

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION**

THIMISHA RAGIN-STEPHENS, *et al.*,

Plaintiffs,

v.

TESLA, INC., *et al.*,

Defendants.

CIVIL ACTION FILE NO.
3:25-cv-00260-LMM-RGV

**MAGISTRATE JUDGE’S FINAL REPORT,
RECOMMENDATION, AND ORDER**

On December 8, 2025, plaintiffs Thimisha Ragin-Stephens (“Ragin-Stephens”) and Henry Stephens, Jr. (“Stephens”), jointly referred to as “plaintiffs,” proceeding *pro se*, filed this action against defendants Tesla, Inc. (“Tesla”); Santander Consumer USA, Inc. (“Santander”); and Solomon & Baggett, LLC (“Solomon Baggett”), collectively referred to as “defendants,” [Doc. 1],¹ and on December 16, 2025, plaintiffs filed an amended complaint against defendants, asserting a host of federal and state law claims arising out of plaintiffs’ agreement

¹ The listed document and page numbers in citations to the record in this Final Report, Recommendation, and Order refer to the document and page numbers shown on the Adobe file reader linked to the Court’s electronic filing database, CM/ECF.

to purchase and finance a Tesla vehicle, [Doc. 4]. Solomon Baggett has filed a motion to dismiss plaintiffs' amended complaint, [Doc. 14], as well as a motion to compel arbitration, [Doc. 23]; Santander has filed a motion to dismiss for lack of subject matter jurisdiction, or alternatively, a motion to compel arbitration and to stay the action, [Doc. 17]; and Tesla has filed a motion to compel arbitration, [Doc. 30]. Plaintiffs have opposed each of defendants' motions, see [Docs. 15, 18, 33], and defendants have filed replies in support of their respective motions, [Docs. 21, 22, 37].² Tesla also has filed a motion for an extension of time to answer plaintiffs'

² Plaintiffs have filed a motion for leave to file a surreply, [Doc. 26], as well as an amended surreply, [Doc 28], which Solomon Baggett opposes, [Doc 29]. "Neither the Federal Rules of Civil Procedure nor this Court's Local Rules authorize the filing of surreplies as a matter of right or in the ordinary course of litigation." Haygood v. Cmty. & S. Bank, No. 1:12-cv-295-WSD, 2012 WL 6681732, at *3 (N.D. Ga. Dec. 21, 2012) (citations omitted); see also Leatherwood v. Anna's Linens Co., 384 F. App'x 853, 857 (11th Cir. 2010) (per curiam) (unpublished) (citation omitted). "To allow such surreplies as a regular practice would put the court in the position of refereeing an endless volley of briefs." Garrison v. Ne. Ga. Med. Ctr., Inc., 66 F. Supp. 2d 1336, 1340 (N.D. Ga. 1999), aff'd, 211 F.3d 130 (11th Cir. 2000) (unpublished). "Although the Court may in its discretion permit the filing of a surreply, this discretion should be exercised in favor of allowing a surreply only where a valid reason for such additional briefing exists, such as where the movant raises new arguments in its reply brief." Fedrick v. Mercedes-Benz USA, LLC, 366 F. Supp. 2d 1190, 1197 (N.D. Ga. 2005) (citation omitted); see also St. James Entm't LLC v. Dash Crofts, Civil Action No. 1:09-CV-1975-RWS, 2010 WL 2802616, at *1 (N.D. Ga. July 13, 2010) ("Certainly, the Court is disinclined to consider arguments raised in a surreply which could have been raised in an earlier filing."). Plaintiffs argue that a surreply is warranted to respond "to matters raised for the first time in [d]efendants' reply briefs," [Doc. 26 at 1], including a declaration submitted by Santander attached to its reply brief, [Doc. 28 at 1]; see also [Doc. 22-1 (Kim Decl.)]. In light of plaintiffs' *pro se* status, the Court will

amended complaint should its motion to compel arbitration be denied, [Doc. 31], and defendants have filed a consent motion to stay pretrial deadlines pending resolution of the motions to compel arbitration, [Doc. 41]. For the reasons that follow, Tesla's motion for an extension of time to answer, [Doc. 31], and defendants' consent motion to stay pretrial deadlines, [Doc. 41], are **GRANTED**,³ and it is **RECOMMENDED** that defendants' motions to compel arbitration and stay the action, [Docs. 17, 23, & 30], be **GRANTED** and the case be **STAYED** and

consider their surreply, [Doc. 28], in ruling on the pending motions, but also notes that its consideration "does not alter the Court's analysis or its conclusion," Hegre v. Alberto-Culver USA, Inc., 508 F. Supp. 2d 1320, 1327 (S.D. Ga. 2007), aff'd, 275 F. App'x 873 (11th Cir. 2008) (per curiam) (unpublished).

³ Defendants have filed a motion to stay, [Doc. 41], in which they seek a stay of the pretrial deadlines until after the Court rules on their pending motions to compel arbitration, see [id.]. Defendants indicate that plaintiffs consent to this motion. See [id.] at 1]. Upon consideration of the motion, and in the interest of justice and judicial economy, the Court hereby **GRANTS** the consent motion to stay, [Doc. 41], and **STAYS** the parties' obligations to comply with the deadlines for conducting a Rule 26(f) conference, serving initial disclosures, and filing a joint preliminary report and discovery plan until the District Judge reviews this Final Report, Recommendation, and Order on the pending motions to compel arbitration. Tesla also requests an extension of time to file its answer to the amended complaint should the Court deny its motion to compel, [Doc. 31], and plaintiffs have not opposed this motion. Upon consideration of the motion, and in the interest of justice and judicial economy, the Court hereby **GRANTS** the motion, [Doc. 31], and extends Tesla's time to answer plaintiffs' amended complaint for a period of **thirty (30) days** from the date the District Judge rules on this Final Report, Recommendation, and Order, should the motion to compel arbitration be denied.

ADMINISTRATIVELY CLOSED pending the outcome of arbitration, and that Solomon Baggett's motion to dismiss, [Doc. 14], be **DENIED AS MOOT**.

I. FACTUAL AND PROCEDURAL BACKGROUND

This case concerns claims related to plaintiffs' agreement to purchase and finance a Tesla vehicle. See [Doc. 4].⁴ In particular, on July 1, 2025, plaintiff Ragin-

⁴ The factual background is taken from the pleadings and exhibits and does not constitute findings of fact by the Court. Additionally, defendants have submitted a declaration from Raymond Kim, a Manager in Business Resolutions for Tesla, and an affidavit from Robert J. Solomon, as well as certain exhibits. See [Doc. 14-1 (Solomon Aff.) at 14; Doc. 22-1; Doc. 23-1; Doc. 30-2 (Kim Decl.); Doc. 30-3]. Plaintiffs also have submitted a declaration from Ragin-Stephens, as well as certain exhibits, [Doc. 34 (Ragin-Stephens Decl.); Doc. 35], and they also filed a notice of supplemental evidence, including a second declaration from Ragin-Stephens and an unauthenticated transcript of a recorded call, [Doc. 40 (Ragin-Stephens Decl.)], which Tesla opposes, [Doc. 42]. The Court may "consider evidence outside of the pleadings for purposes of a motion to compel arbitration." Chambers v. Groome Transp. of Ala., 41 F. Supp. 3d 1327, 1334 (M.D. Ala. 2014); see also In re Checking Account Overdraft Litig., 754 F.3d 1290, 1294 (11th Cir. 2014) (describing the standard used to resolve motions to compel arbitration as "summary-judgment-like"). However, as Tesla points out, the "transcript reflecting an alleged excerpt from an August 1, 2025 telephone call between . . . Ragin-Stephens and unnamed Tesla representatives" calls into question the "authenticity, reliability, completeness, and ultimate admissibility of this supplemental evidence," and the "process by which [plaintiffs'] attempt to offer it is improper." [Doc. 42 at 1-2 (internal marks omitted)]; see also Mimbs v. Spalding Cnty. Sch. Dist., CIVIL CASE NO. 3:17-cv-00032-TCB-RGV, 2018 WL 7348863, at *3 (N.D. Ga. Dec. 21, 2018) (citations omitted) (declining to consider transcripts of audio recordings where plaintiff submitted her own declaration but did not provide the Court with the original recordings and failed to make any attempt to authenticate the recordings, especially considering the transcripts were not certified, did not indicate who prepared them, and provided no basis to determine that they accurately reflected the substance of the actual recordings which had not been introduced into evidence). Accordingly, with the exception of the transcript of the

Stephens initiated an online application to purchase a 2026 Tesla Model Y vehicle, adding her husband, Stephens, as a co-signor, and they were approved for financing through Tesla's automated system. [Doc. 4 at 6 ¶ 1]. On July 3, 2025, plaintiffs appeared in person at a Tesla delivery center and signed a Retail Installment Sale Contract ("RISC") to purchase and finance the Tesla Model Y vehicle. [Id. at 6 ¶ 2; Doc. 14-1 at 8-13; Doc. 17-1; Doc. 22-1 at 4-8; Doc. 23-1; Doc. 30-2 at 5-9; Doc. 34 ¶ 2].

On the first page of the RISC, directly above plaintiffs' signatures, is an "Agreement to Arbitrate" statement, indicating that the parties agree to the "Arbitration Provision on page 5," [Doc. 14-1 at 8; Doc. 17-1 at 2; Doc. 22-1 at 4; Doc. 23-1 at 2; Doc. 30-2 at 5], which is titled "**ARBITRATION PROVISION**" and states, in relevant part:

1. **EITHER YOU OR WE MAY CHOOSE TO HAVE ANY DISPUTE BETWEEN YOU AND US DECIDED BY ARBITRATION AND NOT IN COURT OR BY JURY TRIAL.**
2. **IF A DISPUTE IS ARBITRATED, YOU WILL GIVE UP YOUR RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US INCLUDING ANY**

recorded call, [Doc. 40 at 5-6; Doc. 44], the Court will consider the declarations and exhibits submitted by the parties in ruling on the pending motions to compel arbitration, see Hanson v. Experian Info. Sols., Inc., CIVIL ACTION NO. 1:23-CV-4564-MHC-CMS, 2024 WL 2974160, at *5 n.3 (N.D. Ga. June 12, 2024) (considering declaration and exhibits proffered by party seeking to compel arbitration), adopted by 2024 WL 3509482, at *11 (N.D. Ga. July 22, 2024).

RIGHT TO CLASS ARBITRATION OR ANY CONSOLIDATION OF INDIVIDUAL ARBITRATIONS.

3. DISCOVERY AND RIGHTS TO APPEAL IN ARBITRATION ARE GENERALLY MORE LIMITED THAN IN A LAWSUIT, AND OTHER RIGHTS THAT YOU AND WE WOULD HAVE IN COURT MAY NOT BE AVAILABLE IN ARBITRATION.

Any claim or dispute, whether in contract, tort, statute or otherwise (including the interpretation and scope of this Arbitration Provision, any allegation of waiver of rights under this Arbitration Provision, and the arbitrability of the claim or dispute), between you and us or our employees, agents, successors or assigns, which arises out of or relates to your credit application, purchase or condition of this Vehicle, this contract or any resulting transaction or relationship (including any such relationship with third parties who do not sign this contract) shall, at your or our election, be resolved by neutral, binding arbitration and not by a court action. If federal law provides that a claim or dispute is not subject to binding arbitration, this Arbitration Provision shall not apply to such claim or dispute. Any claim or dispute is to be arbitrated by a single arbitrator only on an individual basis and not as a plaintiff in a collective or representative action, or a class representative or member of a class on any class claim. . . . You or we may choose the American Arbitration Association (www.adr.org) or National Arbitration and Mediation (www.namadr.com) as the arbitration organization to conduct the arbitration. If you and we agree, you or we may choose a different arbitration organization. You may get a copy of the rules of an arbitration organization by contacting the organization or visiting its website.

Arbitrators shall be attorneys or retired judges and shall be selected pursuant to the applicable rules. The arbitrator shall apply governing substantive law and the applicable statute of limitations. The arbitration hearing shall be conducted in the federal district in which you reside unless the Seller-Creditor is a party to the claim or dispute, in which case the hearing will be held in the federal district where this transaction was originated. We will pay the filing, administration, service, or case management fee and the arbitrator or hearing fee up to a maximum of \$5,000, unless the law or the rules of the chosen arbitration organization require us to pay more. You and we will pay

the filing, administration, service, or case management fee and the arbitrator or hearing fee over \$5,000 in accordance with the rules and procedures of the chosen arbitration organization. The amount we pay may be reimbursed in whole or in part by decision of the arbitrator if the arbitrator finds that any of your claims is frivolous under applicable law. Each party shall be responsible for its own attorney, expert and other fees, unless awarded by the arbitrator under applicable law. If the chosen arbitration organization's rules conflict with this Arbitration Provision, then the provisions of this Arbitration Provision shall control. Any arbitration under this Arbitration Provision shall be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.) and not by any state law concerning arbitration. Any award by the arbitrator shall be in writing and will be final and binding on all parties, subject to any limited right to appeal under the Federal Arbitration Act.

You and we retain the right to seek remedies in small claims court for disputes or claims within that court's jurisdiction, unless such action is transferred, removed or appealed to a different court. *Neither you nor we waive the right to arbitrate any related or unrelated claims by filing any action in small claims court, or by using self-help remedies, such as repossession, or by filing an action to recover the vehicle, to recover a deficiency balance, or for individual or statutory public injunctive relief.* Any court having jurisdiction may enter judgment on the arbitrator's award. *This Arbitration Provision shall survive any termination, payoff or transfer of this contract.* If any part of this Arbitration Provision, other than waivers of class rights, is deemed or found to be unenforceable for any reason, the remainder shall remain enforceable. You agree that you expressly waive any right you may have for a claim or dispute to be resolved on a class basis in court or in arbitration. . . .

[Doc. 14-1 at 12 (emphasis added); Doc. 17-1 at 6 (emphasis added); Doc. 22-1 at 8 (emphasis added); Doc. 23-1 at 6 (emphasis added); Doc. 30-2 at 9 (emphasis added)]. The Arbitration Provision also states that “[a]ny change to this contract must be in writing and we must sign it,” as “[n]o oral changes are binding,” and that by signing, plaintiffs “agree to the terms of this contract” and “confirm that

before [they] signed this contract, [Tesla] gave it to [them], and [they] were free to take it and review it” and “acknowledge that [they] have read all pages of this contract.” [Doc. 14-1 at 12 (emphasis omitted); Doc. 17-1 at 6 (emphasis omitted); Doc. 22-1 at 8 (emphasis omitted); Doc. 23-1 at 6 (emphasis omitted); Doc. 30-2 at 9 (emphasis omitted)]. Next to each of plaintiffs’ signatures on each page of the RISC, including the page containing the Arbitration Provision, plaintiffs added the words, “Without Recourse, UCC 1-308.” [Doc. 14-1 at 8-12; Doc. 17-1 at 2-6; Doc. 22-1 at 4-8; Doc. 23-1 at 2-6; Doc. 30-2 at 5-9]. The RISC was between plaintiffs and Tesla, who assigned its interest in the RISC to the lender, defendant Santander. See [Doc. 17 at 11; Doc. 22-1 ¶ 3]; see also [Doc. 14-1 at 8-12; Doc. 17-1 at 2-6; Doc. 22-1 at 4-8; Doc. 23-1 at 2-6; Doc. 30-2 at 5-9].

Plaintiffs allege that “Tesla accepted the signed RISC, delivered possession of the vehicle . . . , issued a valid temporary registration, and allowed [them] to drive the vehicle home.” [Doc. 4 at 6 ¶ 3]; see also [Doc. 34 ¶ 2]. On July 8, 2025, Tesla’s Funding Resolution team contacted plaintiffs and informed them that there was an issue finalizing their loan. [Doc. 4 at 6 ¶¶ 5-6]. In particular, Tesla explained that Santander was unwilling to fund plaintiffs’ loan due to the extra verbiage they included with their signatures and requested that plaintiffs re-sign a new copy of the RISC without the extra verbiage so that their loan could be funded and Tesla could receive payment. [Id. at 7 ¶¶ 6, 8-9]; see also [Doc. 34 ¶¶

4, 8; Doc. 35-1 at 1; Doc. 40 ¶ 4]. Plaintiffs assert that they refused to “sign a new clean RISC,” since the “contract was complete, valid, and enforceable under Georgia law.” [Doc. 4 at 7 ¶¶ 9-10 (internal marks omitted)]. Because plaintiffs refused to sign a new RISC, Tesla informed them that the vehicle must be returned or it would seek repossession of the vehicle. [*Id.* at 8-9 ¶¶ 15-19]; see also [Doc. 34 ¶ 6]. Plaintiffs did not return the vehicle, and on August 11, 2025, they received a letter from Solomon Baggett, the law firm retained by Tesla, regarding the outstanding debt related to the vehicle. [Doc. 4 at 9-10 ¶¶ 21, 24, 26-28]. Plaintiffs “disputed the debt,” and on September 8, 2025, Tesla, via Solomon Baggett, filed a petition for a writ of possession under the RISC in the State Court of Carroll County, Georgia, which remains pending. [*Id.* at 10 ¶¶ 27, 29]; see also [Doc. 14-1 at 6-20; Doc. 30-3 at 2-9].

Subsequently, on December 8, 2025, plaintiffs filed their original complaint against defendants in this Court, [Doc. 1], and on December 16, 2025, they filed their amended complaint, asserting 21 claims against defendants, [Doc. 4]. Specifically, plaintiffs assert claims for: violations of the Fair Debt Collection Practices Act (“FDCPA”), 15 U.S.C. § 1692, et seq., against Solomon Baggett and Tesla (Count 1), [*id.* at 14-15 ¶¶ 1-4]; violations of the Georgia Fair Business Practice Act (“FBPA”), O.C.G.A. § 10-1-390 et seq., against Tesla (Count 2), [*id.* at 15 ¶¶ 1-3]; violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681,

against Santander (Count 3), [id. at 16 ¶¶ 1-8]; breach of contract against Tesla and Santander (Count 4), [id. at 16-17 ¶¶ 1-4]; abuse of process against defendants (Count 5), [id. at 17 ¶¶ 1-4]; civil conspiracy against defendants (Count 6), [id. at 18 ¶¶ 1-4]; fraud against defendants (Count 7), [id. at 18-19 ¶¶ 1-3]; violations of the Truth in Lending Act (“TILA”), 15 U.S.C. § 1601 et. seq., against Tesla (Count 8), [id. at 19-21 ¶¶ 1-18]; conversion against Tesla (Count 9), [id. at 21-22 ¶¶ 1-2]; wrongful lien against Tesla and Santander (Count 10), [id. at 22 ¶¶ 1-3]; quiet title against Tesla and Santander (Count 11), [id. at 22 ¶¶ 1-3]; constructive trust and equitable relief against defendants (Count 12), [id. at 22-23 ¶¶ 1-2]; violations of the Consumer Financial Protection Act (“CFPA”), 12 U.S.C. § 5531 et seq., against defendants (Count 13), [id. at 23 ¶¶ 1-2]; negligent and willful failure to file title against Tesla (Count 14), [id. at 23 ¶¶ 1-2]; violation of the Equal Credit Opportunity Act (“ECOA”), 15 U.S.C. § 1691(d), against Tesla and Santander (Count 15), [id. at 24-26 ¶¶ 1-10]; unjust enrichment against Tesla and Santander (Count 16), [id. at 26-28 ¶¶ 1-11]; bad faith litigation and frivolous filings against Tesla and Solomon Baggett (Count 17), [id. at 28-29 ¶¶ 1-7]; intentional infliction of emotional distress against defendants (Count 18), [id. at 29-30 ¶¶ 1-6]; negligent infliction of emotional distress against Tesla and Santander (Count 19), [id. at 30-31 ¶¶ 1-5]; loss of use of property and transportation damages against Tesla (Count 20), [id. at 31 ¶¶ 1-5]; and punitive damages against defendants (Count 21),

[id. at 31-32 ¶¶ 1-2]. Thus, plaintiffs generally assert that defendants improperly placed a lien on the vehicle in question, breached the terms of the RISC, and conspired with each other regarding the default and attempted repossession of the vehicle. See generally [Doc. 4].

Defendants have each moved to compel arbitration, [Docs. 17, 23, & 30],⁵ and Solomon Baggett also has moved to dismiss plaintiffs' amended complaint, [Doc. 14],⁶ all of which plaintiffs oppose, [Docs. 15, 18, 28, 33]. These pending motions, [Docs. 14, 17, 23, & 30], having been fully briefed, are now ripe for ruling.

⁵ Santander filed a motion to dismiss for lack of subject matter jurisdiction, or alternatively, to compel arbitration, [Doc. 17], but “[c]ourts generally treat motions to compel arbitration as motions to dismiss for lack of subject matter jurisdiction under Rule 12(b)(1),” Chamlee v. Jonesboro Nursing & Rehab. Ctr., LLC, 1:18-CV-05899-ELR, 2019 WL 6042273, at *5 n.5 (N.D. Ga. Aug. 14, 2019) (citation omitted).

⁶ In its motion to dismiss, [Doc. 14], Solomon Baggett argued that plaintiffs had failed to effectuate service upon it, [id. at 5-7]. However, at the time Solomon Baggett filed its motion to dismiss on January 8, 2026, [Doc. 14], the time period for plaintiffs to perfect service of the summons and amended complaint filed on December 16, 2025, [Doc. 4], had not yet run, see Fed. R. Civ. P. 4(m) (explaining that if “a defendant is not served within 90 days after the complaint is filed, the court--on motion or on its own after notice to the plaintiff--must dismiss the action without prejudice against that defendant or order that service be made within a specified time”). After Solomon Baggett filed the motion to dismiss, the record indicates that plaintiffs have perfected service upon Solomon Baggett within the time allowed under Rule 4(m), see [Docs. 24 & 38], and thus, Solomon Baggett's argument for dismissal in this regard has been rendered moot.

II. DISCUSSION

Defendants argue that plaintiffs entered into a valid and binding agreement to arbitrate all disputes arising out of the RISC, including the claims brought in this lawsuit, and that the Court should compel arbitration pursuant to this agreement. See [Docs. 17, 23, & 30]. In response, plaintiffs maintain that defendants' "statements and conduct create a genuine dispute as to whether mutual assent to arbitrate was ever finalized"; that Tesla waived its right to arbitrate by filing the petition for writ of possession in state court; that they assert claims that are actionable independent of contract validity; and that even if arbitration was proper as to Tesla and Santander, Solomon Baggett "lacks standing to invoke the arbitration process," as a non-signatory to the RISC. [Doc. 33 at 2-5]; see also [Doc. 18 at 3, 6-11; Doc. 28 at 2-3]. For the reasons that follow, the Court finds that the parties entered into a valid and enforceable contract, which includes an arbitration clause encompassing the claims raised by plaintiffs, and that under the terms of the Arbitration Provision in the RISC, all parties in this action may be compelled to arbitration.

A. Legal Standard

"Section 2 [of the Federal Arbitration Act ('FAA')] embodies the national policy favoring arbitration and places arbitration agreements on equal footing

with all other contracts,” Buckeye Check Cashing, Inc. v. Cardegna, 546 U.S. 440, 443 (2006), providing:

A written provision in any . . . contract evidencing a transaction involving commerce to settle by arbitration a controversy thereafter arising out of such contract or transaction, or the refusal to perform the whole or any part thereof, or an agreement in writing to submit to arbitration an existing controversy arising out of such a contract, transaction, or refusal, shall be 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. “The ‘principal purpose’ of the FAA is to ‘ensur[e] that private arbitration agreements are enforced according to their terms.’” AT&T Mobility LLC v. Concepcion, 563 U.S. 333, 344 (2011) (alteration in original) (citations omitted).⁷ “The FAA creates a strong federal policy in favor of arbitration.” Picard

⁷ “The FAA applies to all contracts involving interstate commerce.” See Kong v. Allied Pro. Ins. Co., 750 F.3d 1295, 1303 (11th Cir. 2014) (citing 9 U.S.C. §§ 1-2). Defendants contend, and plaintiffs do not dispute, that the RISC was a contract involving interstate commerce. See [Doc. 23 at 6-7; Doc. 30-1 at 8-9]; see also Rota-McLarty v. Santander Consumer USA, Inc., 700 F.3d 690, 698 (4th Cir. 2012) (citations and internal marks omitted) (explaining that the “broad impact of consumer automobile lending on the national economy is evident”); Colonel v. Tesla, Inc., No. 5:23-CV-6-BO-KS, 2023 WL 4568504, at *2-3 (E.D.N.C. July 17, 2023) (finding the “agreements at issue,” which included an RISC for a Tesla vehicle, “involve[d] interstate commerce as they concern[ed] the sale of a motor vehicle”); Surkhabi v. Tesla, Inc., Case No. SACV 22-1315 JVS (DFMx), 2022 WL 19569540, at *3 (C.D. Cal. Oct. 27, 2022) (citations and internal marks omitted) (explaining that “cars are themselves instrumentalities of commerce, which Congress may protect”). Indeed, the arbitration provision within the RISC provides that it “shall be governed by the [FAA],” [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9], and the “FAA applies to all arbitration agreements that involve interstate commerce in any way,” Coleman v. CVS Rx Servs., Inc., CV 119-

v. Credit Sols., Inc., 564 F.3d 1249, 1253 (11th Cir. 2009) (per curiam) (citation omitted). “Accordingly, courts ‘rigorously enforce’ arbitration agreements,” id. (citation omitted), and “[a]ny doubts concerning the scope of arbitrable issues should be resolved in favor of arbitration,” Chambers, 41 F. Supp. 3d at 1334 (quoting Moses H. Cone Mem’l Hosp. v. Mercury Constr. Corp., 460 U.S. 1, 24-25 (1983)). “Federal statutory claims are as a rule arbitrable[.]” Anders v. Hometown Mortg. Servs., Inc., 346 F.3d 1024, 1030 (11th Cir. 2003) (citing Gilmer v. Interstate/Johnson Lane Corp., 500 U.S. 20, 28 (1991)).

In resolving a motion to compel arbitration, courts consider whether: “(1) there is a valid written agreement to arbitrate; (2) the issue [sought to be arbitrated] is arbitrable under the agreement; and (3) the party asserting the claims has failed or refused to arbitrate the claims.”⁸ Wallace v. Rick Case Auto, Inc., 979 F. Supp. 2d 1343, 1347 (N.D. Ga. 2013) (alteration in original) (citation and internal marks

119, 2019 WL 5700746, at *1 (S.D. Ga. Nov. 4, 2019) (citation omitted); see also Fulford v. GM Fin., 2:25-CV-390-TFM-MU, 2025 WL 3902487, at *5 (S.D. Ala. Dec. 9, 2025) (explaining that “whether by the parties’ agreement to the plain language that the FAA shall apply, or by the fact that the transaction involves interstate commerce, the FAA clearly applies” and therefore, “the interstate commerce requirement is met”), adopted by 2026 WL 244639, at *1 (S.D. Ala. Jan. 29, 2026).

⁸ It is clear that plaintiffs have refused to arbitrate their claims against defendants by filing this action. See FR 8 Singapore Pte. Ltd. v. Albacore Mar. Inc., 754 F. Supp. 2d 628, 632 (S.D.N.Y. 2010) (first alteration in original) (quoting LAIF X SPRL v. Axtel, S.A. de C.V., 390 F.3d 194, 198 (2d Cir. 2004)) (“In a paradigmatic case, ‘[a] party has refused to arbitrate if it commences litigation[.]’”).

omitted), adopted at 1345; see also Williams v. Experian, CIVIL ACTION NO. 1:24-cv-04152-LMM-RDC, 2025 WL 1733183, at *6 (N.D. Ga. June 17, 2025) (alteration, citation, and internal marks omitted) (“In ruling on a motion to compel arbitration, courts must first determine whether the parties agreed to arbitrate, and then assess whether legal constraints external to the parties’ agreement forecloses arbitration.”), adopted by 2025 WL 2146367, at *1 (N.D. Ga. July 15, 2025). “The first step requires courts to determine whether a given dispute falls within the scope of a valid arbitration agreement,” and in “making this determination, the FAA instructs that any doubts concerning the scope of arbitrable issues should be resolved in favor of arbitration.” Thomas v. Citi Trends, Inc., CIVIL ACTION NO.: 4:23-cv-175, 2025 WL 817127, at *4 (S.D. Ga. Mar. 14, 2025) (citation and internal marks omitted).

“When determining whether the parties agreed to arbitrate their dispute, a court applies state law governing the formation of contracts, giving due regard to the federal policy favoring arbitration.” Jordan v. Comcast Cable Commc’ns Mgmt., LLC, 1:14-cv-3622-WSD, 2016 WL 452145, at *4 (N.D. Ga Feb. 4, 2016) (citing Caley v. Gulfstream Aerospace Corp., 428 F.3d 1359, 1368 (11th Cir. 2005)); see also Antonetti v. Activision Blizzard, Inc., 764 F. Supp. 3d 1309, 1315 (N.D. Ga.

2025) (citation omitted).⁹ Additionally, “parties to a contract may agree to have an arbitrator, rather than a court, decide issues of arbitrability, including whether an arbitration agreement is valid and/or enforceable.” Ytech 180 Units Miami Beach Invs. LLC v. Certain Underwriters at Lloyd’s, London, 359 F. Supp. 3d 1253, 1264 (S.D. Fla. 2019) (citations omitted). “Such agreements to arbitrate arbitrability are generally referred to as ‘delegation claus[es],’” and “will be upheld if [they] represent[] the parties’ ‘clear and unmistakable’ intent to allow issues of arbitrability to be decided by an arbitrator.” Id. (first alteration in original) (citation omitted). “If a court finds the parties agreed to arbitrate the dispute, then, under the second step, the party opposing arbitration must show that external

⁹ The RISC provides that it is governed by “Federal law and the law of the state of Georgia[.]” [Doc. 14-1 at 11; Doc. 17-1 at 5; Doc. 22-1 at 7; Doc. 23-1 at 5; Doc. 30-2 at 8]. “Generally speaking, Georgia courts enforce choice of law provisions unless they are contrary to public policy.” Samadi v. MBNA Am. Bank, N.A., No. CV 104-137, 2005 WL 6111467, at *3 (S.D. Ga. June 10, 2005) (citing Nationwide Logistics, Inc. v. Condor Transp., Inc., 606 S.E.2d 319, 322 (Ga. Ct. App. 2004)), adopted by 2005 WL 6111614, at *1 (S.D. Ga. July 8, 2005). “Because [plaintiffs have] not shown that enforcement of the choice of law provision contravenes public policy, [Georgia] law applies.” Daniel v. Chase Bank USA, N.A., 650 F. Supp. 2d 1275, 1288 n.8 (N.D. Ga. 2009).

legal constraints nonetheless make the claims unsuitable for arbitration.” Thomas, 2025 WL 817127, at *4 (citations omitted).

B. Merits of Defendants’ Motions to Compel Arbitration, [Docs. 17, 23, & 30]

Defendants move to compel arbitration, arguing that all of plaintiffs’ claims against them are subject to a binding and enforceable written arbitration agreement. See [Docs. 17, 23, & 30]. Plaintiffs oppose defendants’ motions, asserting that (1) Tesla waived its right to arbitrate by invoking the judicial process through its state court filing of the petition for a writ of possession, [Doc. 33 at 3-4]; (2) mutual assent to the Arbitration Provision, including the delegation clause, is disputed, [Doc. 33 at 4-6]; see also [Doc. 18 at 6-9, 11]; (3) Solomon Baggett, as a non-signatory to the RISC, lacks standing to invoke the Arbitration Provision, [Doc. 28 at 2-3; Doc. 33 at 5]; and (4) the complaint alleges post-delivery conduct that does not “depend on whether the RISC is ultimately enforceable,” [Doc. 18 at 7-8]. The Court will address each of these arguments in turn.

1. *Valid Agreement to Arbitrate*

Defendants first assert that the parties entered into a valid, written agreement to arbitrate. [Doc. 17 at 6-8; Doc. 23 at 6-7; Doc. 30-1 at 7-8]. Whether the parties formed a valid agreement to arbitrate plaintiffs’ claims in this case is based on contract law governing offer, acceptance, and consideration. See Johnson v. Macy’s S., LLC., No. 1:07-cv-1256-WSD, 2007 WL 2904126, at *3 (N.D. Ga. Sept.

27, 2007) (citation omitted). That is, “[u]nder Georgia law, a contract is valid if there is a subject matter of the contract, consideration and mutual assent.” Osborne v. Experian Info. Sols., Inc., CIVIL ACTION NO. 1:21-CV-1812-ELR-JSA, 2021 WL 8268220, at *3 (N.D. Ga. Oct. 21, 2021) (citing O.C.G.A. § 13-3-1), adopted by 2021 WL 8268149, at *1 (N.D. Ga. Nov. 5, 2021).

It is undisputed that the RISC signed by plaintiffs and Tesla contains a valid Arbitration Provision governed by the FAA. See [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9]. Indeed, plaintiffs repeatedly allege in their amended complaint that they executed a valid RISC on July 3, 2025; that Tesla “accepted the contract,” thereby constituting “consummation of the sale”; and that the “contract was complete, valid, and enforceable under Georgia law.” See e.g., [Doc. 4 at 1, 6 ¶¶ 2-4, 7 ¶ 10, 8 ¶ 17, 12, 13 ¶¶ 2-3, 14 ¶ 5, 16 ¶ 1, 17 ¶ 2, 19-20 ¶¶ 6-7, 25 ¶ 5, 27 ¶ 2, 36 ¶ 1]. Plaintiffs, however, argue that “mutual assent is specifically and directly contested” based on defendants’ “communications and conduct,” which “placed the transaction’s finality and enforceability in dispute.” [Doc. 33 at 5]. In particular, plaintiffs contend that because Tesla represented that Santander would not fund the loan unless plaintiffs executed a new RISC, since the signatures on the current RISC “with the extra verbiage [were] in the eyes of [the] lender [] deemed invalid,” mutual assent is lacking. [Doc. 34 ¶ 8, 3 (internal marks omitted)]. In response, Tesla contends that while “it is true that [it] told

[plaintiffs] that Santander would not finalize [p]laintiffs' loan until [they] signed a 'clean' RISC that omitted [their] added verbiage, [it] did not dispute that the RISC is a binding contract," but rather, it "has consistently reaffirmed and sought to vindicate its rights under the RISC," including in its "debt-collection statements asserting [p]laintiffs were in material breach of the RISC," as well as when it "filed a state writ of possession action, in which it 'affirmatively represented' that it was the lawful holder of the [RISC], the contract was valid and enforceable, and [p]laintiff[s were] in default." [Doc. 30-1 at 8 (citations and internal marks omitted)].

"[U]nless and until there is the mutual assent of the parties to all essential terms, there is no complete and enforceable contract." Hanson v. Experian Info. Sols., Inc., CIVIL ACTION FILE NO. 1:23-CV-4564-MHC-CMS, 2024 WL 3509482, at *9 (N.D. Ga. July 22, 2024) (alteration in original) (citations and internal marks omitted). "In determining whether the parties assented to the terms of a contract, Georgia courts apply an objective theory of intent whereby one party's intention is deemed to be that meaning a reasonable person in the position of the other contracting party would ascribe to the first party's manifestations of assent." Id. (citation and internal marks omitted). "In making that determination, the circumstances surrounding the making of the contract, such as correspondence and discussions, are relevant in deciding if there was a mutual assent to an

agreement, and courts are free to consider such extrinsic evidence.” Fritz v. Fed. Warranty Serv. Corp., CIVIL ACTION FILE NO. 1:20-CV-2210-MHC, 2021 WL 359765, at *7 (N.D. Ga. Feb. 1, 2021) (citation and internal marks omitted).¹⁰

In the present case, despite plaintiffs’ argument to the contrary, there is no genuine dispute that the parties mutually assented to the RISC, including the Arbitration Provision. A “signature is usually a demonstration and confirmation of the parties’ assent,” and neither plaintiffs nor Tesla disputes that they signed the RISC, and in fact, the signed copy has been provided to the Court for review. Carter v. DRJ Venice LLC, Case No. 8:25-cv-99-KKM-SPF, 2025 WL 1125075, at *4 (M.D. Fla. Apr. 16, 2025) (citations and internal marks omitted). While subsequent to the signing of the RISC by plaintiffs and Tesla, a problem arose with the manner in which plaintiffs signed the documents, “[t]he requirement of a signed [RISC] is

¹⁰ “[U]nder section 4 of the FAA, courts retain the primary power to decide questions of whether the parties mutually assented to a contract containing or incorporating a delegation provision.” MZM Constr. Co., Inc. v. N.J. Bldg. Laborers Statewide Benefit Funds, 974 F.3d 386, 402 (3d Cir. 2020); see also Bowles v. OneMain Fin. Grp., L.L.C., 954 F.3d 722, 726 (5th Cir. 2020) (explaining that whether there was a meeting of the minds “goes to the formation of the Arbitration Agreement and is therefore to be decided by the courts”); Reagan v. Stored Value Cards, Inc., 608 F. App’x 895, 895-96 (11th Cir. 2015) (per curiam) (unpublished) (footnote and citations omitted) (explaining that “arbitration is contractual” and that it “may not be compelled if the parties did not mutually assent to the Agreement containing the arbitration clause” and because “[m]utual assent requires a meeting of the minds on the essential terms of the contract,” whether the parties “formed the Agreement is for district courts to decide”).

a condition precedent to [the parties'] obligation[s] to perform under the agreement, not evidence of a lack of mutual assent." Id. (citation omitted).¹¹ That is, the "contract is viewed as of the time it was made and not in light of subsequent events," Air Bob Inc v. G E Engine Servs. Corp. Aviation Inc, Civil Action No. H-03-1854, 2006 WL 8444636, at *2 (S.D. Tex. Nov. 6, 2006) (citation omitted), and here, "Tesla offered to sell plaintiff[s] a vehicle based upon certain terms, including an agreement to arbitrate claims, and plaintiff[s] accepted that offer by purchasing the vehicle" and signing the RISC, and therefore, "mutual assent is not lacking, and this is true whether or not [plaintiffs' signatures were subsequently sufficient for Santander to fund the purchase]," Colonel, 2023 WL 4568504, at *3 (citation omitted); see also Chambers, 41 F. Supp. 3d at 1339 (citation and internal marks omitted) (explaining that "[u]nder normal circumstances, an arbitration provision

¹¹ In addition, although plaintiffs point to Tesla's communications regarding the validity of their signatures and the lack of financial approval and funding by Santander as a basis for their argument that mutual assent is disputed by defendants, their "argument questions [the] ability to enforce the contract as a whole, not the Arbitration Agreement within the contract," since "arbitration provisions are enforceable apart from the remainder of a contract[.]" Hefter v. Charlie, Inc., Case No.: 2:16-cv-01805-RDP, 2017 WL 4155101, at *5 (N.D. Ala. Sept. 19, 2017) (citations and internal marks omitted); see also [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9 (explaining that if "any part of this contract is not valid, all other parts stay valid" and that Tesla "may delay or refrain from enforcing any of [its] rights under this contract without losing them")].

within a contract admittedly signed by the contractual parties is sufficient to require the district court to send any controversies to arbitration” and that “[u]nder such circumstances, the parties have at least presumptively agreed to arbitrate any disputes, including those disputes about the validity of the contract in general”); Comvest, L.L.C. v. Corp. Sec. Grp., Inc., 507 S.E.2d 21, 24-25 (Ga. Ct. App. 1998) (footnotes and internal marks omitted) (discussing that a “party may be bound by an agreement to arbitrate even in the absence of his signature” where “their assent is otherwise indicated, such as by the acceptance of benefits under the contract, or the acceptance by one of the performance by the other”). Accordingly, under the circumstances presented here, including that the parties entered into and signed the RISC, which included an Arbitration Provision, the Court finds the parties entered into a valid and enforceable agreement to arbitrate.

2. *Scope of the Arbitration Agreement*

Plaintiffs also appear to challenge the scope of the Arbitration Provision, asserting that it does not encompass all their claims, particularly “post-delivery conduct” challenged under the FBPA, and contending that these claims exist independently of the contractual relationship governed by the RISC. [Doc. 18 at 7-8]. Plaintiffs therefore maintain that those claims that did not arise from the RISC are not subject to arbitration. [Id.]. Despite plaintiffs’ argument to the contrary, the Court finds that “[t]he [claims asserted] by [plaintiffs] fall within the scope of

the arbitration clause agreed to by the parties.” Mitchell v. Sajed, Civil Action No. 3:13-CV-312, 2013 WL 3805041, at *4 (E.D. Va. July 22, 2013).

The Arbitration Provision included within the RISC specifically provides:

Any claim or dispute, whether in contract, tort, statute or otherwise (including the interpretation and scope of this Arbitration Provision, any allegation of waiver of rights under this Arbitration Provision, and the arbitrability of the claim or dispute), between you and us or our employees, agents, successors or assigns, which arises out of or relates to your credit application, purchase or condition of this Vehicle, this contract or any resulting transaction or relationship (including any such relationship with third parties who do not sign this contract) shall, at your or our election, be resolved by neutral, binding arbitration and not by a court action. If federal law provides that a claim or dispute is not subject to binding arbitration, this Arbitration Provision shall not apply to such claim or dispute.

[Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9].

In their amended complaint, plaintiffs assert a host of federal and state claims, all of which arise out of their purchase of a Tesla vehicle, the RISC, and the resulting relationship between the parties. See generally [Doc. 4]. Indeed, “[t]he claims in [p]laintiffs’ [a]mended [c]omplaint arise from the [p]laintiffs’ purchase and finance of the [v]ehicle and subsequent events flowing directly from [] that transaction.” [Doc. 23 at 8]; see also [Doc. 17 at 11; Doc. 30-1 at 9]. That is, despite plaintiffs’ argument to the contrary, their claims all relate in some way to the RISC with Tesla, and are therefore encompassed by the Arbitration Provision in the RISC, and there are no legal constraints that foreclose the arbitration of plaintiffs’

claims.¹² See Mitchell v. BMW Fin. Servs. NA, LLC, CIVIL ACTION NO. 1:24-CV-3655-SCJ-CCB, 2025 WL 2743691, at *5 (N.D. Ga. July 22, 2025) (finding the “arbitration agreement broadly cover[ed] any claim arising out of or relating to the sale of the vehicle and the contract and, as such, [p]laintiffs’ [] claims [fell] squarely within the scope of the arbitration clause”), adopted by 2025 WL 2743688, at *1 (N.D. Ga. Aug. 14, 2025); Harris v. Palm Harbor Homes, Inc., 198 F. Supp. 2d 1303, 1306 (M.D. Ala. 2002) (citations omitted) (explaining that the “phrase ‘any controversy or claim arising out of or relating to’ in arbitration agreements covers a broad range of disputes and includes more than those disputes relating to the interpretation and performance of the contract itself”); see also Galloway v. Chait,

¹² Furthermore, the Arbitration Provision provides that any “claim or dispute,” including the “interpretation and scope of [the] Arbitration Provision,” as well as the “arbitrability of the claim or dispute,” shall “be resolved by neutral, binding arbitration and not by a court action.” [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9]. Thus, there is no question that the RISC contains a delegation provision, and the “terms of the RISC make clear that the parties agreed to submit to the arbitrator the question of arbitrability of [p]laintiff[s]’ present claims– all of which arise out of or relate to [their] purchase of the [Tesla] and the relevant financing terms set forth in the RISC.” Powell v. Vroom, Inc., Case No.: 2:22-CV-302-RDP, 2022 WL 4096872, at *4 (N.D. Ala. Sept. 7, 2022) (footnote and citation omitted). That is, the RISC “expressly provides who decides issues of arbitrability.” Id., at *5; see also De Trinidad v. Santander Consumer USA, Inc., CASE NO. 1:24-CV-24711-PCH, 2025 WL 1086383, at *1, 4 (S.D. Fla. Mar. 10, 2025) (citations omitted) (finding the “delegation issue [was] dispositive” and that “all questions of arbitrability ha[d] been delegated to the arbitrator” based upon a nearly identical arbitration provision in a Tesla RISC).

CIVIL ACTION FILE NO. 1:21-CV-03785-WMR-CMS, 2021 WL 8268168, at *3 (N.D. Ga. Dec. 14, 2021) (citations omitted) (explaining that “[c]ourts in this Circuit have ruled that both FDCPA and FCRA claims are arbitrable”), adopted by 2022 WL 1286551, at *1 (N.D. Ga. Jan. 18, 2022); Dennis v. Team Dodge, Inc., Civil Action No. 1:07-CV-1849-ODE, 2007 WL 9747789, at *3 (N.D. Ga. Oct. 25, 2007) (citations omitted) (explaining that statutory and common law claims such as those brought pursuant to TILA, the FCRA, ECOA, and Georgia’s FBPA, as well as claims for breach of contract, conversion, and fraud are subject to arbitration), adopted by 2008 WL 11470917, at *1 (N.D. Ga. May 20, 2008); Rutledge v. Santander Consumer USA Inc., C/A No. 6:20-cv-04214-DCC, 2021 WL 2949860, at *7 n.9 (D. S. C. July 14, 2021) (alterations, citation, and internal marks omitted) (noting that it “would have no difficulty finding that [p]laintiff’s claims [fell] squarely within the scope of the arbitration agreement as the alleged attempts to repossess [p]laintiff’s vehicle, whether lawful or not, clearly [arose] out of or relate[d] to the purchase or condition of th[e] vehicle, th[e] contract, or any resulting transaction or relationship”). Therefore, “under the plain language of the arbitration clause,

[plaintiffs'] claims 'shall be resolved exclusively and finally by binding arbitration.'" Mitchell, 2013 WL 3805041, at *4 (citation omitted).

3. *Non-Signatories to the RISC*

It is undisputed that neither Santander, nor Solomon Baggett, signed the RISC entered into between plaintiffs and Tesla. See [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9]. However, the Arbitration Provision specifically provides that it applies to plaintiffs and Tesla, as well as Tesla's "employees, agents, successors or assigns," [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9], and thus, it specifically applies to Santander, as assignee of the RISC, see Walker v. Hyundai Cap. Am., Inc., CASE NO. CV417-045, 2018 WL 1352173, at *3 (S.D. Ga. Mar. 15, 2018), and plaintiffs have not argued otherwise.

Plaintiffs, however, argue that Solomon Baggett, as a non-signatory, "lacks standing to invoke the arbitration provision." [Doc. 33 at 5]; see also [Doc. 28 at 2-3]. Solomon Baggett points out that the "language of the Arbitration Provision is sufficiently broad to require that all parties to this litigation, even those not a party to the RISC, may be compelled to arbitration." [Doc. 23 at 8]. Indeed, the Arbitration Provision states that it applies to plaintiffs and Tesla and "arises out of or relates to [plaintiffs'] credit application, purchase or condition of [the] [v]ehicle, this contract or any resulting transaction or relationship," including "any

such relationship with third parties who do not sign this contract[.]” [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9]. Pursuant to this language, Solomon Baggett asserts that because it “represented Tesla’s interests related to the possessory right to the [v]ehicle under the terms of the RISC, the dispute between [p]laintiffs and Solomon Baggett . . . clearly arises under the RISC,” it is therefore “a ‘third party’ or such related party as referenced in the Arbitration Provision, and it may compel arbitration of the subject matter of the [a]mended [c]omplaint, along with [p]laintiffs and other parties.” [Doc. 23 at 9]. Additionally, Solomon Baggett asserts the “doctrine of equitable estoppel” applies and allows it to compel arbitration in this case. [Id. at 9-10].

“Under the principles of estoppel, a non-signatory to an arbitration agreement may compel a signatory to that agreement to arbitrate a dispute where a careful review of the relationship among the parties, the contracts they signed . . . and the issues that had arisen among them discloses that the issues the nonsignatory is seeking to resolve in arbitration are intertwined with the agreement that the estopped party has signed.” Heath v. Carson Smithfield LLC, CIVIL ACTION FILE NUMBER 3:17-cv-129-TCB, 2018 WL 4846532, at *3 (N.D. Ga. Jan. 3, 2018) (citation and internal marks omitted). Indeed, courts have found that the “equitable estoppel exception to the general rule is warranted when the signatory to the contract containing the arbitration clause raises allegations of

concerted conduct by both the nonsignatory and one or more of the signatories to the contract.” Drayton v. Toyota Motor Credit Corp., CASE NO. 3:16-cv-46-J-39JBT, 2016 WL 8928704, at *3 (M.D. Fla. July 11, 2016) (citation omitted), adopted by 2016 WL 8929258, at *1 (M.D. Fla. Nov. 10, 2016), aff’d, 686 F. App’x 757 (11th Cir. 2017) (per curiam) (unpublished).

Solomon Baggett points out that it “represented Tesla’s interests related to the possessory right to the [v]ehicle under the terms of the RISC”; “all of [p]laintiffs’ claims arise under the transaction involving the purchase and financing of the [v]ehicle”; plaintiffs allege that the defendants, “allegedly acting in concert, undertook actions related to the purchase and financing of the [v]ehicle”; and that plaintiffs “allegedly suffered damages as a result of the [d]efendants’ actions.” [Doc. 23 at 9-10 (footnote omitted)]. Thus, despite plaintiffs’ argument to the contrary, see [Doc. 28 at 3 (arguing that equitable estoppel does not apply in this case since they “do not seek to enforce the [RISC] against Solomon [] Baggett” and its “liability exists regardless of the contract’s validity or scope”)], Solomon Baggett “is a ‘third party’ or such related party as referenced in the Arbitration Provision,” and additionally, equitable estoppel applies to allow it to compel arbitration, [Doc. 23 at 9-10]; see also Liles v. Ginn-La W. End, Ltd., 631 F.3d 1242, 1256 (11th Cir. 2011) (per curiam) (footnote and citation omitted) (explaining that a “non-signatory to a contract may invoke an

arbitration clause therein under a theory of equitable estoppel, under agency or related principles, or where the non-signatory is an intended third-party beneficiary of the contract”); Rogers v. Glob. Lending Servs. LLC, CIVIL ACTION NO. 1:23-cv-04382-SEG-RDC, 2025 WL 2743682, at *7 (N.D. Ga. July 29, 2025) (finding lender and lender’s agent hired to repossess vehicle, both of which were nonsignatories to the RISC, could compel arbitration), adopted by 2025 WL 2743747, at *1 (N.D. Ga. Aug. 18, 2025); Sweiger v. Calvary Portfolio Servs., LLC, Civil Action No. 2:11-cv-1631, 2012 WL 1940678, at *4 n.3 (W.D. Pa. May 29, 2012) (finding that a law firm hired to collect a debt from the plaintiff could enforce the arbitration agreement entered into between the plaintiff and its client).¹³

4. *Waiver of Arbitration*

Plaintiffs argue that Tesla waived its right to arbitrate” because it “did not elect arbitration when the dispute arose,” but instead, it “chose judicial enforcement” by pursuing the “related Georgia writ proceeding.” [Doc. 33 at 3]. Plaintiffs’ contend that “[a]t no point during the pendency of the state action did

¹³ Furthermore, where a signatory opposes “arbitration by arguing that the non-signatory seeking to compel arbitration lacked ability to invoke the arbitration agreement,” courts have “held that the argument concerned an issue of enforceability under the delegation provision in the contract,” and therefore, “it was a question of arbitrability that the arbitration agreement delegated to an arbitrator.” In re StockX Customer Data Sec. Breach Litig., 19 F.4th 873, 883 (6th Cir. 2021) (alteration, citations, and internal marks omitted).

Tesla move to compel arbitration,” and Tesla’s motion to compel arbitration should therefore be denied. [Id. at 4]. In response, Tesla maintains that “by signing the RISC, the parties clearly and unmistakably agreed to arbitrate waiver,” and additionally, the “arbitration provision [] includes a self-help clause,” which expressly provides that the parties do not waive their rights to arbitration by using self-help remedies, including repossession, and therefore, plaintiffs’ argument for waiver is “baseless.” [Doc 37 at 6-7 (citation and internal marks omitted)]. For the reasons that follow, the Court agrees with Tesla and finds that it has not waived its arbitration rights.

First, the Arbitration Provision in the RISC “delegates the issue of waiver to the arbitrator, and the arbitrator must decide whether [Tesla] waived its arbitration rights.” Lawrence v. Experian Info. Sols., Inc., CIVIL ACTION NO. 1:25-CV-288-MHC-CMS, 2025 WL 1431272, at *7 (N.D. Ga. May 15, 2025) (citation omitted), adopted by 2025 WL 1650380, at *1 (N.D. Ga. June 3, 2025); see also [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9 (emphasis added) (providing that “[a]ny claim or dispute, . . . including the interpretation and scope of this Arbitration Provision, *any allegation of waiver of rights under this Arbitration Provision*, and the arbitrability of the claim or dispute[],” shall “*be resolved by neutral, binding arbitration and not by a court action*”)]. The Supreme Court has held that “a court may not decide an arbitrability question that the

parties have delegated to an arbitrator,” Henry Schein, Inc. v. Archer & White Sales, Inc., 586 U.S. 63, 69 (2019), and the issue of waiver has been expressly and clearly delegated to the arbitrator in the Arbitration Provision in the RISC, [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9]. Because the parties “clearly and unmistakably agreed to arbitrate waiver,” the Court is “obligated to honor that delegation.” Lamonaco v. Experian Info. Sols., Inc., 141 F.4th 1343, 1348–49 (11th Cir. 2025) (alteration, citation, and internal marks omitted). However, even were this issue not delegated to the arbitrator, Tesla “has not waived its arbitration rights.” Lawrence, 2025 WL 1431272, at *7.

In the past, “courts conduct[ed] a two-part inquiry to determine whether a party has waived its arbitration rights.” Id. (citation and internal marks omitted). “First, courts consider[ed] whether under the totality of the circumstances, the party has acted inconsistently with the arbitration right,” and if “a party has done so, courts consider[ed] whether the party’s conduct has in some way prejudiced the other party.” Id. (citation and internal marks omitted). However, the Supreme Court “recently issued an opinion that has abrogated part of this test.” Davis v. RealPage, Inc., CASE NO. 0:23-CV-61683-DIMITROULEAS/AUGUSTIN-BIRCH, 2024 WL 278293, at *2 (S.D. Fla. Jan. 10, 2024), adopted by 2024 WL 278191, at *1 (S.D. Fla. Jan. 25, 2024). In Morgan v. Sundance, Inc., 596 U.S. 411, 415, 419 (2022), the “Supreme Court reviewed the Eighth Circuit’s three-part test for the waiver of

the right to arbitrate. . . . [and] disagreed with the last prong – prejudice – because a federal court assessing waiver of the contractual rights does not generally ask about prejudice and a court must hold a party to its arbitration contract just as the court would to any other kind.” Id. (alteration, citation, and internal marks omitted). Therefore, “the Supreme Court held that courts may not make up a new procedural rule based on the FAA’s policy favoring arbitration.” Id. (citation and internal marks omitted). In Morgan’s “wake, it does not appear that the Eleventh Circuit has fully reevaluated and outlined the proper test or considerations for determining whether a party has waived its right to arbitrate,” but even after Morgan, “the Eleventh Circuit has still explained that a party has waived its right to arbitrate if, under the totality of the circumstances, the party has acted inconsistently with the arbitration right.” Id. (alteration, citations, and internal marks omitted).

Tesla did not act inconsistently with its arbitration rights since the express language of the Arbitration Provision states that neither party “waive[s] the right to arbitrate any related or unrelated claims by filing any action in small claims court, or by using self-help remedies, such as repossession, or by filing an action to recover the vehicle, to recover a deficiency balance, or for individual or statutory public injunctive relief.” [Doc. 14-1 at 12; Doc. 17-1 at 6; Doc. 22-1 at 8; Doc. 23-1 at 6; Doc. 30-2 at 9]. Thus, “the parties contemplated the existing circumstances

and agreed that seeking a remedy [in court to recover the vehicle] would not bar subsequent enforcement of the arbitration provision.” Negron v. Westlake Servs., LLC, 2:25cv476, 2026 WL 796764, at *3 (W.D. Pa. Mar. 23, 2026). “In other words, the parties agreed at the time of contracting that filing suit . . . to [recover the vehicle] would not be a waiver of the right to invoke the arbitration provision,” and therefore, the filing of the petition for writ of possession in the State Court of Carroll County “cannot be construed as a waiver of the right to arbitrate.” Id. In light of the Court’s findings, it is therefore **RECOMMENDED** that defendants’ motions to compel arbitration and to stay the case, [Docs. 17, 23, & 30], be **GRANTED** and this case **STAYED** and **ADMINISTRATIVELY CLOSED** pending the outcome of arbitration.¹⁴

¹⁴ In their respective motions, defendants request that the Court stay these proceedings pending the outcome of the arbitration proceeding. [Doc. 17 at 12-13; Doc. 23 at 1, 10; Doc. 30 at 1]. The Supreme Court recently held that “[w]hen a district court finds that a lawsuit involves an arbitrable dispute, and a party requests a stay pending arbitration, § 3 of the FAA compels the court to stay the proceeding,” but that “courts can, of course, adopt practices to minimize any administrative burden caused by the stays that § 3 requires.” Smith v. Spizzirri, 601 U.S. 472, 478 (2024). Thus, the Court finds a stay in this case would be appropriate if the district court agrees with the conclusion that the claims here should be subject to arbitration but recommends that the case be administratively closed pending the outcome of the arbitration. Indeed, “[a]dministrative closure of a case does not prejudice the rights of the parties to litigation in any manner,” and the “parties may move to re-open an administratively closed case at any time.” Clark v. Discover Bank, CIVIL ACTION NO. 1:25-cv-920-AT, 2026 WL 973262, at *9 n.3 (N.D. Ga. Feb. 24, 2026).

III. CONCLUSION

For the reasons stated, plaintiffs' motion for leave to file a surreply, [Doc. 26], Tesla's motion for an extension of time to answer, [Doc. 31], and defendants' consent motion to stay pretrial deadlines, [Doc. 41], are **GRANTED**, and it is **RECOMMENDED** that defendants' motions to compel arbitration and stay the action, [Docs. 17, 23, & 30], be **GRANTED** and the case be **STAYED** and **ADMINISTRATIVELY CLOSED** pending the outcome of arbitration, and that Solomon Baggett's motion to dismiss, [Doc. 14], be **DENIED AS MOOT**.

The Clerk is **DIRECTED** to terminate this reference.

IT IS SO ORDERED, RECOMMENDED, and DIRECTED this 22nd day of April, 2026.


RUSSELL G. VINEYARD
UNITED STATES MAGISTRATE JUDGE