π PLAINTIFF π
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. 152
Date Entered
Mark Busby, Clerk
By: , Deputy Clerk

From: Elon Musk <erm@spacex.com>
To: Shivon Zilis <shivon@openai.com>
Cc: Sam Teller <steller@spacex.com>
Subject: Re: OpenAI notes
Date: Mon, 28 Aug 2017 00:08:50 -0700
Importance: Normal

This is very annoying. Please encourage them to go start a company. I've had enough.

On Aug 28, 2017, at 12:01 AM, Shivon Zilis <shivon@openai.com> wrote:

Elon,

As I'd mentioned, Greg had asked to talk through a few things this weekend. Ilya ended up joining, and they pretty much just shared all of what they are still trying to think through. This is the distillation of that random walk of a conversation... came down to 7 unanswered questions with their commentary below. Please note that I'm not advocating for any of this, just structuring and sharing the information I heard.

1. Short-term control structure?
-Is the requirement for absolute control? They wonder if there is a scenario where there could be some sort of creative overrule provision if literally everyone else disagreed on direction (not just the three of them, but perhaps a broader board)?

2. Duration of control and transition?
-*The* non-negotiable seems to be an ironclad agreement to not have any one person have absolute control of AGI if it's created. Satisfying this 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 initial period.

3. Time spent?
-How much time does Elon want to spend on this, and how much time can he actually afford to spend on this? In what timeframe? Is this an hour a week, ten hours a week, something in between?

4. What to do with time spent?
-They don't really know how he prefers to spend time at his other companies and how he'd want to spend his time on this. Greg and Ilya are confident they could build out SW / ML side of things pretty well. They are not confident on the hardware front. They seemed hopeful Elon could spend some time on that since that's where they are weak, but did want his help in all domains he was interested in.

5. Ratio of time spent to amount of control?
-They are cool with less time / less control, more time / more control, but not less time / more control. Their fear is that there won't be enough time to discuss relevant contextual information to make correct decisions if too little time is spent.

6. Equity split?
-Greg still instinctually anchored on equal split. I personally disagree with him on that instinct and he asked for and was receptive to hearing other things he could use to recalibrate his mental model.
-Greg noted that Ilya in some ways has contributed millions by leaving his earning potential on the table at Google.
-One concern they had was the proposed employee pool was too small.

7. Capitalization strategy?
-Their instinct is to raise much more than $100M out of the gate. They are of the opinion that the datacenter they need alone would cost that so they feel more comfortable raising more.

Takeaways:
Unsure if any of this is amenable but just from listening to all of the data points they threw out, the following would satisfy their current sticky points:
-Spending 5-10 hours a week with near full control, or spend less time and have less control.
-Having a creative short-term override just for extreme scenarios that was not just Greg / Sam / Ilya.
-An ironclad 2-3yr minority control agreement, regardless of the fates of Greg / Sam / Ilya.
-$200M-$1B initial raise.
-Greg and Ilya's stakes end up higher than 1/10 of Elon's but not significantly (this remains the most ambiguous).

-Increasing employee pool.