

Message

From: Aaron Chew [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=B5A491D99CF04E1CADEE229DE54E142D-AARON CHEW]
Sent: 8/8/2018 6:52:12 PM
To: Martin Viecha [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=9cc9996113c94ca3894a94684bc8eef5-Martin Viec]; Deepak Ahuja [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d53a90ce5c09416485c13b2a9ba1f8b3-Deepak Ahuj]
Subject: Investor Feedback

Quotes below are from ONLY existing shareholders and does not include sell-side analysts, shorts, or those on the sidelines:

ENCOURAGING RESPONSES

- "Depending of course on the final terms, we are very open to retaining a private stake, as there a lot of positives in being private and Tesla probably should be with all that's going on. That said, I am more open to the prospect because I can take most of my shareholders into private investments. While just about all of our PMs at the fund can own private investments (we participated in Dell, for instance), the question will be do they want to?...will they want to accept the lack of liquidity and the mark-to-market valuation discount they have to ascribe to illiquid investments. Based on my preliminary conversations with my PM colleagues, most share my view and only a couple shareholders (small rounding error # of shares) won't be able to. The issue will come down to how much of a private, illiquid stake our PMs are will to retain; it's likely that most will come on board BUT with a smaller stake than they currently own because of the liquidity risk. I have no problem with the \$420 level because I know that's not the end game as I plan on keeping my stock, but my guess is the main hurdle for this deal will be the price, which is far too low for shareholders that are true believers. One key to help winning over shareholders to hold private investments is the frequency to your mark-to-market liquidation events you mentioned in the letter (6 months if not 3 would make it much easier for us to own); this makes it a lot easier to hold the stock." **T. Rowe** (15M shares), though note this is specifically from Joe Fath, the main PM that owns 2M shares at T. Rowe with the caveat that he is speaking for himself (and his 2M shares) and not all of the PMs at the firm. [He also encouraged Elon to call him directly to discuss if he'd like]
- "Open to the idea of private investment but liquidity is a very big deal for us so (a) it depends a great deal on the structure (how pricing is determined every six months, how much can be sold, etc.) and (b) each of the PMs are unlikely to be able to hold as high a number of shares as we do today. The key here you have to figure out is how to be private but still have a liquid security. And for the shares we aren't able to retain privately, the \$420 is extremely disappointing. We've put a lot of work into this stock and given a lot of support and it feels like after all that we won't be getting paid for it." **Fidelity** (12M shares), though note this is strictly from Sonu Kalra one of the largest PMs and he noted he can't speak for all the other PMs (and suggested he get a quorum of PMs over there and connect directly with Elon sometime next week)
- "If this is real, I will recommend that we keep our stake private (though have to verify if we are legally allowed and if so if we can change that). If we aren't allowed, then we would be really disappointed. As \$420 is way too low and leaves us such little upside. Stock is worth so much more." **PRIMECAP** (1.6M shares) with a big caveat that this comes from the main holder at the fund but hasn't been approved by principals/legal at the fund

FRUSTRATED FEEDBACK

UNITED STATES DISTRICT COURT	
NORTHERN DISTRICT OF CALIFORNIA	
Case Number:	3:18-cv-04865-EMC
PLTF / DEFT	
Exhibit No.	155
Date Admitted:	
By:	
Angella Meuleman, Deputy Clerk	

Exhibit 155

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- “This severely undervalues the company and undermines the sweat equity we have put in. We can’t own private investments because we need the liquidity. For those like us that have been supporters through the tough times and see huge upside (we expect \$600 within the next 12 months), this sucks. We have done a lot of work, really believe in the long-term vision, so it’s going to be very sad to have it end at \$420.” [DIAMETRIC]
- “We feel betrayed. We have supported the company and stock for so long and see upside to as much as \$2000/share, but now we will be excluded from the upside.” [HHR]
- “Never expected this outcome; it was not what we were hoping for. We believe in the company’s vision and upside but we can no longer participate because we aren’t allowed to own private companies.
- “Despite the upside of being out of short scrutiny, we believe Tesla sees far more benefit than detracting from being a public company. On the basis that all media coverage is good media coverage, we ultimately think the publicity is a positive for Tesla and helps sell more cars, and improve its reputation.”
- “Very frustrated as the stock is now stuck in limbo. Regardless of whether the deal goes through, this has to be wrapped up as soon as possible with absolute conclusiveness; this can’t be left open ended forever, which will be the worst for the stock. If it takes a long time, frequent updates are needed or the stock will start to languish and drift lower and lower until its resolved.”

ADDITIONAL COMMENTARY

- “We can support the deal, but are very concerned that the financial backing is coming back from international sovereigns/corporates that could be prevented by CFIUS.”
- “Would help to understand if the intention is never to be public again or simply to IPO again years down the road after we have overcome the near-term hurdles. And is that closer to ten years or two.”
- From convertible bond holders that are now in the money: “Will we be able to convert our shares and retain private ownership?”

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