Judge Benson – Law & Motion – Wednesday, July 22, 2026 @ 9:00 AM

1-2. <u>23CV01439 Linoz, Roberta Jean et al v. Mains'l California, LLC</u>

EVENT: (1) Final Approval Hearing

(2) Status Conference

Plaintiff's Motion for Final Approval of Class Action and PAGA Settlement is GRANTED. A compliance hearing is scheduled for March 17, 2027 at 9:00am. The Court will sign the proposed judgment and order with that modification.

3-4. <u>25CV02680 JP Morgan Chase Bank v. Magnani, Justine M</u>

EVENT: (1) Plaintiff's Motion for Judgment on the Pleadings

(2) Case Management Conference Calendar

Plaintiff's Motion for Judgment on the Pleadings is GRANTED. The answer admits the balance owed to Plaintiff, and the answer does not deny any of the material allegations in the Complaint. Plaintiff shall prepare an order. Once prepared, the Court will sign the order and judgment. The Case Management Conference is vacated.

5. <u>25CV03400 Chico Drain Oil Service, LLC v. Munnell, James et al.</u>

EVENT: Demurrer to the Cross Complaint of Black Mesa Fuels, LLC by Cross-Defendant Safety-Kleen Services, Inc. Erroneously Named and Served as Safety-Kleen, Inc.

Cross Complainant Black Mesa Fuels LLC ("BMF") is in Violation of Corp Code 17708.07

Corp Code 17708.07. Validity of acts where foreign company fails to file certificate of registration

> (a) A foreign limited liability company transacting intrastate business in this state shall not maintain an action or proceeding in this state unless it has a certificate of registration to transact intrastate business in this state.
>
> [Emphasis Added]

The opposition does not dispute the contention that BMF does not currently possess a certificate of registration. Thus, the question is whether it was "transacting intrastate business" for purposes of the statute.

Corp Code 17708.03. Transaction of intrastate business

> (a) A foreign limited liability company that enters into repeated and successive transactions of business in this state, other than in interstate or foreign commerce, is considered to be transacting intrastate business in this state within the meaning of this article.
>
> [Emphasis Added]

The fundamental dispute appears to be whether the business dealings between BMF and Plaintiff constituted multiple successive transactions. BMF appears to contend that the word "transaction" necessarily means contract, and because the Complaint only alleges one contract, there was only one transaction.

Neither side has directed us to any authority as to what constitutes a "transaction" for purposes of the statute. Nor is the Court finding any. The Court concludes it is unlikely the Legislature intended the word transaction to be limited to a contract. Hypothetically, a foreign business could enter into one contract calling for hundreds of shipments. It is doubtful the Legislature intended to exempt that type of regularly occurring business from the requirement to obtain a certificate of registration.

It is more likely that the Legislature intended the word transaction to include multiple deliveries or shipments within a single contract. This would also be consistent with Corporations Code 191(a)(8) which exempts an isolated transaction. The legislative focus seems to be on the frequency of the business conduct and not the legal classification of a contract.

In light of that finding, the pleading alleges successive shipments in March and April 2022. It also alleges that invoices were sent after the shipment. BMF does not appear to dispute those allegations. The shipments in March and April 2022 fall within the category of intrastate business.

Accordingly, the demurrer is sustained with leave to amend. In order to provide BMF with an opportunity to achieve statutory compliance, BMF shall amend and allege facts demonstrating statutory compliance by November 23, 2026. Additionally, a partial stay is issued as follows: discovery will be stayed with respect to Cross Defendant Safety Kleen, Inc. In the event Safety Kleen, Inc. files an answer discovery will be reinstated at that time.

The Court declines ruling on the other issue raised in the demurrer.

Cross Defendant Safety Kleen Inc. shall prepare and submit a form of order consistent with this ruling within two weeks.

6-7. 26CV00449 Layman, Zeke v. Autumn Creek Post Acute et al

EVENT: (1) Demurrer to Second Amended Petition for Alternative Writ of Mandate and Damages

(2) Petition for Alternative Writ of Mandate (Continued)

The demurrer is SUSTAINED WITHOUT LEAVE TO AMEND.

Petitioner Lacks Standing and a Beneficial Interest

What is required to obtain writ relief is a showing by a petitioner of (1) A clear, present and usually ministerial duty on the part of the respondent … ; and (2) <u>a clear, present and beneficial right in the petitioner to the performance of that duty</u> … .(*Mission Hospital Regional Medical Center v. Shewry* (2008) 168 Cal.App.4th 460, 478) [Emphasis Added] Under both State and Federal regulations cited in the Petition, it is the patient who is entitled to the benefits of the regulations. Here, Petitioner is not the patient. Nor is the Petitioner requesting relief on the patient's behalf. Consequently, Petitioner lacks standing.

In light of this ruling, the Court declines addressing the other grounds raised in the demurrer. The petition is dismissed with prejudice. Respondent shall prepare and submit a form of order within two weeks.

8. 26CV00885 Russo, Joel Benjamin v. Hellon, Aaron

EVENT: Defendant's Petition to Compel Arbitration

Preliminarily, Defendant's timeliness objection to the opposition is noted, however, the Court will rule on the merits.

On the issue of whether an arbitration agreement exists, the Court finds Defendant has met its burden demonstrating an existence of an agreement based on the April 3, 2018 and July 2019 documents.

Procedural Unconscionability

The burden of proving unconscionability rests upon the party asserting it. (*Ali v. Daylight Transport, LLC* (2020) 59 Cal.App.5th 462, 472)

> *Ali, supra* at p. 474
>
> A procedural unconscionability analysis 'begins with an inquiry into whether the contract is one of adhesion.' [Citation.] 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.' [Citations.] <u>Arbitration contracts imposed as a condition of employment are typically adhesive</u> [citations] … . The pertinent question, then, is whether circumstances of the contract's formation created such oppression or surprise that closer scrutiny of its overall fairness is required. [Citations.] "'Oppression occurs where a contract involves lack of negotiation and meaningful choice, <u>surprise where the allegedly unconscionable provision is hidden within a prolix printed form</u>.'
>
> [Emphasis Added]

Here, Plaintiff cannot legitimately argue he was surprised by the arbitration clause. The April 2 and 3, 2018 documents were 1-2 pages. Importantly, the arbitration agreement was a primary focus of those documents. It cannot be argued that the arbitration agreements were hidden in these documents.

The other documents, the 2019 and 2020 documents, were 5-6 pages. Unlike the 2018 documents, these documents covered other topics and were not focused on arbitration. However, considering the arbitration agreement appears in all 4 documents presented to Plaintiff, that fact undermines the argument Plaintiff was surprised by the existence of the arbitration provisions.

As noted, there is a degree of adhesion in every employment contract. Because the Court finds no additional element of procedural unconscionability, the Court finds a minimal level of procedural unconscionability exists.

Substantive Unconscionability

> *Ali, supra* at p.477
>
> Substantive unconscionability examines the fairness of a contract's terms. This analysis 'ensures that contracts, particularly contracts of adhesion, do not impose terms that have been variously described as ""overly harsh"" [citation], "'unduly oppressive'" [citation], "'so one-sided as to "shock the conscience"'" [citation], or "unfairly one-sided" [citation].

The opposition makes 5 arguments for substantive unconscionability.

Party Against Whom the Claim is Brought Selects the Arbitration Service

As *Ali* notes, one sided provisions may be substantively unconscionable. We have denied motions in the past where the clause only authorized employee claims to arbitration but allowed employer claims to proceed to court. While this provision is one sided to a degree, this does not “shock the conscience”. This provision merely allows Defendant to choose the arbitration service. Simply because Defendant can choose the service does not render the process “unreasonably favorable” to Defendant. There is no evidence that any one service would be favorable to Defendant.

Requirement the Arbitrator be a Superior Court Judge

Plaintiff provides conjecture, not facts or evidence that this requirement is substantively unconscionable.

Formal Procedures

The Court fails to see why more formal procedures similar to court procedures would favor one party over the other.

Parties Who Are Not Parties to the Agreement

The agreements explicitly include as persons subject to arbitration agents and managers of Defendant. There is no dispute that Mr. Hellon was a manager, in fact the pleading expressly alleges the same. In any event, Plaintiff does not explain why his participation in arbitration is substantively unconscionable.

Class Action Waivers

Class action waivers may be enforceable, *see AT&T Mobility LLC v. Concepcion* (2011) 563 U.S. 333. Even if a PAGA waiver is void, the term can be severed.

In sum, the Court finds a low degree of substantive unconscionability exists, if any.

Armendariz v. Foundation Health Psychcare Services, Inc. (2000) 24 Cal.4th 83, 114:

> The prevailing view is that [procedural and substantive unconscionability] must both be present in order for a court to exercise its discretion to refuse to enforce a contract or clause under the doctrine of unconscionability." (*Stirlen v. Supercuts, Inc., supra*, 51 Cal. App. 4th at p. 1533 (Stirlen).) But they need not be present in the same degree. "Essentially a sliding scale is invoked which disregards the

> regularity of the procedural process of the contract formation, that creates the terms, in proportion to the greater harshness or unreasonableness of the substantive terms themselves." (*15 Williston on Contracts* (3d ed. 1972) 1763A, pp. 226-227; *see also A & M Produce Co., supra*, 135 Cal. App. 3d at p. 487.) <u>In other words, the 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.</u>
>
> [Emphasis Added]

Because there is only a small degree of procedural and substantive unconscionability, the motion is granted. Accordingly, the case is stayed. Defendants shall prepare and submit a form of order consistent with this ruling within 2 weeks.

9-10. <u>26CV01568 Burger Hut Inc v. Williams, Priscilla K et al</u>

EVENT: (1) Demurrer of Defendants Reuben James Williams and Priscilla K. Williams to Complaint

(2) Defendants' Motion to Strike

Defendants' request for judicial notice filed in conjunction with the moving papers is granted. Defendants' supplemental request for judicial notice filed in conjunction with the reply is denied. (*See Jay v. Mahaffey* (2013) 218 Cal.App.4th 1522, 1537[The general rule of motion practice, which applies here, is that new evidence is not permitted with reply papers.])

<u>Demurrer</u>

Breach of Contract Cause of Action

Defendants argue Exhibit B to the Complaint is nothing more than an offer. The Court disagrees. While the document indicates at the beginning that it is an offer, the end of the document provides signature lines for plaintiffs with the important notation "accepted by".

Defendants contend Exhibit B is unenforceable because it provides no time for performance.

Civ. Code § 1657. Time of performance of contract

> If no time is specified for the performance of an act required to be performed, a reasonable time is allowed. If the act is in its nature capable of being done instantly—as, for example, if it consists in the payment of money only—it must be performed immediately upon the thing to be done being exactly ascertained.

Per Civ. Code 1657, the failure to provide a time for performance does not render the contract unenforceable. Additionally, the document addresses the essential terms of price and subject matter.

On the issue of whether the Reuben James Williams and Priscilla K Williams Trust is a necessary party, the Court finds that it is. One of the material terms is that past rent due will be forgiven. As Defendants note, only the trust has authority to satisfy that obligation. Accordingly, the demurrer is sustained with leave to amend on this ground for Plaintiffs to name the trust as a defendant.

Promissory Estoppel

Preliminarily, for the same reasons discussed in the breach of contract discussion, the Court rejects Defendants' argument that the terms are not definite. As to whether the Complaint sufficiently alleges facts supporting reliance, while a close call, the Court finds paragraph 31 sufficiently alleges ultimate facts supporting reliance.

With respect to the argument that the breach of contract allegations (which include bargained for consideration) are inconsistent or mutually exclusive to promissory estoppel, when a pleader is in doubt about what actually occurred or what can be established by the evidence, the modern practice allows that party to plead in the alternative and make inconsistent allegations. (*Newport Harbor Ventures, LLC v. Morris Cerullo World Evangelism* (2016) 6 Cal.App.5th 1207, 1222)

Accordingly, the demurrer is overruled.

Fraud

The demurrer is sustained with leave to amend.

It is well settled that fraud must be pled with specificity. The Complaint does not sufficiently plead the intent element.

Something more than nonperformance is required to prove the defendant's intent not to perform his promise. (*Tenzer v. Superscope* (1985) 39 Cal.3d 18, 30) To be sure, fraudulent intent must often be established by circumstantial evidence. Prosser, for example, cites cases in which fraudulent intent has been inferred from such circumstances as defendant's insolvency, his hasty repudiation of the promise, his failure even to attempt performance, or his continued assurances after it was clear he would not perform. (*Id*)

<u>Motion to Strike</u>

The motion is granted in its entirety with leave to amend.

Regarding punitive damages, the Court's ruling sustaining the demurrer to the fraud cause of action necessarily requires striking the punitive damages allegations. There are no facts supporting malice or oppression.

As to attorney fees, it is well settled that attorney fees may be obtained only through written contract or based on statute. The opposition does not address the fact that there is no attorney fee provision included in the contract. As such the complaint fails to allege a legal basis supporting an award of attorney fees.

To the extent leave to amend is granted, Plaintiffs, if they so choose, shall amend within 20 days' notice of this order. If Plaintiffs elect not to amend, Defendants shall file an answer within 20 days thereafter. Defendants shall prepare and submit a form of order consistent with this ruling within two weeks.

11. <u>26CV01619 In re: Jackson, Melissa</u>

EVENT: Change of name (minor)

The Court will hear from Petitioner.

The Court is in receipt of the proof of publication. CCP 1277(f) requires petitioner serve the petition on any living parents, and if the parents cannot be located, then the grandparents, if living, are to be served.

12. <u>26CV01761 Estrella, Jaime</u>

EVENT: Change of name (adult)

As of this writing the Court is awaiting the results of the background check.

13. 26CV01819 In re: Montoya, Juanita Matilde

EVENT: Change of name (Adult)

As of this writing the Court is awaiting the results of the background check.

14. 26CV01820 In re: Underwood, Anne Marie

EVENT: Change of name (adult)

As of this writing the Court is awaiting the results of the background check.

15. 26CV01874 In re: Collins, Melanie Alene

EVENT: Change of name (minor)

There is no proof of publication on file. Upon the filing of the proof of publication, the Court will sign the decree provided.

16-17. 26CV01960 Al-Nasrawi, Saleh v. Sugui, Clarita M et al.

EVENT: (1) OSC re preliminary injunction

(2) Defendants' Motion to Modify Temporary Restraining Order to Release All Frozen Assets

OSC re: Preliminary injunction is GRANTED.

Preliminarily, the Court is deeming Defendant's "Motion to Modify Temporary Restraining Order to Release All Frozen Assets" as an opposition to the requested preliminary injunction.

In deciding whether to issue a preliminary injunction, a trial court must evaluate two interrelated factors: (i) the likelihood that the party seeking the injunction will ultimately prevail on the merits of [their] claim, and (ii) the balance of harm presented, i.e., the comparative consequences of the issuance and nonissuance of the injunction. (*City of Oxnard v. County of Ventura* (2021) 71 Cal.App.5th 1010, 1014-1015)

Balance of Harm

Addressing these factors in reverse order, the Court finds the balance of harm favors Plaintiff. Any contention by Defendants that they will be harmed by the injunction is undermined by their testimony that the subject crypto currency is not theirs.

Defendant Monolito Sugui seems to suggest there are accounts subject to the TRO that are his personal accounts. However, he has not identified specific accounts by number that he claims are owned by him independently that are implicated by the TRO. Even if the balance of harm was close, maintaining the status quo while the dispute is litigated is the tiebreaker. (*See King v. Meese* (1987) 43 Cal.3d 1217, 1227)

Likelihood of Success

The Court finds Plaintiff has demonstrated a likelihood of success on his conversion-based claims. The gravamen of this case is that Plaintiff entrusted funds to Galen Collins and Plaintiff has not been able to retrieve those funds. The forensic report corroborates Plaintiff's claim that the funds were transferred to identifiable accounts. The opposition also corroborates Plaintiff's claim because Defendants' declarations state they believe the funds identified in the forensic report belong to Galen Collins' estate. (See Declaration of Clarita Collins, paragraph 16) Thus, the opposition acknowledges Mr. Collins received funds from Plaintiff.

It is Inappropriate for the Estate to Hold the Funds

Defendants request in the alternative that the estate hold the funds while this action is pending. In light of Defendants' position that the funds traced in the forensic report belong to the estate, it is inappropriate for the estate to hold the funds.

Plaintiff's Request for an Order Requiring Defendants to Identify Who Controls the Accounts

This request is denied. However, it is the Court's expectation Defendants will respond completely and truthfully to such requests made in the course of discovery.

No Undertaking Required

Defendants waived any bond requirement by not addressing the subject in the opposition. (*See Smith v. Adventist Health System/West* (2010) 182 Cal.App.4th 729, 746)

Plaintiff shall prepare and submit a form of order consistent with this ruling within 2 weeks.

18. <u>26CV02088 In re the Petition of R B</u>

EVENT: Event: Petition for Approval for Transfer of Structured Settlement Payment Rights (Continued from 6/24/26)

The Court will hear from counsel and the proposed payee.