United States District Court
Northern District of California
Δ DEFENDANT Δ
Case No. 4:24-CV-04722-YGR
Case Title Musk et al. v. Altman et al.
Exhibit No. DX-0651
Date Entered
Mark Busby, Clerk
By:_____, Deputy Clerk

From: Shivon Zilis [shivon@openai.com]
Sent: 8/21/2017 6:05:17 PM
To: Jared Birchall [jbirchall@muskfoundation.org]
Subject: Fwd: OpenAI possible notes

FYI!

Begin forwarded message:

> **From:** Sam Teller <steller@openai.com>
> **Date:** August 20, 2017 at 11:53:26 PM PDT
> **To:** Shivon Zilis <shivon@openai.com>
> **Subject: Re: OpenAI possible notes**
>
> Thank you. TBH I think unless he's going to have a big call with Greg tomorrow you can communicate this stuff over the phone to E and in person Tues.
>
> On Aug 20, 2017, at 11:40 PM, Shivon Zilis <shivon@openai.com> wrote:
>
> > Unsure if any helpful since it's mostly soft humany things. Lmk what you think, steller!
> >
> > **Chip strategy:** One thing that Greg and Ilya were definitely not factoring into their mental model was the degree to which you're committed to winning the AI hardware battle. They don't know about the conversation you had with Jim re: creating a fab and putting real resources behind the effort. If they knew this, it would likely would deeply color their expectations for who ought to get what in the new structure.
> > **Control vs. Equity:** Greg, Ilya, and Sam have wondered aloud about how you think about those two things and if there is any difference. Greg and Ilya seems less sensitive to short-term control than they are long-term control and having a solid amount of equity. Sam seems less sensitive on equity and more sensitive on control but has been by far the most flexible of the bunch so far.
> > **Timescales:** It feels like Greg, Ilya, and Sam could potentially get on board with 2-3 years of control but are not currently in a mindset to be ok with it for longer than that, given their expectations of how quickly AGI is likely to emerge.
> > **Perception of risks:** Greg seems much more concerned about China than he is Demis or DeepMind. One of his concerns about control is if there is a difference of opinions on strategy because of this divergent beliefs, he will not be able to argue his point. I, of course, did not want to speak for you but shared that in everything I've ever observed, you have always been willing to listen to new data points and update your belief if it's warranted. May be worth reinforcing that.
> > **Funding freeze:** OpenAI is likely to realize this week that their $5M in Q3 funding is, albeit correctly, on hold. Unsure how this will impact negotiations but wanted to flag it since it's likely to have a big psychological impact on them if they find out.
> > **Time commitment:** A point that keeps surfacing for them is how much time you would be able to commit and in what timeframe. They seems to align time and equity split very closely in their minds, whether rightly or wrongly. Giving some guidance on that when proposing a structure may be helpful.

Cerebras: In the meeting this week with Cerebras, Sam A made good on his intention to reset Andrew's expectations to this being a longer process than he was initially hoping for (I'd had the same conversation with Andrew on Monday). Andrew made it clear to Sam that he 100% wanted to move forward. Sam's guess is that, outside of his desire for a deal, he is afraid that Michael James may leave to join OpenAI if the merger doesn't happen.