



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

_____)	
RICHARD J. TORNETTA, Individually)	
and on Behalf of All Others Similarly)	
Situated and Derivatively on Behalf of)	
Nominal Defendant TESLA, INC.,)	C.A. No. 2018-0408-KSJM
)	
Plaintiff,)	
)	
v.)	
)	
ELON MUSK, ROBYN M. DENHOLM,)	
ANTONIO J. GRACIAS, JAMES)	
MURDOCH, LINDA JOHNSON RICE,)	
BRAD W. BUSS, and IRA EHRENPREIS,)	
)	
Defendants,)	
)	
-and-)	
)	
TESLA, INC., a Delaware Corporation,)	
)	
Nominal Defendant.)	
_____)	

**DECLARATION OF FLORIDA OBJECTOR
DAVID ISRAEL IN SUPPORT OF HIS
OBJECTIONS TO PLAINTIFF'S APPLICATION
FOR AN AWARD OF FEES AND EXPENSES**

I, David Israel, pursuant to 10 Del. C. s. 3927, declare as follows:

1. I am furnishing this declaration (the "Declaration") based upon my personal knowledge and in support of the Florida Objectors' Objections to Plaintiff's Application for an Award of Fees and Expenses (the "Objections").

2. My original purchase of Tesla shares (“TSLA”) was on January 18, 2012, over 14 years ago. I started accumulation of shares via my employer-based 401(k) self-brokerage option. My wife also accumulated shares in her IRA and we still maintain a substantial percentage of our retirement holdings in TSLA and currently own approximately 13,246 shares.
3. My first interest in Tesla arose out of my passion and interest in alternative energy and transportation as one of the solutions to maintaining a habitable planet for humanity and my own children. I researched and learned about the subject matter from press, books, videos and discussions with stakeholders. I acquired my first photovoltaic panels in the early nineties and even began to design an electric vehicle while I was employed at Piper Aircraft Corp. in Vero Beach, Florida in the early 90’s.
4. I also closely followed GM’s EV1 program and applied for work in the program, but GM canceled that program and repossessed all of the EV1 vehicles and crushed them.
5. I continued my research and came across AC propulsion (2006), J.B. Straubel, and the early ideas for the first Tesla Roadster in 2008. I was fascinated with not only the vehicle, but the engineering and use of commodity lithium battery cells as a solution to bringing the price of electric vehicles to a level where consumers could begin to purchase them in volume.

6. I joined Tesla Motors Club Blog in 2011 which opened up the Tesla community and a wealth of knowledge about the company, the technology and players in the game. The most important information I gleaned was about Project Whitestar (Model S) and immediately saw the potential of a sedan that was practical and within financial reach of the public, but also competing in its style and performance and that would be the first EV offering that exceeded the performance of ICE (internal combustion engines) vehicles.
7. The people behind the project and company also had the correct motivation, to “accelerate the world’s transition to sustainable energy and transportation.” Tesla was literally the first and still one of only a few companies whose mission statements go beyond enriching shareholders. I gathered every snippet of information I could and eventually went out to Palo Alto to join a group of enthusiasts at an event called Teslive where we enjoyed interactions via break-out meetings, factory tours and events and finally an in person meet up with Elon Musk.
8. That meeting gave us a clear view of the man and his values, and I will never forget when he told our group “I am all in on Tesla and I will be the last out!” The more I learned of his background and history, the more confident my wife and I became about Elon’s character. He literally was and is all in on his commitment to Tesla, and unlike many CEO’s, his wealth comes from his

investment of time and money in his companies, including Tesla.

9. We put a deposit on a Model S as soon as we were allowed and ended up purchasing a Signature Model S (VIN1094). The vehicle confirmed all that I had learned about both the company, the technology and the people behind it all. We had vast access to many Tesla employees early on which again only confirmed prior research.
10. It was after this experience that I realized that if Tesla failed in its mission, we as a species were doomed. With that knowledge, I took ALL of my 401(k) holdings and bought TSLA @ \$26.78.
11. We have attended many Tesla launch events, given innumerable test rides, helped deliver cars at end of quarter delivery events and interacted with hundreds of people on the subject. My education on Wall Street and from the media throughout my researching and owning TSLA has made me aware that success begets enemies and unfortunately people can get ugly and desperate to destroy threats to their success.
12. While there are many things that Elon and I don't see eye to eye on, those things pale in comparison to his ongoing commitment to Tesla's company goal of planetary sustainability and EV affordability. That commitment was evident in his agreement to enter into the 2018 Grant and his unprecedented accomplishment of ALL of the goals in that pay package (which were said to be

impossible by almost all the “experts”). I never dreamed that his compensation agreement, after fully performing it, could be removed after the fact.

13. I voted for the Compensation Plan in the 2018 Grant and voted again for it by voting “YES” in the recent June 13, 2024 shareholder meeting asking for ratification of the prior vote in 2018.

14. I have carefully reviewed the Objections and the references to “Objector’s Declarations at ____,” and affirm, to the best of my knowledge and recollection, the accuracy of those statements, including, without limitation, the following:

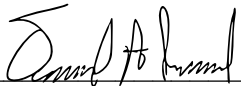
- a. but for Musk, I would not have purchased or held TSLA;
- b. I voted for and supported the 2018 plan in 2018, and reconfirmed that support in the recent June 13, 2024 shareholder meeting where that compensation was ratified by about the same percentage of shareholders as reported by Tesla, and hope and expect that Musk will eventually be paid in full under that plan;
- c. as a long-time shareholders of Tesla shares purchased in large part due to the “Superstar CEO” status of CEO Elon Musk, I object to any award of fees or expenses to the Plaintiff or his attorneys on the grounds that Plaintiff has conferred no benefit to Tesla or its shareholders and, in my opinion, he has harmed them both;

- d. I agree with Cathie Wood, the CEO and CIO of ARK Invest, one of the largest shareholders in TSLA, and her recent post on X saying “I’d argue that no other executive is as aligned with shareholders [including me] as Elon Musk who committed to no salary, no bonus, no stock comp FOR 10 YEARS, unless he created tremendous value for Tesla shareholders.”;
- e. I was not surprised by TSLA’s dramatic loss in value on January 30, 2024, after this Court rescinded the 2018 Grant and voided Musk’s compensation for five years because, in my opinion, Musk adds much more in value than the cost of the shares owed to Musk in the 2018 Grant;
- f. For the same reason, I was not surprised by TSLA’s increase in value on June 13, 2024, as the market learned that Musk’s compensation had been ratified by all shareholders with approximately the same percentage of approvals (as reported by the company, 72% in 2024 and 73% in 2018). If the Plaintiff’s argument that his efforts created a benefit for Tesla and its shareholders were valid at all, especially since he claims creating a benefit as large as \$55 billion, it seems to me that the stock price for Tesla would have plummeted on June 13 instead of increasing in value;

- g. payment of any attorneys' fees to Plaintiff or his attorneys, as with rescission of the 2018 Grant providing compensation and incentives to Musk, would harm me and other shareholders of TSLA, and would harm me as a citizen concerned about the future of our planet, regardless of whether any such payment for attorneys' fees is made in cash or in TSLA shares, since payment in cash obviously reduces the value of all my and all shareholders' investments in TSLA by reducing the book and market values, and payment in shares dilutes my and all shareholders' investments in a similar financial fashion; and
- h. in my opinion, there is no better example of a "Super CEO" on the planet than Elon Musk, and I say that with genuine appreciation for his efforts throughout his lifetime and in anticipation of much more to come.

* * *

Pursuant to 10 Del. C. s. 3927, I declare under penalty of perjury under the laws of the state of Delaware the foregoing is true and correct as of this 14th day of June, 2024.



David Israel