Tentative Rulings for July 21, 2026
Department 10

To request oral argument, you must notify Judicial Secretary Crystal Marias at (760) 904-5722 and inform all other counsel no later than 4:30 p.m.

This court follows California Rules of Court, Rule 3.1308 (a) (1) for tentative rulings (see Riverside Superior Court Local Rule 3316). Tentative Rulings for each law & motion matter are posted on the Internet by 3:00 p.m. on the court day immediately before the hearing at Riverside Superior Court-Tentative Rulings.. If you do not have Internet access, you may obtain the tentative ruling by telephone at (760) 904-5722.

To request oral argument, no later than 4:30 p.m. on the court day before the hearing you must (1) notify the judicial secretary for Department 10 at (760) 904-5722 and (2) inform all other parties of the request and of their need to appear remotely, as stated below. If no request for oral argument is made by 4:30 p.m., the tentative ruling **will become the final ruling** on the matter effective the date of the hearing. **UNLESS OTHERWISE NOTED, THE PREVAILING PARTY IS TO GIVE NOTICE OF THE RULING.**

For information and instructions on remote appearances via **ZOOM**, visit the court's website at Riverside Superior Court-Remote Appearances

You may also make a Telephonic Appearance: On the day of the hearing, call into one of the below listed phone numbers, and input the meeting number (followed by #):

- Call-in Numbers: 1-833-568-8864 (Toll Free), 1-669-254-5252, 1-669-216-1590, 1-551-285-1373 or 1-646-828-7666
- Meeting Number: 161 888 5460

Please **MUTE** your phone until your case is called and it is your turn to speak. It is important to note that you must call fifteen (15) minutes prior to the scheduled hearing time to check in or there may be a delay in your case being heard.

Riverside Superior Court provides official court reporters for hearings on law and motion matters only for litigants who have been granted fee waivers and only upon their timely request. (See General Administrative Order No. 2021-19-1) Other parties desiring a record of the hearing must retain a reporter pro tempore.

1.

CASE #	CASE NAME	HEARING NAME
CVRI2601759	CHINCHILLA vs ADESA US AUCTION, LLC	MOTION TO COMPEL ARBITRATION

Tentative Ruling: The Court **GRANTS** the motion to compel arbitration and stays the action pending the resolution of arbitration. The Court vacates the case management conference and sets a status hearing re arbitration for July 21, 2027, at 8:30 a.m.

Factual / Procedural Context

This is a wage and hour class action. On March 20, 2026, Plaintiff Jason Chinchilla ("Plaintiff") filed a Class Action Complaint against Defendant ADESA US Auction, LLC ("Defendant") for various Labor Code violations and unfair competition, arising out of his employment with Defendant as a parts technician.

Defendant now moves to compel arbitration of Plaintiff's claims against it, arguing that during onboarding, Plaintiff entered into an enforceable agreement to arbitrate claims related to his employment, and that agreement applies to the claims asserted in the Complaint. It also argues that the Federal Arbitration Act ("FAA") applies to the agreement, and if not, either Delaware or California law applies, all of which support arbitration here. It further argues that issues regarding the validity, scope, applicability, and enforceability of the agreement should be determined by the arbitrator. Finally, Defendant asks the court to compel arbitration, dismiss Plaintiff's class claims, and stay the remainder of the action.

In opposition, Plaintiff argues that the arbitration agreement is procedurally unconscionable because it is an adhesion contract, and substantively unconscionable because it applies to all claims Plaintiff might have against Defendant, not just employment claims, and it lacks mutuality because Plaintiff must submit his claims against third-party beneficiaries to arbitration without a reciprocal benefit.

Analysis

I. Standard

Arbitration is a matter of contract. (C.C.P. § 1281, 1281.2; *Unimart v. Superior Court* (1969) 1 Cal.App.3d 1039, 1045). A party to the arbitration agreement may seek a court order compelling the parties to arbitrate the dispute covered by the agreement. (C.C.P. § 1281.2.) The petition/motion to compel must set forth the provisions of the written agreement and the arbitration clause verbatim, or such provisions must be attached and incorporated by reference. (CRC Rule 3.1330; *see also Condee v. Longwood Mgmt. Corp*. (2001) 88 Cal.App.4th 215, 218–19.) This rule does not require the petitioner to authenticate the agreement or do anything more than allege its existence and attach a copy. (*Condee, supra*, 88 Cal.App.4th at 218-19.) The burden then shifts to the opposing party to demonstrate the falsity of the purported agreement. (*Condee*, *supra*, 88 Cal.App.4th at 218–19.)

There is a strong public policy in favor of arbitration agreements." (*Blake v. Ecker* (2001) 93 Cal.App.4th 728, 741.) Upon the petition/motion of a party to an agreement to arbitrate, the court must grant a petition to compel arbitration unless it finds: no written agreement to arbitrate exists; the right to compel arbitration has been waived; grounds exist for rescission of the agreement; or litigation is pending that may render the arbitration unnecessary or create conflicting rulings on common issues. (C.C.P. § 1281.2.)

"In ruling on a petition to compel arbitration, the trial court may consider evidence on factual issues relating to the threshold issue of arbitrability … Parties may submit declarations when factual issues are tendered with a motion to compel arbitration." (*Engineers & Architects Assn. v. Community Development Dept.* (1994) 30 Cal.App.4th 644, 653.) In the summary proceedings on a motion to compel arbitration, "the trial court sits as a trier of fact, weighing all the affidavits, declarations, and other documentary evidence, as well as oral testimony received at the court's discretion, to reach a final determination." (*Engalla v. Permanente Medical Group, Inc.* (1997) 15 Cal.4th 951, 972.)

II. An Arbitration Agreement Exists

Both the FAA and the California Arbitration Act require the existence of a valid arbitration agreement, before arbitration can be compelled. (See 9 U.S.C. §2 and Code Civ. Proc., §1281.2) The party seeking to compel arbitration has the burden of proving the existence of such an agreement by a preponderance of the evidence. (*Ruiz v. Moss Bros. Auto Group* (2014) 232 Cal.App.4th 836, 842.)

In the present case, Defendant attaches a copy of the arbitration agreement to its motion and properly authenticates the agreement. (See, Decl. of Mark Shrivastava ["Shrivastava Decl."] at ¶¶ 7, 10-18, Ex. F.) Thus, it met its burden of establishing an arbitration agreement exists. (See, *Condee*, *supra*, 88 Cal.App.4th at 218–19.) The burden then shifts to Plaintiff to offer admissible evidence to challenge the authenticity of the agreements. (*Ivere v. Wise Auto Group* (2023) 87 Cal.App.5th 747, 755.) Plaintiff does not dispute that an arbitration agreement exists or contend he did not sign it, instead only contending the agreement is unconscionable. Therefore, Defendant has established an arbitration agreement between the parties exists.

III. The FAA Applies

The FAA generally governs arbitration in written contracts involving interstate commerce and authorizes enforcement of arbitration clauses unless grounds exist in law or equity for the revocation of any contract. (9 U.S.C. §2.) The FAA also applies when an arbitration agreement expressly states that it is governed by the FAA. (*Aviation*

Data, Inc. v. Am. Express Travel Related Servs. Co., Inc. (2007) 152 Cal.App.4th 1522, 1534-1535; *Victrola 89, LLC v. Jaman Properties 8 LLC* (2020) 46 Cal.App.5th 337, 355.) The FAA embodies a strong federal policy favoring arbitration. To assure uniform results as to arbitrability of disputes subject to the Act, conflicting state law is preempted under the Supremacy Clause. (*Southland v. Corp. v. Keating* (1984) 465 U.S. 1, 12; see also, *Volt Info. Sciences, Inc. v. Board of Trustees of Leland Stanford Junior University* (1989) 489 U.S. 468, 477.) California also has a strong public policy in favor of arbitration agreements. (*Blake v. Ecker* (2001) 93 Cal.App.4th 728, 741.) The party claiming that the contract involves interstate commerce, and the FAA preempts state law, has the burden of proving that the underlying transaction involved interstate commerce. (*Woolls v. Sup. Ct. (Turner)*(2005) 127 Cal.App.4th 197, 211-214; *Hoover v. American Income Life Ins. Co.* (2012) 206 Cal.App.4th 1193, 1207.)

In the present case, the arbitration agreement states: "Employee and the Company stipulate and agree the Federal Arbitration Act ("FAA") governs this Agreement, including its interpretation, applicability, enforcement, and all arbitration proceedings." (Shrivastava Decl., Ex. F at ¶ 12.) Based on this provision, the parties agreed that the FAA applies to the agreement. (*Aviation Data*, *supra*, 152 Cal.App.4th at 1534-1535; *Victrola 89*, *supra*, 46 Cal.App.5th at 355.)

IV. The Arbitration Agreement Is Not Unconscionable

A. California Law Applies to Determination of Unconscionability

Plaintiff argues that the arbitration agreement is unconscionable and therefore unenforceable. "Under both federal and California law, arbitration agreements are valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract." (*Armendariz v. Foundation Health Psychcare Services* (2000) 24 Cal.4th 83, 98.) "'[G]enerally applicable contract defenses, such as ... unconscionability, may be applied to invalidate arbitration agreements without contravening' the FAA" or California law. (*Pinnacle Museum Tower Assn. v. Pinnacle Market Development (US), LLC* (2012) 55 Cal.4th 223, 246.) The leading U.S. Supreme Court case discussing the scope of arbitration clauses held that the enforcement of an arbitration clause is a matter of ordinary state-law contract principles. (*AT&T Mobility LLC v. Concepcion* (2011) 131 S.Ct. 1740, 1745 (*Concepcion*); see also, *First Options v. Kaplan* (1995) 514 U.S. 938, 944.) This was confirmed in *Sanchez v. Valencia Holding Co, LLC* (2015) 61 Cal.4th 899, where the California Supreme Court found that the U.S. Supreme Court's decision in *Concepcion*, *supra*, 563 U.S. 333, "reaffirmed that the FAA does not preempt generally applicable contract defenses such as fraud, duress, or unconscionability." (*Id.* at 906.) The Court accordingly held that California's unconscionability doctrine was applicable to determine whether an agreement to arbitrate was unconscionable, stating: "[W]e hold that *Concepcion* requires enforcement of the class waiver but *does not* limit the unconscionability rules applicable to other provisions of the arbitration agreement." (*Id.* at 907 [emphasis supplied].)

B. Unconscionability Generally

A contract is unenforceable if it is unconscionable. (Civ. Code § 1670.5.) "The doctrine of unconscionability contains two components: procedural unconscionability and substantive unconscionability." (*Fitz v. NCR Corp.* (2004) 118 Cal.App.4th 702, 713.) Both must "be present in order for a court to exercise its discretion to refuse to enforce a contract or clause under the doctrine of unconscionability." (*Armendariz*, *supra*, 24 Cal.4th at 114.) The procedural element focuses on oppression and surprise due to unequal bargaining power. (*Ibid.*) The substantive element focuses on overly harsh or one-sided results. (*Ibid*.) The core concern of the unconscionability doctrine is the absence of meaningful choice on the part of one of the parties together with contract terms which are unreasonably favorable to the other party. (*Sonic-Calabasas A, Inc. v. Moreno* (2013) 57 Cal.4th 1109, 1145.) The unconscionability doctrine ensures that contracts, particularly contracts of adhesion, do not impose terms that have been variously described as overly harsh. (*Ibid*.)

C. Procedural unconscionability

Procedural unconscionability involves two factors: oppression and surprise. (*Carlson v. Home Team Pest Defense, Inc.* (2015) 239 Cal. App. 4th 619, 631.) "Oppression occurs 'where a contract involves lack of negotiation and meaningful choice' and surprise involves the extent to which 'the allegedly unconscionable provision is hidden within a prolix printed form.'" (*Haydon v. Elegance at Dublin* (2023) 97 Cal. App. 5th 1280, 1287.) Oppression, and therefore procedural unconscionability, is present when the weaker party to a contract is presented with a clause and told to "take it or leave it" without the opportunity for meaningful negotiation. (*McManus, supra*, 109 Cal.App.4th at 91; *Armendariz*, *supra*, 24 Cal.4th at 114-115 [an arbitration agreement is adhesive when imposed on employees as a condition of employment and there was no opportunity to negotiate]; *OTTO*, *supra*, 8 Cal.5th at 126 [an arbitration agreement required as a condition of employment is adhesive].) Other circumstances indicating oppression include: "(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." (*Otto*, *supra*, 8 Cal.5th at 126-127.) However, the fact that an arbitration clause is adhesive does not as a matter of law render it unenforceable: substantive unconscionability must still be found. (*McManus, supra*, 109 Cal.App.4th at 91.) "[A] sliding scale is invoked whereby the more procedurally oppressive the arbitration clause is, the less evidence of substantive unconscionability is required to warrant the conclusion that the agreements to arbitrate are unenforceable." (*Id*; see also, *Otto*, *supra*, 8 Cal.5th at 130 [where there is substantial procedural unconscionability, even a relatively low degree of substantive unconscionability may suffice to render the agreement unenforceable].)

In the present case, Plaintiff argues that the arbitration agreement is procedurally unconscionable because it is an adhesion contract. He states in his supporting declaration that at his new hire meeting, he was required to sign many documents; Defendant's representative did not explain the documents or tell him he was signing an arbitration agreement; Defendant's representative told him if he did not finish signing the documents that day, he could not start work the next day; he felt rushed into signing all the documents; he did not know he was signing an arbitration agreement or that he could opt-out; he wished Defendant's representative had explained everything to him; and he didn't know he was agreeing to arbitration and would not have signed the agreement if he knew. (Decl. of Jason Chinchilla at ¶¶ 2-5.)

First and foremost, the fact that Plaintiff may not have read or taken the time to understand the provisions of the agreement is legally irrelevant. (See, *Harris v. Tap Worldwide, LLC* (2016) 248 Cal.App.4th 373, 383.) Instead, the ordinary rule of contract law is, "in the absence of fraud, overreaching or excusable neglect, that one who signs an instrument may not avoid the impact of its terms on the ground that he failed to read the instrument before signing it." (*Stewart v. Preston Pipeline Inc.* (2005) 134 Cal.App.4th 1565, 1588; see also, *Randas v. YMCA of Metropolitan Los Angeles* (1993) 17 Cal. App. 4th 158, 163 [release enforceable where appellant made no claim of fraud or overreaching or that respondent had reason to suspect she did not or could not read the release she had signed].) Plaintiff had a duty to learn the nature of the document he was signing to the extent it was not clear to him. (See, *Condee*, *supra*, 88 Cal.App.4th at 218–19.)

Additionally, the arbitration agreement clearly states: "This Agreement is not a mandatory condition of employment. Your decision to be bound or not bound by this Agreement is entirely voluntary." (Shrivastava Decl., Ex. F at ¶ 4.) It also states, under the heading **RIGHT TO OPT OUT OF THE AGREEMENT**: "If you do not wish to be bound by this Agreement after signing it, you must send an email to arbitration@carvana.com within thirty (30) days of agreeing to the terms of this Agreement. In that email, you should provide your first and last name and state that you are opting out of this Agreement. If you opt out in accordance with the terms herein and as provided in this section, you will not be subject to any adverse employment action as a consequence of that decision, and neither you nor the Company will be bound by this Agreement." (*Ibid.*)

Plaintiff argues that the arbitration agreement is procedurally unconscionable despite the opt-out provision, citing *Gentry v. Superior Court* (2007) 42 Cal.4th 443, abrogation recognized on other grounds, *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal.4th 348, 360. Plaintiff does not acknowledge that the agreement specifically states that it is voluntary. Plaintiff is correct that the court in *Gentry* found that the arbitration agreement there was an adhesion contract despite an opt-out provision. (*Id.* at 470.) However, the *Gentry* court's decision was based on the fact that the handbook provided with the arbitration agreement there emphasized the benefits of arbitration, while neglecting to mention the disadvantages of the agreement due to shortened limitations periods and limitations on certain remedies, providing "a highly distorted picture of the arbitration Circuit City was offering." (*Id.* at 471.) The court also found that "it is not clear that someone in Gentry's position would have felt free to opt out" because arbitration was the default and the materials provided with it emphasized the virtues of arbitration. (*Id.* at 471-472.) The facts of the present case are different. Here, employees are informed in the agreement that they do not have to sign it and agree to arbitration, and that even if they do sign, they can later opt out. (Shrivastava Decl., Ex. F at ¶ 4.) Additionally, nowhere in the arbitration agreement does Defendant emphasize the benefits of using arbitration to resolve disputes, and Plaintiff points to no other documents that do so. Thus, Plaintiff provides no evidence that his failure to opt out of the arbitration agreement was not a free and informed choice.

Given that the agreement not only clearly states it is optional and not a condition of employment, but also provides a way to later opt-out of the agreement if it is signed, Plaintiff fails to establish the agreement is procedurally unconscionable. As both procedural and substantive unconscionability are required to find an arbitration agreement unenforceable, the agreement here should be enforced. (*Armendariz*, *supra*, 24 Cal.4th at 114; *McManus, supra*, 109 Cal.App.4th at 91.)

D. Substantive Unconscionability

In addition, even if there was some procedural unconscionability in the arbitration agreement, Plaintiff fails to establish it is substantively unconscionable. "Substantive unconscionability" refers to terms that unreasonably favor one party, i.e., terms that are "unreasonably one-sided" or "so one-sided as to shock the conscience." (*Sonic-Calabasas A, Inc. v. Moreno* (2013) 57 Cal.4th 1109, 1145.) In assessing substantive unconscionability, the "paramount consideration" is mutuality of the obligation to arbitrate. (*Nyulassy v. Lockheed Martin Corp.* (2004) 120 Cal.App.4th 1267, 1287.) An employment arbitration agreement is not substantively unconscionable if five minimum requirements are met, it: "(1) provides for neutral arbitrators, (2) provides for more than minimal discovery, (3) requires a written award, (4) provides for all of the types of relief that would otherwise be available in court, and (5) does not require employees to pay either unreasonable costs or any arbitrators' fees or expenses as a condition of access to the arbitration forum." (*Armendariz*, *supra*, 24 Cal.4th at 102, citing *Gilmer v. Interstate/Johnson Lane Corp.* (1991) 500 U.S. 20.)

Plaintiff argues that the arbitration agreement is unconscionable because it is overbroad and lacks mutuality, citing *Cook v. University of Southern California* (2024) 102 Cal.App.5th 312. In *Cook*, *supra*, the court found that the arbitration agreement at issue was unconscionable for several reasons, including a lack of mutuality because it required the employee to arbitrate all claims against employer and its agents, etc. without giving the employee the same right; it required the employee to arbitrate claims completely unrelated to his employment; it survived the term of the employee's employment; and it could only be terminated by the employer. (*Cook*, *supra*, 102 Cal.App.5th at 321, 325-326, 328.)

However, in *Ayala-Ventura v. Superior Court* (2026) 119 Cal.App.5th 241, the Court of Appeal made clear that *Cook* must be considered in light of the highly specific facts involving USC and that overall, any evaluation of unconscionability is highly dependent on context. (*Ayala-Ventura, supra*, 119 Cal.App.5th at 257.) The Court states that, "Because 'parties are free to contract for asymmetrical remedies and arbitration clauses of varying scope,' the Agreement's purportedly broad scope does not necessarily mandate a finding of unconscionability." (*Id*. citing to *Armendariz v. Foundation Health Psychcare Services, Inc.* (2000) 24 Cal.4th 83, 118.) The Court in *Ayala-Ventura* ultimately held that because the universe of potential claims was limited in the context of janitorial services which the defendant provided, the overbroad scope and duration of the arbitration agreement were not substantively unconscionable. (*Ayala-Ventura, supra*, 119 Cal.App.5th at 257-258.) In distinguishing *Cook*, the *Ayala-Ventura* court explains:

> The various potential claims that could arise against USC together with the agreement's infinite duration made it unconscionable. Ayala-Ventura claims if she were injured in an automobile accident caused by one of CCS's company vehicles 10 years after her employment, she would be compelled to arbitrate a claim. But without facts about the number of company vehicles generally in use by CCS, we are unable to assess the probability of this occurrence, which appears speculative at best. Nothing in the record indicates CCS's operations have anything like the well-known, broad capacity of USC's reach. Cook could be subject to the arbitration agreement forever in any manner of ways including not just a botched surgery but an injury while attending a USC football game in 15 years.

(*Id*.)

While the agreement here does state that it applies to "all claims or controversies, past, present, or future" [Shrivastava Decl., Ex. F at ¶ 1], no evidence has been provided to indicate that Defendant is anything like USC. The only evidence provided is that Plaintiff was employed by Defendant as a Finish Technician. (Shrivastava Decl. at ¶8; Complaint at ¶ 10.) There is no evidence that the universe of potential claims is overly broad in scope. As such, the agreement does not appear to be substantively unconscionable on this basis.

Additionally, although Plaintiff is correct that the agreement lacks mutuality in the sense that it requires Plaintiff to arbitrate claims against Defendant, its "officers, directors, members, employees, or agents; parents, subsidiaries, and affiliates; future affiliates; and predecessors, successors, or assigns," while not requiring all of those people/entities to arbitrate their claims against Plaintiff, that provision can be severed or limited. (Shrivastava Decl., Ex. F at ¶ 1.) "If a contractual clause is found unconscionable, the court may, in its discretion, choose to do one of the following: (1) refuse to enforce the contract; (2) sever any unconscionable clause; or (3) limit the application of any clause to avoid unconscionable results.... The trial court's decision ... is reviewed for abuse of discretion." (*Jenkins v. Dermatology Management, LLC* (2024)

107 Cal.App.5th 633, 647 [internal quotations and citation omitted].) Thus, the Court grants the motion, but limits the provision stating who Plaintiff must arbitrate claims with to only Defendant.

V. Stay of the Action

Pursuant to C.C.P. § 1284, "[i]f a court of competent jurisdiction, whether in this State or not, has ordered arbitration of a controversy which is an issue involved in an action or proceeding pending before a court of this State, the court in which such action or proceeding is pending shall, upon motion of a party to such action or proceeding, stay the action or proceeding until an arbitration is had in accordance with the order to arbitrate or until such earlier time as the court specifies." (*Ibid.*) This action shall be stayed pending the completion of arbitration.

The Court vacates the case management conference and sets a status hearing re: arbitration for July 21, 2027, at 8:30 a.m.

*****If oral argument is requested for July 21, 2026, it will occur at 1:30 p.m. and not at 8:30 a.m.*****