non-signatories to the Agreement, such as employees or officers, are protected by the Agreement "in their capacity as such *or otherwise.*"

(Oppo at p. 7, citing Agreement § 13(A), emphasis supplied by Defendant.) However, again, this language is immediately followed by the "arising out of" language that restricts the Agreement to employment-related claims. The point of "or otherwise" is presumably to prevent a situation where, for example, an employee of Defendant sexually harasses Plaintiff outside of work, and Plaintiff attempts to circumvent the Agreement by arguing that the employee was not acting in the capacity of a bank employee.

Because the Agreement is explicitly restricted to the universe of employment-related claims, the Court finds no unconscionability here.

2. Overbreadth as to time

Plaintiff argues that the Agreement is substantively unconscionable because it is overbroad in time in that it survives termination of Plaintiff's employment. (Oppo at p. 4; Agreement § I.) That argument is also unavailing. While the Agreement places no specific limitation on the time period during which it applies, the restriction to employment-related claims inherently time-limits the Agreement to the limitations periods on such claims. Once the limitation period on a particular claim has expired, the Agreement, as a practical matter, is no longer in effect as to that claim, since the claim cannot be made in court irrespective of the Agreement. All employment-related claims to which the Agreement is restricted have statutory limitation periods.

3. Non-mutuality

Plaintiff argues that the Agreement is substantively unconscionable because it is non-mutual in two independent ways: because it can be modified or terminated solely at the discretion of Defendant, and because it requires Plaintiff to arbitrate claims against Defendant and its employees, officers, and other non-signatories, but it does not require the non-signatories to arbitrate their claims against Plaintiff.

a. Unilateral modification

Plaintiff objects to the passage on the signature page of the Agreement reading "This policy shall remain in effect until amended, modified or terminated at the Bank's sole discretion." (Oppo at p. 6; Krause Dec, Exh. A, cover page.) Plaintiff observes that this renders the Agreement one-sided because Defendant, but not she, can modify or terminate it.

California courts have consistently held that a unilateral modification provision in an employment arbitration agreement does not, standing alone, render the agreement substantively unconscionable. In *Peng v. First Republic Bank* (2013) 219 Cal.App.4th 1462, for example, the reviewing court found that an arbitration agreement that "gave defendant the unilateral authority to modify or terminate it without notice" was not subjectively unconscionable because the employer's power to modify the agreement "carries with it the duty to exercise that right fairly and in good faith." (*Id.* at pp. 1467, 1473, citing (*24 Hour Fitness v. Superior Court* (1998) 66 Cal.App.4th 1199, 1214.) Along similar lines, "the implied covenant of good faith and fair dealing limits the employer's authority to unilaterally modify the arbitration agreement and saves that agreement from being illusory and thus unconscionable." (*Serpa v. California Surety Investigations, Inc.* (2013) 215 Cal.App.4th 695, 708.)

b. Arbitration of claims against Plaintiff

Plaintiff also argues that the Arbitration Agreement "lacks mutuality on who is required to submit claims to arbitration against whom." (Oppo at pp. 8-9.) The Court disagrees. It is true that the final sentence of the Arbitration Agreement, "I further understand that this agreement to arbitrate also applies to any disputes that *the bank* may have with me" (emphasis supplied), suggests that the agreement might *not* apply to any disputes individual parties who are not "the bank" might have with Plaintiff. Standing alone, that might be a reasonable interpretation. However, the Arbitration Agreement also says that "any and all controversies . . . arising out of . . . my employment . . . shall be subject to binding arbitration." The "any and all" language is broad enough to only encompass employment-related claims Defendant or the non-signatories protected by the Agreement might have against Plaintiff. For example, an action by Defendant against Plaintiff for breaching the "Non-Solicitation of Employees" provision of the Agreement (Agreement § 8) would fall within both the "any and all controversies arising out of my employment" and the "any breach of this agreement" passages of the Arbitration Agreement.

Phan v. Knight Sacramento SU Inc. (2026) 121 Cal.App.5th 641 is not to the contrary. The reviewing court's primary rationale for holding the arbitration agreement at issue there to be substantively unconscionable was that, like the one in *Cook, supra,* it was so broadly drafted as to "encompass[] all of Phan's claims against Knight and its related third parties, *whether related to her employment or not*. And, like the agreement in *Cook*, Phan is bound by these terms indefinitely as the Agreements require her to arbitrate all future claims as well." (*Phan* at p. 654, emphasis supplied.) That is, Phan would hypothetically have been required to arbitrate a claim against a Knight Sacramento employee who rear-ended her car 15 years after her employment ended. Again, the crucial distinction is that the Agreement at issue here is explicitly restricted to employment-related disputes. *Phan* does hold that an arbitration agreement is unconscionable if it merely *enables* non-signatory parties to arbitrate claims against the plaintiff/employee but does not *require* them to do so, but as discussed in the previous paragraph, that is not the situation here since the Arbitration Agreement applies to "any and all controversies."

The Court does not agree that the Agreement is sufficiently non-mutual to rise to substantively unconscionable.

4. The non-solicitation provisions

The Agreement contains a broad definition of the term "Confidential Information." (Agreement § 2(A).) Plaintiff asserts that the definition "go[es] far beyond information that could be classified as a trade secret." (Oppo at p. 10.) The Agreement also contains provisions prohibiting Plaintiff from soliciting Defendant's employees and customers by relying on Confidential Information. (Agreement §§ 8, 9.) Plaintiff argues that these provisions, in light of the overbroad definition of "Confidential Information," "run afoul of Business and Professions Code section 16600, *et seq.* in violation of California law." (*Ibid.*) The cited statutes effectively prohibit non-competition agreements.

This, Plaintiff asserts, "serve[s] as further evidence that the Arbitration Agreement is permeated with provisions [and] terms that are only for Defendant's benefit, without conferring any comparable benefit on Plaintiff." It is difficult to imagine how an employee's agreement not to solicit an employer's customers *could* confer a comparable benefit on the employee, since the employee would be unlikely to have customers to solicit. However, Plaintiff's point seems to be that since the Agreement contains provisions that violate California's laws against non-competition agreements, the entire Agreement is unconscionable, and therefore unenforceable, and therefore the Arbitration Agreement section of it is also unenforceable.

The Court need not and does not decide whether the Agreement's definition of "Confidential Information" is overbroad, or whether its non-solicitation provisions rise to non-competition agreements prohibited by Bus. & Prof. Code §§ 16600 et seq. If, hypothetically, Defendant brings an action against Plaintiff in the future for violating one of the non-solicitation provisions, the arbitrator hearing the matter – it would have to be arbitrated, as discussed above – will be the appropriate person to make that decision. But even if the decision is adverse to Defendant, that will have no effect on the Arbitration Agreement, which is a completely different part of the Agreement. The Agreement contains a severability clause, which provides that if a provision of the agreement is found to be unenforceable, "the remainder of this Agreement will continue in full force and effect." (Agreement § 14(F).) Under that clause, defects in the non-solicitation provisions will not affect the arbitration provisions.

Plaintiff argues that "severance of unconscionable provisions is improper," but concedes that it actually is proper if the central purpose of the contract is not tainted with illegality, and the unconscionability – here, the violation of Bus. & Prof. Code §§ 16600 et seq. – "*can* be cured purely through severance or restriction of its terms." (Oppo at pp. 11-12, citing *Ramirez v. Charter Communications* (2024) 16 Cal.5th 478, 516.) The Agreement at issue here covers several unrelated topics, so it is difficult to say what its central purpose is, but it is surely not preventing employees from soliciting Defendant's customers and employees. And even assuming arguendo that the non-solicitation provisions are unconscionable, the Agreement as a whole most certainly can be cured of that unconscionability by simply not enforcing those provisions.

Accordingly, the Court does not agree that the interaction between the non-solicitation provisions and Bus. & Prof. Code §§ 16600 et seq. has any impact on the question before it of whether the Arbitration Agreement is enforceable. The Court answers that question in the affirmative.

I. Conclusion

The motion to compel arbitration is **GRANTED**. Further court proceedings in this matter are stayed pending the outcome of arbitration of Plaintiff's claims. The Court will sign the proposed order.

****This is the end of the Tentative Rulings.*****