

Nikola (NKLA) Stocks Tumble After Announcement That GM Equity Deal Is Cancelled



Detroit, Dec 1, 2020 ([Issuewire.com](https://www.issuewire.com)) - General Motors (GM) has decided to drop its plan to build the Nikola ([NKLA](https://www.issuewire.com)) Badger electric pickup truck and take a stake in the company. GM will still supply Nikola with fuel cell hydrogen technology for its semi-trucks, so there is still a partnership between the two companies.

Throughout the last few months, the controversial company Nikola has been called out for allegations of deception. With its founder Trevor Milton leaving the company and talks of the GM partnership crumbling, NKLA stock began to crumble. GM had been criticized for partnering with a company lacking credibility, causing a disruption in its shareholders.

GM and Nikola have released a joint announcement to confirm the equity deal is officially off the table, but they are still partnering on the semi trucks:

"The agreement between Nikola and GM is subject to negotiation and execution of definitive documentation acceptable to both parties. The MOU does not include the previously contemplated GM equity stake in Nikola or the development of the Nikola Badger. As previously announced, the Nikola Badger program was dependent on an OEM partnership. Nikola will refund all previously submitted order deposits for the Nikola Badger."

In the last five days, NKLA stocks have dropped from \$35.89 to \$17.10, seeing another ugly selloff. GM stocks slightly dropped after the announcement but have gained control back at \$45+. The market has

quickly reacted to the recent news, and ZEV Society will be here to continue its coverage of these [EV stocks](#).

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Source : Nikola

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