

US judge deemed controversial Musk tweet on Tesla 'false': investors

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Tesla founder Elon Musk, now making a hostile takeover bid for Twitter, got himself in hot water in 2018 over statements he made on the social media platform.

A 2018 tweet posted by Elon Musk in which he claimed to have secured

the funding to take Tesla private was deemed "false and misleading" by a judge, according to documents filed by investors suing his electric car company.

The shareholders have accused Tesla of securities fraud over their stock market losses in the wake of the August 7, 2018 tweet, which caused the [share price](#) to fluctuate wildly for several days.

In a court filing late Friday, plaintiffs asked the [federal judge](#) in charge of the case, Edward Chen, to order Musk to stop saying publicly that he "secured" funding to take Tesla private at \$420 a share, as he again stated on Thursday.

In the past, the billionaire entrepreneur has said he was in talks at the time with Saudi Arabia's [sovereign wealth fund](#) and that he was confident he would reach a deal. But no agreement was ever announced.

According to the filing, Chen recently concluded in an order not made public that Musk's statements were "false and misleading," and made "recklessly and with full awareness of the facts that he misrepresented in his tweets."

Plaintiffs accused Musk of engaging in "a high-profile public campaign to present a contradictory and false narrative regarding his August 7, 2018 tweets"—which could influence eventual jurors assigned to the trial set for later this year.

The Securities and Exchange Commission, the US market regulator, also charged him with fraud in the wake of the tweets.

He eventually agreed to a deal to settle the charges, which required Tesla's lawyers to review any social media posts with information deemed "material" to shareholders.

He also paid a \$20 million fine and stepped down as Tesla's chairman.

Musk, who has unveiled a \$43 billion hostile takeover bid for Twitter, said Thursday he felt forced into the deal with the SEC to save Tesla.

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