

Musk ordered to testify again in SEC investigation of Twitter takeover

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Elon Musk has been ordered to testify again as part of an investigation by US regulators into his 2022 purchase of the social media platform Twitter, later renamed X. A California federal court ruling released on Saturday gave the Tesla and SpaceX chief a week to agree with the Securities Exchange Commission (SEC) on a date and place for the interview after Musk refused to attend a previous sit-down in September. In the order, the US magistrate judge Laurel Beeler said the parties had initially agreed to a date “but ultimately the respondent [Musk] did not appear and resists the subpoena on the grounds that the SEC’s investigation is baseless and harassing and seeks irrelevant information”. The SEC sued Musk in October to compel him to testify as part of an investigation into his \$44bn purchase of what is now known as X. The commission also seeks his testimony on whether he followed the law when filling out the required paperwork about Twitter stock purchases as well as whether his statements in relation to buying the platform were accurate. According to the order, Musk’s attorneys had said he would not appear because regulators had leaked information to the media. Musk’s team also argued the investigation was frivolous, and it said document requests as well as demand for testimony again in the face of an investigation “arising from the accidental tardiness of a clerical filing” was troubling government action. Beeler, in forcing an interview, rejected that argument and said regulators had authority to issue the subpoena for relevant information. If the SEC and Musk cannot agree on a date and time for the interview, Beeler said she would hear from both sides and decide for them. The action dates back to a notorious 2018 tweet in which Musk said “funding secured” when he was attempting to take Tesla private. Regulators claimed that was a breach of a securities laws that prohibit publicly traded companies from announcing plans to buy or sell securities if executives do not intend to complete, do not have the means to complete, or are trying to manipulate the stock price. In a settlement, Musk agreed that a Tesla lawyer would vet his tweets about the electric vehicle maker. But regulators sued him again a year later for allegedly breaching the agreement. Musk then petitioned the US supreme court to review the agreement, saying it violates his right to free speech. In 2022, regulators asked Musk for information about the delayed disclosure of his Twitter stake, which he reported a week late. He testified twice that year, the SEC said. A third interview, Musk claims, amounts to government “harassment”. The dispute is not Musk’s only run-in with the government. In November, he lost a bid to stop the federal trade commission (FTC) from continuing to oversee X’s handling of private user data. Musk had called the agency’s action “a shameful case of weaponization of a government agency for political purposes and suppression of the truth!”