

A Thrash Metal Drummer Cost Elon Musk \$56 Billion This Week By Proving Elon To Be A Greedy Scumbag

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Posted by **wookubus**

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A thrash metal drummer by the name of **Richard Tornetta** has stuck a major blow against billionaire **Elon Musk**. The musician, who previously played in **Dawn Of Correction**, filed suit against **Musk** back in 2018, seeking to halt **Musk**'s company **Tesla** from awarding him a \$56 billion compensation package.

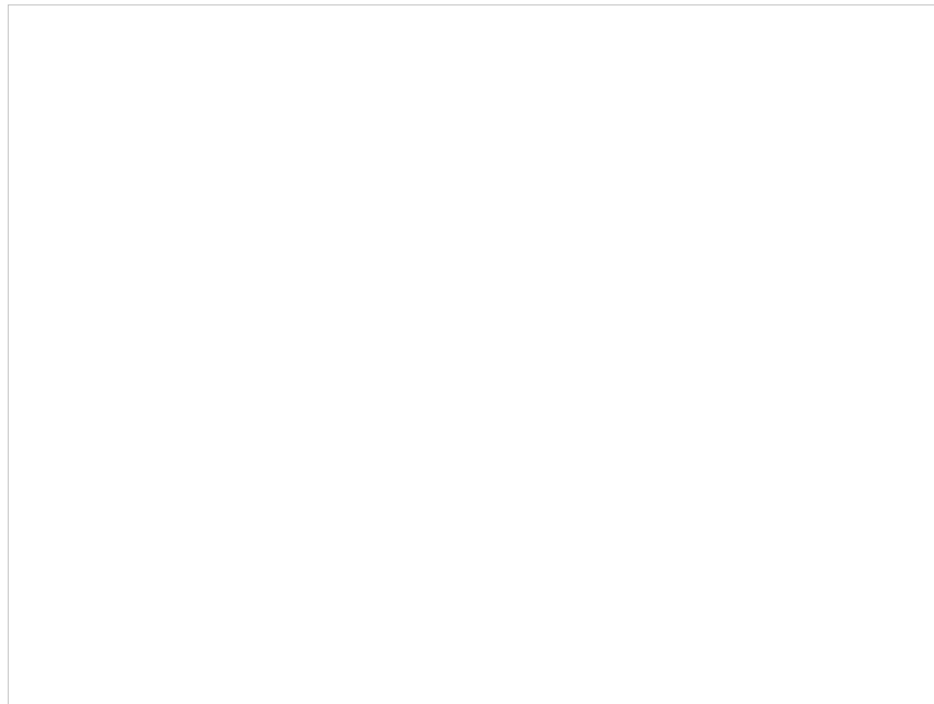
Tornetta took issue with the package, claiming that the **Tesla** board had breached their fiduciary duties in awarding **Musk** the unprecedented compensation package, which was performance-based. **Tornetta**, who holds just 9 shares in **Tesla**, argued that **Musk** "controlled **Tesla**" claiming that the board acted without independence in approving the package.

According to [CNBC](#) the Delaware Supreme Court sided with **Tornetta** on the matter earlier this week, ruling that **Musk** had "extensive ties" and influence over several individuals who had negotiated the compensation package.

Musk commented briefly on the matter:

Never incorporate your company in the state of Delaware

— Elon Musk (@elonmusk) [January 30, 2024](#)



He later hinted at potentially moving **Tesla**'s state of incorporation to Texas. **Greg Varallo**, who represented **Tornetta** in the case, said in a statement:

"We are enormously grateful for the Court's thorough and extraordinarily well-reasoned decision in turning back the **Tesla** board's absurdly outsized pay package for **Musk**. The Court's hard work will redound directly to the benefit of **Tesla** investors, who will see the dilution from this gargantuan pay package erased."



Musk says Tesla will hold shareholder vote ‘immediately’ to move company’s incorporation to Texas

Billionaires

By [Siladitya Ray](#)

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Tesla CEO [Elon Musk](#) on Thursday said the electric vehicle maker will hold a shareholder vote to transfer the company’s state of incorporation to Texas, after publicly lashing out at Delaware—where the company is currently incorporated—over a court decision that voided the billionaire’s massive \$50.9 billion pay package.



Tesla CEO Elon Musk said the company will soon hold a shareholder vote to transfer the company’s state of incorporation to Texas. Visual China Group via Getty Images

Key Takeaways

- In a post on X, Musk [said](#) Tesla would “move immediately” to conduct the vote, but did not give an exact date.
- Musk [cited](#) a poll on his X account, as the rationale behind the decision was that the “public vote” was “unequivocally in favor of Texas.”
- The unscientific poll asking Musk’s followers if the company should change its state of incorporation to Texas received over 1.1 million votes, with 87% voting “Yes.”

Key Background

Earlier this week, a Delaware judge [voided](#) Musk's record [\\$50.9 billion pay package](#) from Tesla in a case brought by a shareholder. The plaintiff argued the massive pay package was unfair to shareholders and the company's board had failed in its fiduciary duty by approving it. In her ruling, Delaware judge Kathaleen McCormick pointed to Musk's close ties with the board of directors, which was "tasked with negotiating" the pay package on behalf of Tesla.

The ruling means Tesla's board will have to come up with a new compensation plan for Musk, unless the company chooses to appeal. Musk reacted by lashing out at the state of Delaware, [tweeting](#): "Never incorporate your company in the state of Delaware." Companies usually pick Delaware as a state of incorporation, despite operating elsewhere due to its tax benefits and corporate-friendly laws.

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Tangent

This isn't the first time Musk has relied on an X poll to make an important business decision. After acquiring X, formerly known as Twitter, the billionaire has repeatedly turned to unscientific polls on the platform to make key policy decisions. In late 2022, the billionaire restored former President Donald Trump's account on X [after a poll](#). Later that year, Musk used another poll to ask followers if he should step down as the social media company's CEO, which [resulted](#) in a majority voting in favor. While Musk presents them as a democratization of important decisions, X's unscientific polls are vulnerable to brigading or manipulation by bots or fake accounts. The billionaire himself has [alluded to these problems](#) when the results of these votes don't favor him.

Forbes Valuation

According to our estimates, Musk's current [net worth](#) is \$182.6 billion, making him the world's [second richest person](#) on the Forbes Real Time Billionaires list. The billionaire [ceded the title](#) of the world's richest to LVMH CEO Bernard Arnault on Wednesday, after the Delaware ruling.

This article was first published on [forbes.com](#) and all figures are in USD.

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