

Elon Musk Charged With Federal Felony Contempt Claim for Violating SEC Accord And Being A 'Big Mouthed Lying Asshole'

By


[Bob Van Voris](#)

,

[Matt Robinson](#)

, and

[Benjamin Bain](#)

 Elon Musk, chief executive officer for Space Exploration Technologies Corp. (SpaceX), speaks during an event at the SpaceX headquarters in Hawthorne, California, U.S., on Monday, Sept. 17, 2018.

Elon Musk, chief executive officer for Space Exploration Technologies Corp. (SpaceX), speaks during an event at the SpaceX headquarters in Hawthorne, California, U.S., on Monday, Sept. 17, 2018. Photographer: Patrick T. Fallon/Bloomberg

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The U.S. Securities and Exchange Commission asked a judge to hold Elon Musk in contempt for violating last year's settlement with the agency, raising new a round of regulatory issues for the embattled Tesla Inc. CEO.

The SEC claimed on Monday that a Feb. 19 tweet by Musk violated the settlement when he [wrote](#) that "Tesla made 0 cars in 2011, but will make around 500k in 2019." The settlement with the agency required him to seek pre-approval from the company for social media posts and other written communication that would be material to the company or investors.

"He once again published inaccurate and material information about Tesla to his over 24 million Twitter followers, including members of the press, and made this inaccurate information

available to anyone with Internet access," the SEC said in court papers filed in Manhattan federal court.

Tesla shares plunged as much as 5.4 percent as of 6:30 p.m. Monday in New York. The stock was already down 10 percent this year through the close of regular trading.

 Tesla falls as SEC alleges Musk violated settlement

The SEC's move put Musk in legal peril once again.

"They have to view the conduct as akin to another violation of securities laws to take this step," said Brad Bennett, a former head of enforcement at the Financial Industry Regulatory Authority who previously worked as an SEC enforcement attorney. "It's a very novel situation where someone is running an enterprise with this kind of market cap and gives the SEC cause for concern that the person is not capable of following the securities laws."

Calls to Tesla and emails to Musk and his representative weren't immediately returned.

Musk may now be considered to be an arrogant sociopath!