

Tesla Inc

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Tesla and embattled CEO Elon Musk back court approval of SEC settlement

Tesla (NASDAQ:TSLA) and its CEO Elon Musk are voicing their support for the \$40 million settlement agreement reached this month with the Securities and Exchange Commission on the view that it serves investors' interests, per a Reuters report.

"We therefore respectfully submit that the court should accept and enter the proposed consent judgements," Tesla, Musk and the SEC wrote in a letter filed with the US District Court for the Southern District of New York.

The letter was part of a joint filing that came late on Wednesday and was first reported by Reuters.

The filing came after a US District Court judge last week ordered Musk as well as Tesla and the SEC to explain why the settlement deal they forged was "fair and reasonable".

READ: Musk denies report James Murdoch in frame to become Tesla chair
As part of the deal struck with US regulators, Musk will pay a \$20 million fine and stand aside as the chairman of Tesla for three years, but he will remain at the helm of the electric car maker as its CEO. Tesla has also agreed to pay a \$20 million fine to settle the fraud lawsuit filed by the SEC.

In the wake of the legal action, Musk took to Twitter to mock the Securities and Exchange Commission, calling it the Shortseller Enrichment Commission.

Just want to that the Shortseller Enrichment Commission is doing incredible work. And the name change is so on point!

— Elon Musk (@elonmusk) October 4, 2018

At the center of the controversy which prompted the lawsuit was a tweet Musk sent in early August in which he said he was considering taking Tesla private and that funding had been secured.

Am considering taking Tesla private at \$420. Funding secured.

— Elon Musk (@elonmusk) August 7, 2018

Musk eventually pulled the plug on the plan, but was sued by the SEC for misleading investors about having the funding to take Tesla private.

Tesla shares slipped 2.5% to \$250.51 in Thursday's pre-market session.

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Price: US\$260.17

Market Cap: US\$46329.04M

1 Year Share Price Graph



Share Information

Code: TSLA

Listing: NASDAQ

52 week **High** **Low**
 \$387.31 **\$177.00**

Sector: Manufacturing [T3]

Website: www.tesla.com

Company Synopsis:

Tesla Inc. was founded in 2003 by a group of Silicon Valley engineers who set out to develop a new electric vehicle company. Tesla Inc. uses proprietary technology, world-class design and state-of-the-art manufacturing processes to create a new generation of highway capable electric vehicles. We utilize an innovative distribution model based on company-owned sales and service centers.

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