

*This report provides a summary of relevant data and documents we received in response to Freedom of Information Act (FOIA) requests we filed on this company.*

## Confirmed, Undisclosed SEC Investigation

At least once in the past, the SEC had cited the "law enforcement exemption" of the Freedom of Information Act (FOIA) as basis to block the public's access to the detailed records we sought on this company. As a matter of law, the SEC is acknowledging some sort of investigative activity with this response. We filed an appeal with the SEC Office of the General Counsel to challenge that response.

In response to our latest appeal, the date of which is shown in the table below, the SEC stated, "We have confirmed with staff that releasing the withheld information could reasonably be expected to interfere with on-going enforcement proceedings."

Our research shows these proceedings are undisclosed.

### Watch List Status: SolarCity Corp. Added to Watch List of Companies with Undisclosed SEC Probes.

With new data reflected in this report, **SolarCity Corp. is added to our Watch List** of companies with undisclosed SEC probes. **Tesla Motors was already on our Watch List** due to an undisclosed SEC probe that was confirmed as ongoing on 06-Jul-2016. On 17-Nov-2016, Tesla and SolarCity shareholders approved a merger of the two entities.

Per an SEC letter of 22-Apr-2015, SolarCity was involved in two investigations our research shows were undisclosed. One opened Dec-2012 and closed Mar-2013. The second opened Mar-2014 and closed Nov-2014.

Since we know there was at least one investigation in the recent history, we recommend those with an interest ask Tesla what contact its SolarCity unit, and Tesla itself had with the SEC's Division of Enforcement in the past two years

### From the Probes Reporter Database on SolarCity Only:

We filed our first FOIA request on this company in May-2014.

If we alert you to existence of an undisclosed SEC probe – or any response from the SEC – that means we filed a FOIA request on the company in question and have a response, in black-and-white, on government letterhead that supports our statement. Below is our response history for this company –

4-Aug-2014	FOIA Response	SEC blocks access to records over concern their release, "could reasonably be expected to interfere with enforcement activities."
22-Aug-2014	Appeal Response	Two-part appeal response: On-going SEC enforcement proceedings confirmed on appeal; Access to those records remains blocked. Appeal to try to access certain records (previously identified) from a closed, but separate SEC probe(s) of this company was also denied on grounds they are internal SEC documents.
22-Apr-2015	FOIA Response with Document(s)	Documents released on closed SEC probe(s) of this company.
28-Sep-2015	Appeal Response	Appeal to access certain investigative records on closed SEC probe(s) of this company denied.

16-Mar-2016	FOIA Response with Document(s)	Documents released on closed SEC probe(s) of this company. Access to certain other investigative records denied on same probe(s).
10-Jan-2017	FOIA Response	SEC blocks access to records over concern their release, "could reasonably be expected to interfere with enforcement activities."
27-Jan-2017	Appeal Response	On-going SEC enforcement proceedings confirmed on appeal; Access to records remains blocked.

*When the SEC denies access to records on closed SEC probes, they are frequently blocking internal SEC documents known as, "Opening and Closing Reports, including 'Case Closing Recommendation,' 'Matter Under Inquiry Summary,' 'Investigation Summary,' and/or similar documents and/or reports." Where research history is available in our database, we present it above so you can compare it to company disclosures. Other interpretative guidance and disclosures appear below.*

**Notable Disclosures:** Repeated searches of this company’s SEC filings, back to Aug-2012, found no clear disclosures of SEC investigative activity.

**Documents Acquired Under the Freedom of Information Act:** 26 pages of records were released on an investigation that ended in 2014. In a letter of 22-Apr-2015, the SEC also informed us, “we are withholding two 5-page matter detail reports in full.”

The withheld pages represent documents the SEC claims are for internal use only, a claim we consistently find lacking in credibility.

In that same letter of 22-Apr-2015, the SEC also said it found records on two investigations, both of which our research shows were undisclosed. Per the SEC letter, “Moreover, research in our database index indicates that the subject of your request was listed in the matters under inquiry of SolarCity Corporation, which opened December 2012 and closed March 2013 and SolarCity Corporation, which opened March 2014 and closed November 2014.

**Supplemental Data:** None.

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**Independent Investment Research Focused on Public Company Interactions With the SEC.**

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**Notes:** *New SEC investigative activity could theoretically begin or end after the date covered by the latest information in this report which would not be reflected here. The SEC did not disclose the details on investigations referenced herein. All we know is that they somehow pertain to the conduct, transactions, and/or disclosures of the companies referenced above. Companies with undisclosed SEC investigations are maintained on our Watch List of companies with undisclosed SEC probes.*

*The SEC reminds us that its assertion of the law enforcement exemption should not be construed as an indication by the Commission or its staff that any violations of law have occurred with respect to any person, entity, or security.*

**To learn more about our research process, including how to best use this information in your own decision-making, [click here.](#)**

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