AN OPEN LETTER TO TESLA MOTORS: (Public Response Required!)

Elon Musk, CEO, Tesla Motors, 3500 Deer Creek, Palo Alto, CA 94304, (650) 681-5000

2/28/14- Dear Mr. Musk and The Tesla Board of Directors:

Recently; Numerous ex-Tesla staff and contractors, former suppliers, federal investigators, investigative reporters, investors and ex-partners of Tesla Motors have provided facts about Tesla Motors which are disturbing to the public, Congress, and the market. Please provide clarification of the following charges and concerns in order to resolve outstanding issues between the public and Tesla Motors:

- Are Tesla and Google, essentially, the same entity by virtue of the same investors, agenda and stock market manipulations?
- When damaging news about Tesla emerges, do Tesla and Google investors place multiple stock-buy orders from a multi-billion dollar slush fund in order to make it appear that individual outside investors are excited by Tesla when, in fact, it is only a small internal group of investors "pumping the market"? Does Google "bury" any negative stories about Tesla in their searches on orders from Tesla/Google investors? Is that a violation of securities laws?
- It is said that the Tesla Model S has the most surveillance devices to watch, track, listen-to and broadcast the activities of the occupants, built into it than any other car in the world. Elon Musk has personally told reporters that his cars constantly watch the driver and occupants. Why is that? Why are Tesla and Google obsessed with spying on the public?
- In multiple recorded interviews, Elon Musk is on public record telling the news media that, after careful research, the NUMMI plant in Fremont California would be a very bad choice for Tesla? Why did that suddenly change? What participation did Senator Dianne Feinstein and her husband's real estate Company CBRE have on that decision and the award of the loan to Tesla? Why do Senator Feinsteins staff now work for Tesla? Why did Glenn Greenwald call Feinstein's actions "suspicious"? What political support or funding did Tesla or Google provide to any related political officials?
- From 2008 to 2010 numerous competing electric car companies have charged that Tesla Motors placed Tesla Motors "moles" inside of their companies to intelligence-gather and cause disruption. Is that true?
- Google and Tesla motors share the same venture capital investor groups and alliances. Numerous expert at Tech-Crunch, Valleywag and other industry journals have published articles about the fact that those VC's actively collude with each other to lock competing technologies and companies out of the market and create business monopolies. Did Tesla investors and associates participate in such activities? If so, would that not be a violation of SEC laws?
- Did Tesla and/or Google reward certain politicians with campaign funding, web promotion, revolving door jobs for staff, and other incentives, in exchange for "hot-tracking" State and Federal taxpayer money for Tesla Motors?
- While other companies built consumer priced electric cars before and during Tesla's existence, why did Tesla choose to build an unaffordable car and position the marketing of it to "the 1%" when the money for that car came from the 99% taxpayers?
- Numerous cities were told that they would have the Tesla car factory and then they stated, or sued Tesla, saying Tesla acted "in bad faith" and "used false and misleading information" to induce them to provide assurances which were used to pump the stock market. Why did Tesla lead so many cities on?
- The factory that builds your batteries and the U.S. Government states, in their formal technical documents, that when Tesla batteries are on fire they emit lethal, brain-damaging, carcinogenic, liver, lung and DNA damaging fumes and smoke. Why do you not inform the public of this danger in your literature?
- Lithium ion production kills and terminally sickens workers overseas. Multiple Tesla workers have been burned alive at your factory. OSHA has launched an investigation. What have you done to prevent the accidental and long term injuries to your staff and contractors?
- Bernard Tse, and other main Tesla Engineering staff including: electric engineer Doug Bourn, electrical engineer Andrew Ingram, Brian M. Finn, senior manager of interactive electronics and George Blankenship; while investigating battery purchases for Tesla Motors, received numerous white-papers and technical documents from LG Chem, Panasonic and the U.S. D.O.E and vast numbers of other battery-makers which specifically stated that lithium-ion batteries would be "stressed" and "likely to combust" when used in the configuration which Tesla intended. They stated that the batteries were "not intended for use in cars". Why then, did Tesla still use them? What effect did the monopolistic ownership of lithium ion mining and manufacturing resources by Tesla and Google investors have on the decision to use lithium ion?

- Is it not a fact that a majority of your cars have been sold to your own investors or associates who act as "fluffers" against any bad PR?
- In multiple recorded interviews, Elon MUsk is on public record stating that, at the time of application for the DOE loan Tesla was on the verge of bankruptcy. The DOE loan was mandated under a Federal law known as Section 136. This law stated that no car company could receive money if it was on the verge of bankruptcy. Past accountants of Tesla have stated that Tesla was on the verge of bankruptcy at the time of the loan application. Numerous Tesla staff and contractors have verified this. Did Tesla commit a felony and acquire "unfair advantage" per the GAO?
- Relative to the number of cars sold, why has Tesla had so many Tesla drunk driver related crashes, deaths and homicides. Why are Tesla drivers killing innocent pedestrians simply because the Tesla's "smell bad".?
- Psychographic, demographic and marketing studies have been published showing that Tesla drivers have a higher-than-average inclination towards drugs, strange sexual behavior and risk. Could this account for the number of Tesla crashes and deaths?
- Is it true that safety testing was done on Tesla cars without fully charged batteries and in a moisture-locked environment because Tesla staff knew that fully charged batteries and moisture in a crash WOULD cause a fiery explosion, as they already have?
- Is it not a fact that Google deletes, or hides any bad PR about Tesla on it's network? Would this be considered stock market manipulation in violation of SEC laws?
- Numerous periodicals, including Valleywag, document the fact that Elon Musk sends spy emails to his employees, each with a few words changed in order to track them and see who might reveal anything damaging to regulators?
- Who are all of the property holders and lease-owners of the Tesla and Solyndra, past and current, real-estate?
- According to DOE staff, who were at DOE when the Tesla application was submitted, nothing that Tesla submitted was ever built by Tesla. In fact, these staff state that the vehicle that Tesla eventually sold was not even designed or engineered when Tesla was approved for the loan money, contrary to the Section 136 law requirement. They say that Tesla took the money and THEN hired people to figure out what they were going to do with it. As shown in the DOE files, the engineering of the shipping Tesla cars has no element that was submitted to DOE. Is that true?
- Elon Musks wives and founders have filed lawsuits and made public statements that he is a fraud and coerced them into participation. Is it proper fiduciary practice to allow Mr. Musk to continue with the company?
- Why did Tesla not have to pay the cash participation fee that the Section 136 law said everybody had to pay? Tesla staff stated, at numerous documented Silicon Valley open meetings that they got a "special applicant participation waiver". Why did Tesla get that waiver?
- Did Tesla Motors provide falsified information in order to acquire it's Federal funding?
- Did Tesla Motors provide falsified information in order to acquire it's Federal waivers, tax deferrals, credits and discounts?
- Kleiner Perkins and certain silicon valley VC's, all investors in a number of DOE "winners" (including Tesla, Fisker, Solyndra, A123 and others), organized meetings with a Dmitry Medvedev and other men known by the State Department, CIA, FBI and federal investigators to be involved in Russian mobsterism and then Ener1, Severstal and A123, dark-money funded and run by billionaires (many of whom own lithium mining interests) known by the State Department, the CIA and federal investigators to be involved in Russian mobsterism, were awarded taxpayer funds by Steven Chu, who was nominated by Kleiner Perkins. Was any of this a conflict of interest?
- Why is the only company to receive California State real estate exclusives, exclusive tax waivers, credits and stock enhancers and free rides on taxpayer backs also the same company who's investors were the largest funders of certain State officials?
- Federal communications monitoring of text, voice and email communications of certain highly placed Senators, lobbyists and venture capitalists from 2005 to today should be made available to ALL federal criminal investigators. Have they been? Are one or more Senators blocking this effort because they are compromised?
- Why have so many fraud lawsuits been filed against Elon Musk and Tesla Motors?
- The head of the NHTSA (Strickland) Tesla investigation quit because of increased scrutiny. The facts, such as these, demonstrate that Tesla and Fisker never should have passed any NHTSA safety review. How can the public be assured that ongoing NHTSA investigations regarding Tesla will not be rigged?

- Did Tesla Motors provide falsified information in order to acquire it's State funding? Did Tesla Motors provide falsified information in order to acquire it's State waivers, tax deferrals, credits and discounts? Did Tesla investors bribe, or influence Congress people?
- Did Tesla report tax credits as revenue/sales in stock reports in order to trick investors into thinking Tesla was making profit that it was actually not making?
- Did Tesla staff or owners investors bribe, or influence Congress people? Did Tesla staff, owners or investors provider misleading information to investors? Was there a conflict of interest between Department of Energy staff and Tesla owners, investors or staff? Was there a conflict of interest between White House staff and Tesla owners, investors or staff? Was there a conflict of interest between Senate staff and Tesla owners, investors or staff? Did Tesla Motors use taxpayer money to hire off-shore staff?
- Marketing sales staff from the ad agencies for 60 Minutes, Consumer Reports, GQ, Fortune and other mainstream periodicals have stated that Elon Musk purchased "puff piece" stories about himself in those broadcasts and magazines and that none of those stories were internally generated. Is it good fiduciary practice for an executive to use corporate resources for personal glorification?
- Did Tesla Motors use taxpayer money to purchase supplies offshore that could have been purchased in the United States? Did Tesla Motors participate in a market rigging scam to rig lithium ion purchasing for its investors? Did Tesla Motors participate in a market rigging scam to rig the electric car market for its investors? Did Tesla Motors staff, or owners, sabotage competitors?
- Did Tesla Motors staff, owners or investors exchange campaign funding quid pro quo for business financing?
- Did Silicon Valley companies, owned by Tesla investors and campaign financiers, use internet technology to falsify information to the public in order to manipulate stock market perceptions in violation of SEC, RICO, and various other laws?
- Did Tesla Motors lie about the safety metrics of its lithium ion battery system?
- Was Tesla Motors holding safety metric data in its files which differed fully from the safety metrics data it provided to investors and NHTSA?
- Did Tesla Motors violate securities law by using false information to acquire a federal loan which it then used to falsify its stock metrics in order to "pump" it's stock?
- Did Deloitte accounting firm conspire with Tesla to manipulate market metrics in violation of RICO Statutes and did that firm manipulate Department of Energy review data on Tesla's behalf?
- A U.S. Senator officiated at the opening of the Tesla NUMMI plant and lobbied for Tesla's tax waivers, credits, acquisition of NUMMI and discounts and then that U.S. Senator had their staff work in Tesla's offices. Is it a conflict of interest that this senator received campaign funding and this senator's family received real estate deals from the Tesla and, (next door to Tesla), Solyndra real estate deals?
- Did Welles Fargo conspire with Tesla to manipulate market metrics in violation of RICO Statutes?
- Did Goldman Sachs conspire with Tesla to manipulate market metrics in violation of RICO Statutes?
- Were Department of Energy staff manipulating Tesla funding data in order to favor Tesla and it's campaign funding investors in violation of RICO Statutes?
- Were Department of Energy staff manipulating Tesla funding data in order to disfavor Tesla competitors and competitors to it's campaign funding investors in violation of RICO Statutes?
- Did Tesla owners, staff or investors attempt to delay federal investigations and indictments by asserting influence in violation of RICO Statutes and numerous other laws?
- Documents show there have been more Tesla fires that actually occurred than Tesla has reported in the media. How many actual Tesla factory fires, test car fires and Tesla battery fires have actually occurred?
- Please provide an identification matrix showing campaign backers who were lithium ion investors who had had their contacts exert influence over NHTSA decisions regarding Tesla?
- The Secretary of energy was friends with all of your investors. We have been unable to find the name of even one person from OPM and Congressional nomination file wrapper for Steven Chu's nomination, who Chu did not later give DOE \$\$ or perks to. Why is that?

- The U.S. Post Office, The TSA, The DOE, The GAO, Panasonic and over 100 of the leading technical companies in the world say lithium ion batteries can spontaneously explode. Why do you not disclose this to your buyers in your literature?
- The Tesla can blow-up from it's charger and/or it's batteries. Are there other dangers that have also not been disclosed?
- Is Tesla operating in violation of the patents of any other company?
- By Elon Musk's own admission, at the time of the DOE loan application all of the car designs were \$100,000.00, PER CAR, <u>over budget</u> and they had no final design for a factory production run DFM. How could Tesla have gotten the loan with the worst debt ratio, the least engineering, the greatest financial risk and the least collateral of any applicant?
- Tesla lobbyists worked with Rahm Emanuel in the White House, to arrange their loan deal. Rahm Emanuals Senior Finance Aide was recently arrested for bribes, kickbacks, corruption and money Laundering. Steve Rattner, The West Wing "Car Czar", who Tesla investors worked with to secure the Tesla loan, was also indicted for corruption. Almost everyone at DOE involved in your loan was forced to quit or fired. Does this call your dealings into question?
- Rolls-Royce Holdings said the U.K.'s Serious Fraud Office has opened a formal investigation into bribery and corruption of government officials for cars for the 1%. Does this worry you?
- The NHTSA said that Elon Musk lied about Fire Safety Review approval and who made the request for recall and investigation. Should we trust Elon Musk?
- Tesla got another \$34 MILLION of our tax money in exclusive campaign finance kickbacks for billionaires from the State of California. Why did Tesla billionaires need a few million of our tax money in a recession when people have no jobs?
- The German Tesla "Safety Review" was exposed as "Sham" in that they conducted no safety review and were just told to "pass the car" by your bankers at Deutche Bank! Why did you not disclose that the German's conducted no testing of your battery system of any nature?
- In Tesla's own filed patent applications you state that your batteries WILL explode spontaneously and kill and injure people and burn down their homes. Why did you not disclose this in buyers documentation?
- Tesla is MORE likely to catch on fire than gasoline car"per Bloomberg & MIT. Why did you not disclose this?
- Lithium Ion is "nearly impossible to extinguish, and "acts like solid rocket fuel" say firefighters. Tesla never supplied required battery company CO2 fire extinguishers to car owners. Why not?
- Federal Investigators say you are using "exploding flashlight batteries that were never intended to be used in cars, in an improperly shielded box" to power the car instead of commercial energy storage technology. They say your car has "85% less lithium crash protection on the Tesla than ANY OTHER ELECTRIC CAR". All other companies had to recall EXCEPT Tesla. Why not? What special leverage did you have?
- Over 150 defects and problems per model about the Tesla have been documented on user-forums and in the press including: "Doors lock you in and out. Bad if car on fire!"; "George Clooney Rips Tesla: 'Why Am I Always Stuck On The Side Of The F*cking Road?"; "Tesla "Satisfaction" survey authored by it's own investors/fanboys"; "Tesla seat vibration causes Anal Itching!"; "VAMPIRE POWER DEFECT slams entire Tesla Model S fleet!"; "Numerous defects documented by

owners online." When the NUMMI factory was in use by GM and Toyota only 5 defects per model car produced there occurred. Even after you bought brand new robots, why did the Tesla cars get worse in a pre-configured factory with billions of dollars of past car preparation?

Thank you for your consideration. We look forward to your public response to clarify these issues and concerns.

Sincerely,

The American Independent Auto Association The Friends of Gary Conley Former Staff- Bright Automotive The Ingram Fund Brett Winston Target News Team Anton Westerly

CC: All Members: U.S. Congress; US AG; CA AG; Reuters, WebWire, FBI, GAO, Public Citizen