



## Twitter Soars After Musk Agrees To Close Acquisition At Original Price

### Description

**USA: Update:** Here is the long-awaited letter ([filed as a 13D](#)) from Musk's lawyers at Skadden to Twitter's lawyer at Simpson Thatcher, confirming Musk's willingness to consummate the deal at its original stated terms, with just one potential out: the offer is pending receipt of debt financing proceeds (as well as the trial being adjourned). And so we are right back where we started in April, less some \$50 million in legal fees.

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October 3, 2022

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Professional Corporation  
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Palo Alto, CA 94304-1050  
Attn: Marty W. Korman

Simpson Thacher & Bartlett LLP  
425 Lexington Avenue  
New York, New York 10017  
Attn: Alan Klein

Gentlemen:

On behalf of X Holdings I, Inc., X Holdings II, Inc. and Elon R. Musk (the "Musk Parties"), we write to notify you that the Musk Parties intend to proceed to closing of the transaction contemplated by the April 25, 2022 Merger Agreement, on the terms and subject to the conditions set forth therein and pending receipt of the proceeds of the debt financing contemplated thereby, provided that the Delaware Chancery Court enter an immediate stay of the action, *Twitter v. Musk*, et al. (C.A. No. 202-0613-JSJM) (the "Action") and adjourn the trial and all other proceedings related thereto pending such closing or further order of the Court.

The Musk Parties provide this notice without admission of liability and without waiver of or prejudice to any of their rights, including their right to assert the defenses and counterclaims pending in the Action, including in the event the Action is not stayed, Twitter fails or refuses to comply with its obligations under the April 25, 2022 Merger Agreement or if the transaction contemplated thereby otherwise fails to close.

Sincerely,

/s/ Mike Rangler  
Mike Rangler  
Skadden, Arps, Slate, Meagher & Flom LLP

cc:

Vijaya Gadda, Chief Legal Officer, Twitter, Inc.  
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Elon Musk:  
Alex Sporo, Quinn Emanuel Urquhart & Sullivan, LLP  
Andrew Rossmann, Quinn Emanuel Urquhart & Sullivan, LLP

Bloomberg is reporting, according to people familiar with the matter, that **Elon Musk is proposing to buy Twitter Inc. for the original offer price of \$54.20 a share, valuing the company at \$44 billion.**

The billionaire's **lawyers communicated the proposal to Twitter's lawyers overnight Monday** and filed a letter confidentially with the Delaware Chancery Court ahead of an emergency hearing on the matter scheduled for Tuesday, the person said.

The FT reports that Twitter's legal team is examining the letter sent by the billionaire entrepreneur, according to people briefed about the matter. It is not a given that the social media company will agree to proceed with the deal without guarantees on timing and certainty of closing, those people added.



The deal will include \$13bn in debt from MS, and **Musk paying \$31bn in equity from his own (and friends, presumably) pockets.**

Twitter shareholders voted Sept. 13 to accept the buyout offer as Musk submitted it. The company said at the time that **98.6% of the votes cast were in favor of the deal.**

TWTR shares are soaring on the news (and **halted for news pending**)...



Notably TSLA shares are down on the news...



Musk had been trying for months to back out of his contract to acquire Twitter, signed in April.

**What prompted the sudden fold?** *(Aside from the legal facts of the contract)*

Did yesterday's battle with the blue-checks over Ukraine Peace piss Musk off enough to just say 'fuck it'?

Or was it news that he would be deposed on Thursday or Friday of this week? We wondered two weeks ago...

\*Twitter CEO Parag Agrawal's Deposition Scheduled for Monday Canceled for Personal Reasons, Sources Say — WSJ

\*Elon Musk's Deposition, Proposed for Monday, Pushed Back, Sources Say — WSJ

Settlement?

— zerohedge (@zerohedge) [September 26, 2022](#)

*Either way, ...cue the **mass resignations**?*



...and firings...

And he will soon be unemployed: either Musk buys the company and fires him, or the deal collapses and TWTR trades at \$20 <https://t.co/YRdobwcVdn>

— zerohedge (@zerohedge) [October 4, 2022](#)

by Tyler Durden

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1. Economy-Business-Fin/Invest
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