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To: Sam Teller <steller@spacex.com>, Jared Birchall <jared@excession.com>
Subject: OpenAI Notes from Today
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This was supposed to be a half hour meeting with Greg that turned into a two hour meeting with Greg and Ilya. This is the distillation of the random walk we took… 7 general outstanding questions and their commentary below.

1. Amount of Control?
-Does Elon require absolute control? Is there some sort of scenario where he would accept some sort of creative overrule provision if everyone else (not just the three of them, but perhaps a board including others) disagreed on direction?

2. Duration of Control?
-A complete non-negotiable for all three of them is an ironclad agreement to not have Elon (or anyone) have absolutely control of AGI they create. Satisfying this for them means a situation where, regardless of what happens to the three of them, it's guaranteed that power over the company is distributed after the 2-3 year timeframe.

3. Time Spent?
-How much time does Elon want to spend on this? How much time can Elon *actually* spend on this? In what timeframe? They are comfortable with more control if more time spent. Their fear is that if he's only spending an hour a week he will not have all of the contextual information he needs to make the right decisions. Note that literally everyone acknowledges he has the most accurate visionary sense of anyone they have ever met by orders of magnitude -- they just want to ensure that he has committed to a structure where he will consistently have sufficient forced contextual awareness.

4. What to do with time spent?
-They don't really know how Elon spends his time at the other companies and what he would want to do with OpenAI. I was able to shed light on the former, but didn't want to speak to the latter. If Elon did spend 5+ hours a week committed to this, what would he want that to look like?
-Greg and Ilya are confident they could build out SW / algos. They are not confident on making the right hardware choices and building out those teams. If Elon could make that happen with his hours committed they think it would be a really amazing situation.

5. Ratio of time spent to control?
-They are not ok with low time spent / high control. They are cool with less time / less control.

6. Equity Split?
-Greg still super stuck on this out of an instinct for fairness. I personally disagree with him on many counts for this and shared the others things I thought he should fit into his mental model (Elon's ability to create amazing AGI hardware, raise future money at insanely good rates, accelerate the speed of development, recruit kickass people, Elon's contributions so far).
-He did share a few helpful things though... including that Ilya in some ways has contributed millions by leaving his earning potential on the table at Google, that Greg is literally committing his entire life to this (keep between us but just broke up with this unbelievably awesome woman I know literally because he wanted to focus all his time to safe AGI and he told her that).
-Note: one concern they had was his proposed employee pool was too small. Would have to factor that in.

7. Capitalization Strategy?
-$100M and change doesn't make sense to these guys. They are of the opinion that the datacenter they need alone would cost that. They are guessing the best thing to do is raise much more out of the gate.

Takeaways:
Unsure if any of this would work on Elon's end but a structure that would likely *just* work for them is:
-Elon either spend 5-10 hours a week and has near full control, or spend less time and has less control
-There is a creative short-term override in a completely extreme scenario that was not just Greg / Sam / Ilya.
-There is an iron clad 2-3yr minority control agreement, regardless of the fates of Greg / Sam / Ilya
-There is 200M-1B raised initially.
-Greg and Ilya stakes end up higher that 1/10 of Elon's, but not significantly so.

Δ DEFENDANT Δ
United States District Court
Northern District of California
Case No. 4:24-CV-04722-YGR
Case Title Musk et al. v. Altman et al.
Exhibit No. DX-0657
Date Entered
Mark Busby, Clerk
By:_____, Deputy Clerk