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NOT TO BE PUBLISHED

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

THIRD APPELLATE DISTRICT

(Placer)

MONICA QUIROZ et al., Plaintiffs and Respondents, v. E.A. RENFROE & COMPANY, INC., Defendant and Appellant.	C082316 (Super. Ct. No. SCV0036204)

E.A. Renfroe & Company, Inc. (Renfroe) appeals from an order denying its petition to compel former employees, respondents Monica Quiroz and Yulander McTier, to arbitrate their employment claims against Renfroe. Renfroe contends the trial court erred in determining the arbitration agreement respondents signed when Renfroe hired them was unenforceable under Alabama law because it was unconscionable. Renfroe asks that we order the trial court to compel respondents' individual claims to arbitration, dismiss their class and representative claims, and order a stay of litigation until arbitration is completed. We conclude the arbitration agreement was not unconscionable under

Alabama law, but we will reverse and remand for further proceedings in light of our conclusion.

I. BACKGROUND

Renfroe is headquartered in Alabama and provides insurance companies with temporary claims adjusters. At the time Quiroz and McTier were hired by Renfroe, they resided in Texas and Georgia, respectively. During their employment with Renfroe, Quiroz and McTier were each assigned to work in California for State Farm Insurance for several months in 2014.

In May 2015, Quiroz and McTier filed a class action complaint in Placer County against Renfroe on behalf of themselves and other similarly situated current and former employees. The operative complaint alleges failure to provide meal and rest breaks, failure to pay overtime, failure to pay final wages in a timely manner, failure to provide accurate wage statements, nonpayment of wages and an unfair competition law claim (Bus. & Prof. Code., § 17200 et seq.). Respondents brought these claims as individuals and putative class representatives seeking damages. In their eighth cause of action, respondents sued in a representative capacity under the Labor Code Private Attorneys General Act of 2004 (Lab. Code, § 2698 et seq.) seeking civil penalties for Labor Code violations.

Renfroe petitioned to compel arbitration. It also sought dismissal of respondents' class and representative claims, and a stay of litigation until arbitration was completed.

In opposing Renfroe's petition, Quiroz submitted a declaration that explained that she applied for employment with Renfroe through its website "in early to mid-December of 2011. At some point after [she] submitted [her] online employment application, [she] was presented with an employment agreement through E.A. Renfroe's online portal." Quiroz later received and signed a physical copy of the agreement on January 4, 2012. The copy "was presented in connection with [her] assignment as an insurance adjuster in

New York." Quiroz also declared that she did not recall being advised that she could negotiate the terms of the agreement. McTier did not submit a declaration.

The employment agreement Quiroz and McTier signed is six pages long and printed in a font size that appears to be uniform and average. The arbitration provision is formatted like the other sections—introduced with a number and a bolded and italicized heading:

"9. ***Arbitration***. Any dispute arising under or in connection with this Agreement or any complaint or controversy related in any way to the employment relationship, compensation from RENFROE, state or federal legal compliance, or termination of that relationship shall be settled exclusively by binding arbitration. The arbitration shall take place in Birmingham, Alabama, the headquarters for RENFROE, in accordance with the rules of the American Arbitration Association [(AAA)], then in effect. The arbitration will only address specific claims by Employee and will not address class claims, collective action claims, or claims held by others. The arbitrator(s) shall be instructed to render a decision which specifically identifies its or their determination with respect to each cause of action asserted by the complaining party and the amount of the award, if any, allocable to each such cause of action. Judgment may be entered on the award of the arbitrator(s) in any court having jurisdiction.

"The prevailing party in any arbitration or litigation relating to the enforcement or interpretation of this Agreement may recover from the non-prevailing party all costs, expenses and reasonable attorneys' fees relating to or arising out of the proceeding, or any action to enforce or collect any judgment or award resulting from a proceeding. All such judgments and awards shall contain a specific provision for the recovery of all such subsequently incurred costs, expenses and actual attorneys' fees. Where a party is a plaintiff in a proceeding, it shall be deemed to be the prevailing party within the meaning of this section only if such party shall have obtained a final, non-appealable judgment or award in its favor on substantially all causes of action initially asserted by such party, and

such judgment or award shall grant substantially all of the relief initially requested by such party. Where a party is a defendant in a proceeding, it shall be deemed to be the prevailing party within the meaning of this section, if the plaintiff is not deemed the prevailing party, as provided in the preceding section."

Section six of the employment agreement—which constitutes about a third of the agreement—pertains to non-disclosure and non-solicitation. The agreement explains that "if a breach of the provisions of Section 6 of this Agreement occurs, damages to RENFROE would be difficult, if not impossible, to ascertain. Because of the immediate and irreparable damage and loss that may be caused to RENFROE for which it would have no adequate remedy, it is therefore agreed that RENFROE, in addition to and without limiting any other remedy or right it may have, shall be entitled to an injunction or other equitable relief in a court of competent jurisdiction, enjoining any such breach." The agreement repeats that it imposes no limits on Renfroe's remedies: "The undertakings herein shall not be construed as any limitation upon the remedies RENFROE might, in the absence of this Agreement, have at law or in equity for any wrongs of the Employee."

The employment agreement also contains a severability clause.

Lastly, the employment agreement includes a choice-of-law provision: "This Agreement shall be governed by and construed under the laws of Alabama."

The trial court found that the Federal Arbitration Act (9 U.S.C. § 1 et seq.) governs the arbitration agreement and the Alabama choice of law provision is enforceable. The court ruled that the evidence presented by both parties was sufficient to show the arbitration provision was unconscionable under Alabama law. The court found that the employment agreement "is strikingly one-sided with the majority of terms favoring Renfroe." Most relevant to this appeal, the court determined respondents made a showing of an absence of meaningful choice on their part and unequal bargaining power: "Renfroe's temporary adjuster services are in high demand within the insurance

industry. [Citation.] Indeed, Renfroe deploys claims adjusters throughout the United States from its headquarters in Alabama. [Citation.] These assignments are temporary, transitory, and delegated to adjusters with minimal prior notification. [Citation.] Renfroe determines the assignments and locations offered to the adjusters. [Citation.] When Quiroz applied for the adjuster position, she submitted her employment application through an online portal. [Citation.] Her employment agreement, which included the subject arbitration provision, was presented to her through this same online portal. [Citation.] She was unable to discuss the terms of her employment agreement, let alone the arbitration provision, prior to accepting her employment. [Citation.] In actuality, Quiroz only received a hard copy of the agreement for her to execute at the time Renfroe assigned her to a claim in New York. [Citation.] This agreement also did not include a copy of the AAA arbitration rules, which were referred to in the arbitration provision. [Citation.] The evidence presented sufficiently established Renfroe negotiated the employment contracts from a significant advantage over those transitory employees, like Quiroz, who had little to no ability to sufficiently review or negotiate the terms of employment."

The trial court decided not to sever any provisions of the employment agreement. Instead, it denied Renfroe's requests to compel arbitration, dismiss the class and representative claims, and stay the current litigation pending arbitration.

Renfroe timely appealed.

II. DISCUSSION

A. Standard of Review

"In a petition to compel arbitration, the party seeking to compel arbitration bears the burden of proving the existence of a valid arbitration agreement by a preponderance of the evidence. [Citation.] The party opposing the petition bears the burden of proving by a preponderance of the evidence any fact necessary to its defense, including that an

arbitration provision is invalid or otherwise unenforceable." (*Brinkley v. Monterey Financial Services, Inc*. (2015) 242 Cal.App.4th 314, 325.)

Whether an arbitration provision is unenforceable because it is unconscionable is ultimately a question of law. (*Higgins v. Superior Court* (2006) 140 Cal.App.4th 1238, 1250.) "Where, as here, the trial court rules on the question of unconscionability based on declarations that contain no meaningful factual disputes, we review the trial court's ruling de novo." (*Ibid*.)

B. Unconscionability

The trial court ruled, and the parties do not dispute, that the enforceability of the arbitration provision is governed by the Federal Arbitration Act. Under section 2 of the Federal Arbitration Act, an agreement to arbitrate is "valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract." (9 U.S.C. § 2.) "This saving clause permits agreements to arbitrate to be invalidated by 'generally applicable contract defenses, such as fraud, duress, or unconscionability,' but not by defenses that apply only to arbitration or that derive their meaning from the fact that an agreement to arbitrate is at issue." (*AT&T Mobility LLC v. Concepcion* (2011) 563 U.S. 333, 339 [179 L.Ed.2d 742].) Further, challenges to the validity of an arbitration agreement fall into two categories: (1) challenges specifically to the validity of the agreement to arbitrate and (2) challenges to the contract as a whole. (*Buckeye Check Cashing, Inc. v. Cardegna* (2006) 546 U.S. 440, 444 [163 L.Ed.2d 1038].) The latter "is considered by the arbitrator in the first instance." (*Id*. at p. 446.) This appeal involves the former.

As noted above, respondents' employment agreement contains a choice of law provision that selects Alabama law as the governing law for interpretations of the agreement. Renfroe contends this provision must be enforced. Respondents do not dispute this on appeal, and the issue before us is thus whether the arbitration provision is unconscionable under Alabama law.

Under Alabama law, "[a]n unconscionable contract or contractual provision is defined as a contract or provision 'such as no man in his sense and not under delusion would make on the one hand, and as no honest and fair man would accept on the other.' " (*Layne v. Garner* (Ala. 1992) 612 So.2d 404, 408.)

The Alabama Supreme Court has set out four factors it considers important in determining whether a contract is unconscionable: "In addition to finding that one party was unsophisticated and/or uneducated, a court should ask (1) whether there was an absence of meaningful choice on one party's part, (2) whether the contractual terms are unreasonably favorable to one party, (3) whether there was unequal bargaining power among the parties, and (4) whether there were oppressive, one-sided, or patently unfair terms in the contract." (*Layne v. Garner, supra,* 612 So.2d at p. 408.) That court has also recognized a distinction between substantive and procedural unconscionability, and categorized the above factors as either substantive or procedural. (*Blue Cross Blue Shield of Alabama v. Rigas* (Ala. 2005) 923 So.2d 1077, 1086 (*Blue Cross*).) "Substantive unconscionability [¶] ' "relates to the substantive contract terms themselves and whether those terms are unreasonably favorable to the more powerful party, such as terms that impair the integrity of the bargaining process or otherwise contravene the public interest or public policy; terms (usually of an adhesion or boilerplate nature) that attempt to alter in an impermissible manner fundamental duties otherwise imposed by the law, fine-print terms or provisions that seek to negate the reasonable expectations of the nondrafting party, or unreasonably and unexpectedly harsh terms having to do with price or other central aspects of the transaction." ' [¶] [Citations.] [¶] Procedural unconscionability, on the other hand, 'deals with "procedural deficiencies in the contract formation process, such as deception or a refusal to bargain over contract terms, today often analyzed in terms of whether the imposed-upon party had meaningful choice about whether and how to enter into the transaction." ' [Citations.] [¶] To avoid an arbitration provision on the

ground of unconscionability, the party objecting to arbitration *must show both* procedural and substantive unconscionability." (*Id*. at pp. 1086-1087 , italics added.)

1. Procedural Unconscionability

Respondents argue "the [a]rbitration [p]rovision is procedurally unconscionable because, as the trial court found, [Renfroe] possessed overwhelming bargaining power with regard to the terms of the contract, [r]espondents lacked an opportunity to negotiate the terms of the contract, and they also lacked a reasonable opportunity to read and understand the terms of the contract." We disagree that respondents established any of these allegations as a matter of Alabama law.

In *Potts v. Baptist Health System, Inc*. (Ala. 2002) 853 So.2d 194 (*Potts*), the Alabama Supreme Court applied its factors for determining whether an agreement to arbitrate is unconscionable in the context of an action by a former employee against her former employer. (*Id*. at pp. 195, 205-207.) Potts was a registered nurse, and thus the court inferred she was sufficiently well-educated to read and understand the documents. (*Id*. at p. 205.) Potts had submitted evidence that she was called into a room with 12 to 15 other people where they were played a pre-recorded tape, presented with a form, and told they had to sign the form or lose their jobs. (*Id*. at p. 204.) She asked to take the form to read and return later, and was told she could not leave the room with it. (*Id*. at pp. 204-205.) With respect to the absence of a meaningful choice factor, Potts argued she and her husband were dependent upon her income and the facts surrounding her signing of the form deprived her of a meaningful choice of whether to sign. (*Id*. at p. 205.) The Alabama Supreme Court apparently disagreed with her conclusion: "Potts makes no attempt to show that she would have been unable to obtain employment elsewhere during the period between her signing of the form relating to the . . . dispute-resolution program and the effective date of the program some 72 days later, or that her attempt to do so would require a considerable expenditure of time and resources. [Citations.] The record reflects no showing by Potts concerning the job market for registered nurses in the area or

evidence indicating that all other nursing jobs available to her would also have required her to agree to such an arbitration agreement." (*Id*. at pp. 205-206.) Likewise, with respect to unequal bargaining power, the court noted she had "provided no evidence showing how her situation is different from any other contract of at-will employment." (*Id*. at p. 206.) Moreover, it held that the possibility of termination flowing from Potts's refusal to sign was not by itself unconscionable. (*Ibid*.)[1] *Potts* appears to control much of our analysis of respondents' procedural unconscionability claim.

With respect to the absence of a meaningful choice factor, the trial court's conclusion that Quiroz "was unable to discuss the terms of her employment agreement, let alone the arbitration provision, prior to accepting her employment" is not supported by the evidence. Quiroz declared that at some point after she applied for the job at Renfroe, she "was presented" with the agreement through its online portal, she later received a hard copy that she signed, and Renfroe "did not advise" her she was entitled to negotiate the terms. There is no evidence regarding whether Quiroz *could* have negotiated the terms of the agreement because she did not try.[2] We cannot conclude that utilization of the internet, without more, renders negotiation impossible. Moreover, under *Potts*, even if the terms of the arbitration agreement were nonnegotiable, the Alabama Supreme Court appears to require some showing regarding the employee's ability to obtain employment elsewhere or the applicable job market to demonstrate a lack of meaningful choice. (See *Potts*, *supra*, 853 So.2d at pp. 205-206.) Respondents argue this should not be the rule in an employment context, but they ignore *Potts* and that, under these circumstances, we are

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[1] With respect to whether or not there were unreasonably favorable terms, or oppressive or unfair terms, the court found none. (*Potts*, *supra*, 853 So.2d at pp. 206-207.)

[2] Renfroe submitted evidence that neither respondent asked about the arbitration provision or attempted to negotiate any of its terms.

bound to follow it.[3] Regardless, Quiroz's declaration is conspicuously lacking in *any* evidence that Alabama courts consider in deciding whether there was a meaningful choice on the part of the imposed-upon party. (See, e.g., *Blue Cross, supra,* 923 So.2d at p. 1090 [holding plaintiff did not establish she had no meaningful choice where she presented no evidence that she attempted to negotiate with the insurer or that she was unable to or attempted to secure a health insurance policy with another insurer that did not include an arbitration provision].) And, as mentioned above, McTier submitted no declaration at all. Thus, respondents have not demonstrated a lack of meaningful choice under Alabama law. (See also *Ryan's Family Steakhouse v. Kilpatric* (Ala.Civ.App. 2006) 966 So.2d 273, 286 [employee offered no evidence of lack of meaningful choice in signing arbitration agreement].)

Nor have respondents demonstrated sufficiently unequal bargaining power under Alabama law to demonstrate procedural unconscionability. As in *Potts,* they "provided no evidence showing how [their] situation is different from any other contract of at-will employment." (*Potts, supra*, 853 So.2d at p. 206.) Likewise, in *Leeman v. Cook's Pest Control, Inc*. (Ala. 2004) 902 So.2d 641, the Alabama Supreme Court concluded customers and signatories to a termite control agreement did not demonstrate procedural unconscionability where they alleged the pest control company had overwhelming bargaining power but provided incomplete market information and never attempted to negotiate the terms of the agreement. (*Id*. at pp. 647-648; see also *Ryan's Family Steakhouse v. Kilpatric, supra,* 966 So.2d at p. 286 [no procedural unconscionability

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[3] Respondents rely primarily on *Anderson v. Ashby* (Ala. 2003) 873 So.2d 168, to suggest they have established procedural unconscionability. Yet, in that case, the plaintiff submitted market evidence regarding which financial institutions in the area at the time that she and her husband applied for their loan required an arbitration agreement. (*Id*. at pp. 184-185.) The plaintiff had limited reading ability, and her husband—who also signed the documents containing arbitration provisions—was unable to read or write. (*Id*. at p. 169.) Thus, there is no meaningful comparison to respondents' appeal.

where employee "made no showing that she would have had considerable difficulty obtaining similar employment with another employer without signing an arbitration agreement"].) Consequently, we are compelled to conclude that respondents' evidence here with respect to the unequal bargaining power of the parties is insufficient, under Alabama law, to overcome the absence of other evidence and demonstrate procedural unconscionability.

Additionally, there is no evidence or authority from which we can conclude respondents lacked the opportunity to read and understand the terms of the contract. This claim appears to be based on the complaint that the employment agreements they signed did not attach a copy of the relevant AAA arbitration rules.[4] But respondents have identified no authority that suggests failure to attach a copy of the relevant arbitration rules, or even refer to them more specifically, has any bearing on unconscionability under Alabama law. Nor have we been able to locate any. (See, e.g., *Am. Bankers Ins. Co. v. Tellis* (Ala. 2015) 192 So.3d 386, 388, 393-395 [concluding that unconscionability challenge to arbitration provision that referred to particular AAA arbitration rules but did not attach them based on excessive costs was "disingenuous"].) Alabama law permits arbitration rules to be incorporated by reference. (*Ex parte Dan Tucker Auto Sales* (Ala. 1998) 718 So.2d 33, 36.) And it does not appear that merely showing ambiguity with respect to the incorporated arbitration rules is relevant to unconscionability under Alabama law. (See, e.g., *Southern United Fire Ins. Co. v Howard* (Ala. 2000) 775 So.2d 156, 163-164 [analyzing claim that arbitration provision was too vague and uncertain to enforce because it did not specify the rules governing the proceeding or payment of fees and costs separately from unconscionability claim].) Under these circumstances, we cannot conclude the failure to attach the relevant AAA rules demonstrates respondents

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[4] To the extent that this claim is also based on the fact that Quiroz initially saw the contract online, that argument is not colorable.

lacked the opportunity to read and understand the terms of the contract, or was a ground for concluding the arbitration agreement was procedurally unconscionable. (See *Brinkley v. Monterey Financial Services, Inc.*, *supra,* 242 Cal.App.4th at pp. 341-342 [rejecting this claim under Washington law where Washington courts had yet to consider the issue].)

Respondents have not demonstrated procedural unconscionability under Alabama law. As a result, the arbitration agreement is not unconscionable under Alabama law and we may end our inquiry here. (*Blue Cross*, *supra*, 923 So.2d at p. 1090; *Ryan's Family Steakhouse v. Kilpatric*, *supra,* 966 So.2d at p. 286.) We will address respondents' arguments pertaining to substantive unconscionability only to underscore this point.

2. Substantive Unconscionability

Respondents claim the arbitration agreement is substantively unconscionable because it is ambiguous with respect to which AAA rules apply and the prevailing party definition unfairly favors Renfroe.[5] Respondents also allege the employment contract creates a lack of mutuality with regard to available remedies. Again, we have found no indication that ambiguity with respect to the applicable arbitration rules has any relevance to the unconscionability analysis under Alabama law. (See, e.g., *Southern United Fire Ins. Co. v Howard*, *supra*, 775 So.2d at pp. 163-164.) We will discuss mutuality of remedy and the prevailing party definition in light of our conclusion that there is no procedural unconscionability under Alabama law.

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[5] Respondents argue the employment agreement as a whole is one-sided because it is a company form that protects Renfroe's confidential information but does not set the employee's compensation rate. This appears to be beyond the scope of our inquiry. (See *Am. Bankers Ins. Co. v. Tellis, supra,* 192 So.3d at p. 393 ["Our final inquiry . . . is whether the arbitration provision in the subject policies is unconscionable"].) Even if it was not, these allegations have no bearing on our ultimate conclusion.

a. Mutuality of remedy

Respondents assert the employment agreement "substantially curtails an employee's remedies as to Renfroe without placing any similar restrictions on the company," but do not identify any remedies that have been curtailed. The trial court did not identify any either. We assume respondents refer to the fact that Renfroe has retained the right to seek equitable relief in a court of law without impacting its ability to obtain other remedies. Respondents' citation to *California* authority to support their point is significant given that California and Alabama have taken different approaches on this issue. In the cited case, our Supreme Court concluded an arbitration agreement was unconscionable where there was a lack of mutuality in that it only required arbitration of employee claims arising out of a wrongful termination. (*Armendariz v. Foundation Health Psychcare Services, Inc*. (2000) 24 Cal.4th 83, 120.)[6] Our Supreme Court expressly disagreed with Alabama authority in concluding this was unconscionable. (*Id.* at pp. 118-119.) Under Alabama law, the fact that an arbitration agreement permits an employer but not an employee to choose between arbitration and another forum does not make an agreement unconscionable. (*Ex parte McNaughton* (Ala. 1998) 728 So.2d 592, 597-599.) Further, the concept of mutuality of remedies does not technically apply because Alabama does not consider arbitration to be a remedy. (*Id*. at p. 598.) Instead, "[t]he doctrine of mutuality of remedy is limited to the availability of the ultimate redress for a wrong suffered by a plaintiff, not the means by which that ultimate redress is sought." (*Ibid*.) While the lack of a mutual agreement to arbitrate is insufficient to establish substantive unconscionability under Alabama law, it is a factor that a court may consider, along with others, in determining whether an arbitration clause is

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[6] Our Supreme Court's conclusion was "compounded" by the fact an employee's damages were limited to backpay. (*Armendariz v. Foundation Health Psychcare Services, Inc., supra*, 24 Cal.4th at pp. 92, 121.)

unconscionable. (*American General Finance, Inc. v. Branch* (Ala. 2000) 793 So.2d 738, 749 (*Branch*).) This brings us to respondents' final claim.

b. Prevailing party definition

Respondents contend the arbitration provision's definition of prevailing party unfairly favors Renfroe. As set forth the above, the employment agreement provides: "The prevailing party in any arbitration or litigation relating to the enforcement or interpretation of this Agreement may recover from the non-prevailing party all costs, expenses and reasonable attorneys' fees relating to or arising out of the proceeding, or any action to enforce or collect any judgment or award resulting from a proceeding." Further, a plaintiff is only a prevailing party if it prevails on substantially all of its claims and requests for relief; otherwise, the prevailing party is the defendant. It is undisputed that the prevailing party definition will not apply in this action. Respondents argue that "regardless of its applicability in the instant matter, the definition is clearly one-sided and unfairly favorable to [Renfroe]." This argument is complicated by the fact that elsewhere respondents argue the employment contract as a whole favors Renfroe. For instance, they complain the agreement "expresses in great detail the protection and confidential nature of Renfroe's information to maintain its competitive advantage in the industry" but does not include a compensation rate for the employee. The prevailing party definition applies when any party brings an action in court or arbitration relating to enforcement or interpretation of the agreement. In practice, Renfroe may be more likely to bring such an action. Regardless, the definition appears designed to penalize an optimistic plaintiff, which may be more likely to be an employee. Either way, we cannot conclude the prevailing party definition changes the outcome of this appeal under Alabama law.

Branch, supra, 793 So.2d 738, illustrates the constraints on our analysis. Mable Branch and April Reaves brought claims arising out of a series of loan transactions in which they separately borrowed money from American General. (*Id*. at p. 740.) The Alabama Supreme Court concluded the arbitration agreements were grossly favorable to

the lender because they required arbitration of every claim that could arise in favor of the borrower, applied to every individual against whom a claim could be brought, purported to give the arbitrator authority to decide threshold issues of arbitrability, exempted the lender from the duty to arbitrate, and limited the damages an arbitrator could award. (*Id.* at pp. 749-750.) Nonetheless, the court concluded that only Branch's arbitration agreement was unconscionable and unenforceable because only she demonstrated she had no meaningful choice by submitting evidence that demonstrated the market was virtually closed to customers seeking comparable financing without agreeing to arbitrate. (*Id.* at p. 751.) Reaves, on the other hand, did not demonstrate she had no meaningful choice where only a minority of other finance companies in her area required agreements to arbitrate and she did not shop around for a different loan or ask any questions about the arbitration provision. (*Id*. at pp. 751-752.) This was fatal to Reaves' claim of unconscionability. (*Id*. at p. 752.) Likewise, respondents' arguments are undone by their lack of evidence regarding meaningful choice. We conclude that nothing in the substantive terms of the arbitration agreement alters our conclusion that it is not unconscionable under Alabama law.

In light of this conclusion, Renfroe would have us order the trial court to compel respondents' individual claims to arbitration, dismiss their class and representative claims, and order a stay of litigation until arbitration is completed. We disagree that the proceedings have necessarily reached this point. As one example, the parties have not fully briefed the impact this ruling will have on respondents' claims under the Labor Code Private Attorneys General Act of 2004 (Lab. Code, § 2698 et seq.). (See *Iskanian v. CLS Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 391-392.) Thus, we will remand for further proceedings in light of our conclusion that the arbitration agreement was not unconscionable under Alabama law.

III. DISPOSITION

The judgment is reversed and the cause is remanded to the trial court for further proceedings consistent with the views stated herein. The parties shall bear their own costs on appeal.

/S/

RENNER, J.

We concur:

/S/

MAURO, Acting P. J.

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HOCH, J.