

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Farwana v. Tesla, Inc.

Farwana · No. 24-cv-07518-BLF · Decided April 29, 2025

OPINION

Farwana v. Tesla, Inc.

PER CURIAM.

1 2 3

4 UNITED STATES DISTRICT COURT

5 NORTHERN DISTRICT OF CALIFORNIA

6 SAN JOSE DIVISION

7 8 GHAZI FARWANA, Case No. 24-cv-07518-BLF 9 Plaintiff, ORDER TERMINATING
DEFENDANT

TESLA'S MOTION TO COMPEL

10 v. ARBITRATION WITHOUT

PREJUDICE TO RENEWAL OF

11 TESLA, INC. and XINYE BAI, MOTION IN STATE COURT;

DISCHARGING ORDER TO SHOW

12 Defendants. CAUSE; AND REMANDING CASE TO

STATE COURT

13 [Re: ECF 10, 37] 14 15 16 17 This action was filed in the Santa Clara County Superior Court
and removed to federal 18 district court based on complete diversity of citizenship between
Plaintiff Ghazi Farwana 19 ("Farwana") and Defendant Tesla, Inc. ("Tesla"). See Notice of
Removal, ECF 1. After removal, 20 this Court issued an order granting Farwana's motion for
leave to file an amended pleading joining 21 Xinye Bai ("Bai") as a defendant. See Order, ECF
37. The order included an Order to Show 22 Cause why the case should not be remanded for lack
of subject matter jurisdiction, as it appeared 23 that joinder of Bai likely would destroy complete
diversity of citizenship. See *id.* "Subject matter 24 jurisdiction can never be forfeited or waived
and federal courts have a continuing independent 25 obligation to determine whether subject-
matter jurisdiction exists[.]" *Leeson v. Transamerica 26 Disability Income Plan*, 671 F.3d 969, 975
n.12 (9th Cir. 2012) (internal quotation marks and 27 citation omitted). The Court deferred
consideration of Tesla's motion to compel arbitration 1 Tesla filed its show cause response on
April 28, 2025, advising that Tesla does not oppose 2 || remand of this case to state court because
the joinder of Xinye Bai as a defendant appears to defeat 3 || diversity jurisdiction. See Tesla's
Response, ECF 40. Given Tesla's response, the Court finds it 4 || unnecessary to wait for Farwana

to file a show cause response before remanding the case. The 5 || Court will terminate Tesla's motion to compel arbitration without prejudice to Tesla's renewal of 6 || its motion to compel arbitration in state court.

7 ORDER

8 (1) Defendant Tesla's motion to compel arbitration (ECF 10) is TERMINATED 9 WITHOUT PREJUDICE to Tesla's renewal of its motion to compel arbitration in 10 state court following remand; 11 (2) The Order to Show Cause (ECF 37) is DISCHARGED; 12 (3) This action is REMANDED to the Santa Clara County Superior Court for lack of 5 13 subject matter jurisdiction; and 14 (4) This order terminates ECF 10 and 37. 16 || Dated: April 29, 2025

ETH LABSON FREEMAN

Z 18 United States District Judge 19 20 21 22 23 24 25 26 27 28