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February 27, 2025

The Honorable Mark Uyeda, Acting Chair  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Dear Acting Chair Uyeda:

I write to request that any decision by the Securities and Exchange Commission to drop or settle the pending lawsuit against Elon Musk for violations of the Federal securities laws be discussed at a public meeting in order to provide full transparency into the SEC's reasoning.

Investors are required to disclose their acquisition of 5% of a public company's stock within 10 days, in addition to their intent to be an active or a passive investor. In 2022, Mr. Musk waited 21 days to disclose that he had acquired a 9% stake in Twitter and concealed his activist intentions. His failure to comply with the law allegedly caused retail investors to sell their Twitter shares to him at artificially deflated prices, costing them an estimated \$140 million.

Although the SEC typically considers enforcement matters in nonpublic closed meetings, the Commission's rules authorize public proceedings if doing so is in the public interest. Mr. Musk is now acting as a Special Government Employee running the DOGE. In this role, Mr. Musk has been given broad authority over the funding and management of federal agencies and has participated in cabinet meetings. Members of DOGE have used this power to seek information about the internal workings of the SEC, and DOGE has sent messages and directives directly to the SEC staff.

In this case, the public interest demands a high level of transparency from the SEC to match Mr. Musk's public responsibilities. A quick shift in the SEC's litigation posture without a public explanation would politicize enforcement and send a message that loyalty to the President can buy protection from the securities laws. To dispel this notion, it is crucial to provide full transparency into your reasoning if you decide to drop, or settle with a slap on the wrist, this case against a politically favored individual for an obvious violation of the law.

Thank you for your prompt attention to this important matter.

Sincerely,



Jack Reed  
United States Senator

cc: Mr. Paul Atkins, SEC Chair-designate