



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

August 15, 2025

Xuehui Cassie Zhang
Tesla, Inc.

Re: Tesla, Inc. (the "Company")
Incoming letter dated August 11, 2025

Dear Xuehui Cassie Zhang:

This letter is in regard to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Torkild Johansen (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its August 6, 2025 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Torkild Johansen

August 6, 2025

VIA STAFF ONLINE FORM

United States Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, D.C. 20549-7010

RE: Shareholder Proposal Submitted by Torkild Johansen

Ladies and Gentlemen:

Tesla, Inc. (the “Company” or “Tesla”) is submitting this letter to notify the staff of the Division of Corporation Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude a shareholder proposal (the “Proposal”) from its proxy materials (the “Proxy Materials”) to be distributed in connection with its 2025 annual meeting of shareholders (the “2025 Annual Meeting”). Torkild Johansen, an individual (the “Proponent”), submitted the Proposal.

The Company respectfully requests that the Staff advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its Proxy Materials for the reasons discussed below. In accordance with relevant Staff guidance, the Company is submitting this letter and its attachments to the Staff through the Staff’s online Shareholder Proposal Form. Pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Company is simultaneously sending a copy of this letter and its attachments to the Proponent as notice of the Company’s intent to omit the Proposal from its Proxy Materials.

Rule 14a-8(k) and Section E of Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if it submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the Company.

Good Cause for Waiver of 80-Day Deadline under Rule 14a-8(j)(1)

The Company requests that the Staff waive the 80-day filing requirement as set forth in Rule 14a-8(j) for good cause. Under Rule 14a-8(j), the Staff “may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.”

The Company has good cause for filing this letter fewer than 80 days before it intends to file its definitive 2025 Proxy Materials. As the Commission noted in Staff Legal Bulletin No. 14B (Sept. 15, 2004) (“SLB 14B”), the most common basis for a company’s showing of “good cause” is that the company did not receive the proposal until after the 80-day deadline had passed. The Company changed the date of the 2025 Annual Meeting more than 30 days from the anniversary of its 2024 annual meeting of shareholders. Consistent with Rule 14a-8(e)(2), the Company’s board of directors (the “Board”) fixed July 31, 2025, which it determined was a reasonable time before the Company will begin to print and mail the Proxy Materials, as the new deadline for the submission of proposals to be included in the Proxy Materials. The Submission Date, although timely under this deadline, was after the 80-day window under Rule 14a-8(j)(1) had passed. Therefore, consistent with Rule 14a-8(j) and SLB 14B, the Company has good cause for filing this letter later than the typical 80-day window.

The Proposal

The Proposal sets forth the following resolution:

NOW, THEREFORE, BE IT RESOLVED, that the shareholders of Tesla, Inc. request that the Board of Directors authorize the acceptance of Bitcoin as a payment method for Tesla’s products and services, with appropriate measures to manage financial risks and maximize benefits.

A copy of the Proposal is attached hereto as Exhibit A.

Basis for Exclusion

The Company respectfully requests that the Staff concur in our view that, under the Commission's updated guidance in Staff Legal Bulletin No. 14M (Feb. 12, 2025) ("SLB 14M"), the Proposal may be excluded from the Proxy Materials pursuant to Rule 14a-8(i)(7) of the Exchange Act, as the Proposal deals with matters relating to the Company's ordinary business and impermissibly seeks to micromanage the Company.

Rule and Analysis

Rule 14a-8(i)(7) allows the omission of a shareholder proposal from a registrant's proxy statement if the proposal "deals with a matter relating to the company's ordinary business operations." As set out in Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), there are two "central considerations" underlying the ordinary business exclusion. One is that certain matters are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The other relates to the degree that a proposal seeks to "micro-manage" a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.

On February 12, 2025, the Staff issued SLB 14M, which (1) rescinded Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L") and (2) reinstated guidance on "micromanagement" under Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J") and Staff Legal Bulletin No. 14K (Oct. 16, 2019) ("SLB 14K") that had been rescinded by SLB 14L. Taken together, SLB 14M and the reinstated guidance under SLB 14J and SLB 14K make clear that the Proposal is excludable under Rule 14a-8(i)(7), for the following reasons:

- The Proposal relates to matters that are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight; and
- The Proposal impermissibly seeks to micromanage the Company by seeking to impose a specific method for implementing a complex policy.

a. The Proposal Deals with Matters Relating to the Company's Ordinary Business.

The underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." 1998 Release. One of the "central considerations" underlying the ordinary business exclusion is whether a proposal raises matters that are "so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight" relating to a company's "ordinary" business operations. *See* 1998 Release and SLB 14M.

In seeking to dictate the Company's decisions with respect to the payment it accepts for its products and services, the Proposal implicates both of the central considerations identified in the 1998 Release. These decisions are fundamental to management's ability to oversee a company's financial condition. These decisions involve a wide array of business considerations, both on a micro- and macro-level. For example, in requesting that the Company accept Bitcoin as a payment method, the Proposal notes that the use of Bitcoin could implicate complex issues such as "price volatility," brand image and "financial risks." Furthermore, global regulation of cryptocurrency continues to evolve at a rapid pace. The ability of management to react to changing regulations and market conditions is fundamental to its ability to run the Company on a day-to-day basis and is not appropriate for direct shareholder oversight. Citing the same reasons, the Company sought no-action relief from the Commission with respect to a proposal that requested the Company to divest its cryptocurrency assets (the "Prior Cryptocurrency Proposal"). The Staff concurred with the Company's view that the Prior Cryptocurrency Proposal was excludable under Rule 14a-8(i)(7). *See Tesla, Inc.* (May 6, 2022).

The Company understands that there is a "significant policy exception" to the first of the two central considerations under Rule 14a-8(i)(7). Proposals focusing on a significant policy issue may not be excludable "because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." 1998 Release. However, as SLB 14M makes clear, whether the significant policy exception applies depends on the particular policy issue raised by the proposal and its significance in relation to the company, and the Staff "will take a company-specific approach in evaluating significance, rather than focusing solely on whether a proposal raises a policy issue with broad societal impact or whether particular issues or categories of issues are universally 'significant.'" SLB 14M. As a result, the analysis under this prong of Rule 14a-8(i)(7) will focus on whether a

proposal “deals with a matter relating to an individual company’s ordinary business operations or raises a policy issue that transcends the individual company’s ordinary business operations.”

The Company respectfully submits that the Proposal does not focus on a significant policy issue, let alone with company-specific significance. The Proposal and its supporting statements make clear that the focus of the Proposal is Bitcoin’s “ability to incentivize renewable energy use throughout Bitcoin mining, which increasingly relies on sustainable sources like solar and wind, aligning with Tesla’s environmental goals.” Not only does this rationale focus on policy issues related to Bitcoin generally (with only an ancillary reference to the Company’s goals),

The Proponent also fails to cite specific studies to back up these policy claims. This is similar to the vague and generalized policy arguments made in the Prior Cryptocurrency Proposal, which also focused on the environmental impact of cryptocurrencies. In that case, the Staff concurred with the Company that the “significant policy exception” did not apply, notwithstanding the Staff’s broader interpretation of the exception under the now-rescinded SLB 14L. Therefore, notwithstanding references to certain policy issues, exclusion of the Proposal under Rule 14a-8(i)(7) is consistent with both SLB 14M and the Staff’s position on the Prior Cryptocurrency Proposal, since the Proposal does not transcend the day-to-day business matters addressed by the Proposal. Since the release of SLB 14M, the Commission has concurred with the Company’s exclusion under Rule 14a-8(i)(7) of another shareholder proposal that similarly sought to dictate a specific aspect of the Company’s day-to-day operations, which also cited environmental policy arguments. *See, e.g.*, Tesla, Inc. (May 6, 2025) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that sought to prescribe the manner in which the Company manufactured and designed its tires).

As such, the Proposal should be excluded under Rule 14a-8(i)(7) on grounds that it deals with a matter relating to the Company’s ordinary business.

b. The Proposal Impermissibly Seeks to Micromanage the Company by Imposing a Specific Method for Implementing a Complex Policy.

As noted above, Rule 14a-8(i)(7) allows the omission of a shareholder proposal from a registrant’s proxy statement if the proposal seeks to “micro-manage” the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. Explaining the standard for micromanagement, the Commission noted in the 1998 Release that consideration of complex matters upon which shareholders could not make an informed judgment “may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies” (footnote omitted).

Under SLB 14K Section B.4, which has been reinstated by SLB 14M, “[w]hen a proposal prescribes specific actions that the company’s management or the board must undertake without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.” In SLB 14K, the Staff explained that it will focus on the prescriptiveness of a proposal in determining whether a proposal seeks to micromanage the company or inappropriately limit the discretion of the board or management. Further, SLB 14J Section C.3, which has also been reinstated by SLB 14M, specifically states that, in considering whether a proposal micromanages a company, the Staff “looks only to the degree” and “manner in which a proposal seeks to address an issue.”

In this case, the Proposal “seeks to impose specific [...] methods for implementing complex policies” and does not afford the Board and management “sufficient flexibility or discretion in addressing the complex matter presented by the [P]roposal.” Even though the Proposal seems to contemplate discretion for the Board to take “appropriate measures to manage financial risks and maximize benefits,” it specifically prescribes the acceptance of Bitcoin as a payment method for Tesla’s products and services. In this respect, the Proposal limits the discretion of the Company to select alternative payment methods (including other types of cryptocurrency) instead of Bitcoin. This discretion is necessary for the Company and its management in light of the complex and evolving regulatory, technological and market developments surrounding cryptocurrency. For example, for a variety of factors, including environmental considerations, the Company ceased to accept Bitcoin in 2021 and decided to accept Doge. Further, as the Proponent acknowledges, the adoption of Bitcoin as an acceptable payment method requires evaluating the volatility risk of Bitcoin, as well as integration with existing payment platforms. In addition, the decision to accept a new form of payment requires consideration of potential legal, tax and treasury implications. Accordingly, these decisions should be made by the Company’s management team and the Board, which possess the necessary expertise, information and judgment, and not by shareholders at an annual meeting.

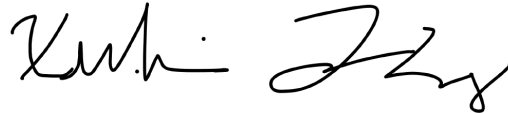
In addition, we note that the exclusion of the Proposal would also be consistent with the Commission's recent decisions under the "micromanagement" prong of Rule 14a-8(i)(7). Since the release of SLB 14M, the Commission has concurred with the Company's exclusion on micromanagement grounds of four other shareholder proposals, each of which also prescribed specific actions and policies for the Board that would unduly limit the ability of the Company's management and Board to manage complex issues in accordance with relevant laws and with the flexibility needed to fulfill their fiduciary duties to shareholders. *See Tesla, Inc.* (May 2, 2025) (permitting exclusion on the basis of micromanagement for a proposal requesting the Board to adopt a noninterference policy upholding the rights to freedom of association and collective bargaining in its operations); *Tesla, Inc.* (May 2, 2025) (permitting exclusion on the basis of micromanagement for a proposal requesting that the Company commit to a moratorium on sourcing minerals from deep sea mining); *Tesla, Inc.* (April 30, 2025) (permitting exclusion on the basis of micromanagement for a proposal requesting publication of an annual report detailing the percentage of veterans, disabled veterans, and individuals with disabilities in its U.S. workforce); and *Tesla, Inc.* (April 30, 2025) (permitting exclusion on the basis of micromanagement for a proposal requesting that the Board adopt and disclose a comprehensive strategy to align the Company's operations and business model with the goals of the Paris Climate Agreement).

Accordingly, consistent with SLB 14K and SLB 14M, the Proposal should be excluded under Rule 14a-8(i)(7) on the grounds that it impermissibly seeks to micromanage the Company by imposing a specific method for implementing a complex policy.

Conclusion

The Company respectfully requests that the Staff concur that it will take no action if the Company excludes the Proposal from the Proxy Materials. If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at cassie.zhang@tesla.com. In addition, should the Proponent choose to submit any response or other correspondence to the Commission, we request that the Proponent concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Sincerely,



Xuehui Cassie Zhang
Associate General Counsel

cc: Torkild Johansen

EXHIBIT A

Shareholder Proposal Letter to Tesla, Inc.

Torkild Johansen
[REDACTED]
[REDACTED]
[REDACTED]

Date: Within Notice Period, July 27, 2025

Tesla, Inc.

1 Tesla Road

Austin, Texas 78725

Attention: Legal Department

Via Email: shareholdermail@tesla.com

Subject: Shareholder Proposal for 2025 Annual Meeting of Stockholders

Dear Sir or Madam,

I am a shareholder of Tesla, Inc. and am submitting the following proposal for inclusion in the proxy statement for Tesla's 2025 Annual Meeting of Stockholders, pursuant to Rule 14a-8 of the Securities Exchange Act of 1934. I meet the eligibility requirements as a shareholder and have included a proof of ownership reports from my broker to verify my holdings.

Shareholder Proposal

Tesla, Inc. Shareholder Proposal for 2025 Annual Meeting

Proposal: Acceptance of Bitcoin as a Payment Method

WHEREAS, Tesla, Inc. is a pioneer in the electric vehicle and sustainable energy sectors, with a mission to accelerate the world's transition to sustainable energy;

WHEREAS, Bitcoin, a decentralized digital currency, offers numerous advantages, including its ability to incentivize renewable energy use through Bitcoin mining, which increasingly relies on sustainable sources like solar and wind, aligning with Tesla's environmental goals;

WHEREAS, accepting Bitcoin as a payment method could expand Tesla's customer base, tapping into the growing demographic of tech-savvy consumers and cryptocurrency enthusiasts, potentially boosting sales of vehicles, energy products, and services;

WHEREAS, Bitcoin's global reach and borderless nature could simplify transactions for Tesla's international customers, reducing friction in cross-border payments and enhancing the purchasing experience;

WHEREAS, companies like MicroStrategy and Block have successfully integrated Bitcoin into their operations, using it as both a payment method and a treasury asset, demonstrating its practical utility and financial benefits;

WHEREAS, institutional adoption of Bitcoin is accelerating, with major financial firms like BlackRock and Fidelity launching Bitcoin ETFs, signaling confidence in its long-term value and stability as an asset class;

WHEREAS, Tesla has prior experience accepting Bitcoin for vehicle purchases in 2021 and holding \$1.5 billion in Bitcoin as a treasury asset, proving its capability to manage cryptocurrency transactions and mitigate risks like price volatility;

WHEREAS, Tesla could address Bitcoin's volatility by converting payments to fiat currency immediately upon receipt or retaining Bitcoin as a store of value, potentially benefiting from its appreciation over time;

WHEREAS, reintroducing Bitcoin payments would reinforce Tesla's brand as an innovative, forward-thinking leader, aligning with its reputation for embracing cutting-edge technologies;

NOW, THEREFORE, BE IT RESOLVED, that the shareholders of Tesla, Inc. request that the Board of Directors authorize the acceptance of Bitcoin as a payment method for Tesla's products and services, with appropriate measures to manage financial risks and maximize benefits.

Supporting Statement

Bitcoin offers Tesla a unique opportunity to enhance its business while staying true to its mission. Studies show that over 50% of Bitcoin mining now uses renewable energy, making it a complementary tool for advancing sustainability—a core Tesla value. By accepting Bitcoin, Tesla could attract a new wave of customers, particularly younger, tech-oriented buyers who value digital currencies. The global cryptocurrency market is projected to grow significantly, and Tesla's early adoption could position it as a leader in this space.

Tesla's previous success with Bitcoin payments in 2021, combined with its experience managing a \$1.5 billion Bitcoin treasury asset, provides a strong foundation for reintroducing this payment option. To address volatility concerns, Tesla could adopt strategies used by other firms, such as instant conversion to fiat or selective retention of Bitcoin for long-term gains.

This move would not only drive financial benefits but also enhance Tesla's brand as a trailblazer in technology and finance. The proposal leaves implementation details to the Board's discretion, ensuring flexibility to act in the best interests of Tesla and its shareholders. We urge shareholders to vote "YES" to support this visionary step forward.

Vote Requested: YES or NO

Shareholder Information

Name: Torkild Julius Bækmand Johansen

Address: [REDACTED]

Email: [REDACTED]

Shares Held: 290

Holding Period: I have held the above shares continuously since 25 July 2024.

Total Shares Held as of 25 July 2025: 630

Proof of Ownership

Attached is a report from my broker, Saxo Bank, confirming that I have continuously held at least \$2,000 in market value for at least one year as of the date of this submission. I intend to continue holding these shares through the date of the 2025 Annual Meeting of Stockholders, scheduled for November 6, 2025.

Intent to Present

I, or a qualified representative, intend to attend the 2025 Annual Meeting of Stockholders (in person or virtually) to present this proposal for a vote.

Contact Information

Please direct any correspondence regarding this proposal to me at [REDACTED] or [REDACTED]. [REDACTED] I have sent a copy of this letter to shareholdermail@tesla.com and request confirmation of receipt.

Sincerely,

Torkild Julius Bækmand Johansen

August 11, 2025

VIA STAFF ONLINE FORM

United States Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E.
Washington, D.C. 20549-7010

RE: Withdrawal of No-Action Request Regarding Shareholder Proposal Submitted by Torkild Johansen

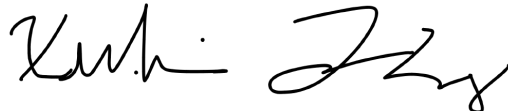
Ladies and Gentlemen:

In a letter dated August 6, 2025 (the "No-Action Request"), Tesla, Inc. (the "Company") requested that the Staff of the Division of Corporation Finance of the U.S. Securities and Exchange Commission exclude a shareholder proposal and supporting statement (collectively, the "Proposal") submitted by Torkild Johansen (the "Proponent"), from the Company's proxy materials to be distributed in connection with its 2025 annual meeting of shareholders.

In reference to the No-Action Request, we submit this withdrawal request. Enclosed as Exhibit A is correspondence sent on August 11, 2025 to the Company by the Proponent, in which the Proponent voluntarily agreed to withdraw the Proposal. In reliance on this letter, we hereby withdraw the No-Action Request.

If the Staff has any questions with respect to the foregoing, please do not hesitate to contact me at cassie.zhang@tesla.com. Thank you for your attention to this matter.

Sincerely,



Xuehui Cassie Zhang
Associate General Counsel

cc: Torkild Johansen

EXHIBIT A

From: Torkild Johansen [REDACTED]
Sent: Monday, August 11, 2025 3:07 PM
To: Cassie Zhang
Subject: Re: Shareholder Proposal Letter to Tesla - Bitcoin

agreed

man. 11. aug. 2025, 21.06 skrev Cassie Zhang [REDACTED]

Dear Torkild,

Thanks for letting me know that you are withdrawing your pursuit of the proposal for the 2025 Annual Meeting. Could you please respond to my email with "agreed" if you are ok with me submitting a response to the SEC that you have withdrawn? This will allow us to end the SEC process.

We appreciate your support of the company's mission to accelerate the world's transition to sustainable energy.

Regards,
Cassie

Cassie Zhang

Associate General Counsel

[1 Tesla Road, Austin, TX 78725](#) [REDACTED]

E [REDACTED]

Please consider the environment before printing this email.
