



Elon Musk's revised Twitter bid drops margin loan, requires more cash



[Elon Musk](#) is dropping plans to partially fund his purchase of [Twitter Inc.](#) with a margin loan tied to his Tesla Inc. stake and increasing the size of the deal's equity component to \$33.5 billion.

Musk will provide an additional \$6.25 billion in equity financing for the \$44 billion buyout, according to a regulatory filing Wednesday. That's enough to eliminate the margin loan of the same size, which had already been reduced earlier this month.

The new structure could reduce the risk of the deal for both Musk and his lenders, particularly given the recent slide in Tesla's stock price. The electric carmaker has sunk about 40 per cent since Musk first announced his stake in Twitter in early April. An extended slump raised the prospect that he wouldn't have enough unpledged shares to cover the margin loan.

Musk, Tesla's co-founder, is still on the hook for coming up with the full \$33.5 billion equity component. But he can turn to others for help.