

For Tesla, effects of Elon Musk's take-private tweet continue

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Tesla and CEO Elon Musk settled with the SEC last year over Musk's tweets about taking the company private, but the fallout isn't over.

The electric-car [company](#) said in a filing Tuesday that it "substantially paid by the end of 2018" \$30.1 million in settlement and legal expenses related to Musk's public statements about a plan to take Tesla private, which did not materialize.

However, Tesla also said that by March 7 it plans to file a motion to dismiss a consolidated class-action lawsuit filed in January by shareholders who accused Musk of violating federal securities laws when he tweeted last August that he had secured financing to take the company private.

Musk's tweet set off a flurry of events that included fluctuations in the company's stock and an eventual settlement with the Securities and Exchange Commission after it turned out that there was no agreement with [private investors](#) to finance the take-private plan.

Tesla and Musk each had to pay \$20 million to the SEC, and Musk had to step down as chairman of the board for three years. In November, Tesla named Robyn Denholm, the chief financial officer of Australian telecom giant Telstra and a Tesla board member since 2014, as its new chair of the board.

Tesla also said in its filing that it is facing six other lawsuits that have

been stayed pending the outcome of the shareholder class-action lawsuit, which was consolidated from nine separate suits. The Palo Alto company said it is "unable to estimate the potential loss, or range of loss, associated with these claims."

The consolidated shareholder lawsuit, filed with the U.S. District Court Northern District of California on Jan. 16, alleges that Musk's tweets caused billions of dollars in damages to those who bought and sold Tesla shares during the two-week period in which the prospect of the company going private was in the air because of the CEO's statements. The suit names the company and Musk as plaintiffs. It also names Tesla's board, which plaintiffs say should have ensured that public communications to stockholders about the company were "accurate and not misleading."

A hearing on the motion to dismiss the [lawsuit](#) is tentatively set for June 20, Tesla said.

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