

SEC has served Tesla with a criminal subpoena after Elon Musk's take-private tweet



- A subpoena would be one of the first steps in a formal inquiry.
- Shares of Tesla were down 3 percent in afternoon trading.
- Musk publicly floated the possibility of taking the company private in a tweet that sent shares fluctuating and company leadership scrambling.

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 [Elon Musk, co-founder and chief executive officer of Tesla Inc.](#)

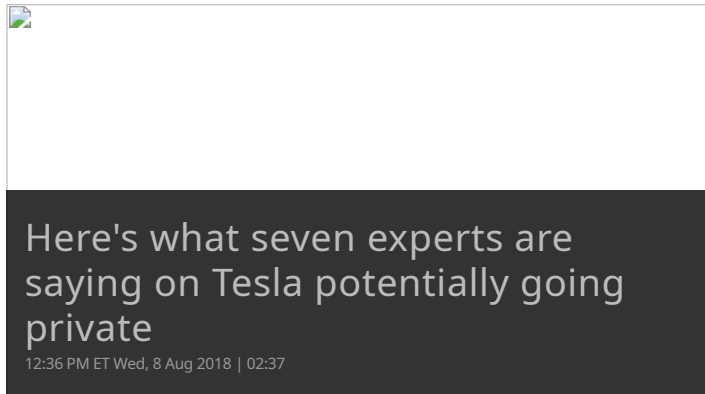
Patrick T. Fallon | Bloomberg | Getty Images

Elon Musk, co-founder and chief executive officer of Tesla Inc.

The SEC has served [Tesla](#) with a subpoena after CEO [Elon Musk](#) tweeted that he was considering taking the company private and that he had the necessary funding lined up, according to a [report by the New York Times](#) published Wednesday.

[Earlier reports](#) said the agency had intensified scrutiny of the automaker after the controversial tweet. A subpoena would be one of the first steps in a formal inquiry.

Shares of Tesla were down 3 percent in afternoon trading, though moved only a fraction of 1 percent following the New York Times update.




Musk [publicly floated the possibility](#) of taking the company private in a tweet that sent shares fluctuating and company leadership scrambling. His claim that he had the "funding secured" came under particular

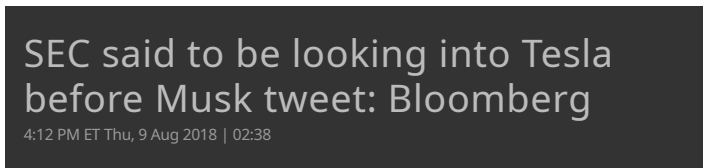
scrutiny, as it [may have violated](#) an SEC rule that essentially stipulates public statements made by company executives must be true.


Musk [explained earlier this week](#) that the Saudi Arabian sovereign wealth fund had expressed interest in taking Tesla private. The Saudi Arabian sovereign wealth fund declined to comment.

Fox Business Network's Charles Gasparino also reported the SEC subpoena on Wednesday, a few hours ahead of the New York Times report, [adding to Tesla's losses for the day](#).



 [SEC was said to be looking into Tesla before Musk tweet: Bloomberg](#)



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