EXHIBIT C

EXHIBIT 58

In the Matter Of:

ELON MUSK vs

SAMUEL ALTMAN

TASHA MCCAULEY

September 30, 2025



UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

IN RE MATTER OF:	)	
	)	
ELON MUSK, et al.,	)	
	)	
Plaintiffs,	)	
	)	
vs.	)	CASE NO.
	)	4:24-CV-04722-YGR
SAMUEL ALTMAN, et al.,	)	
	)	
Defendants.	)	
	)	

** CONFIDENTIAL **

VIDEOTAPED DEPOSITION OF TASHA McCAULEY

LOS ANGELES, CALIFORNIA

Tuesday, September 30, 2025

Stenographically Reported by:

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Page 2

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
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IN RE MATTER OF:
ELON MUSK, et al.,
Plaintiffs,
vs.
SAMUEL ALTMAN, et al.,
Defendants.

CASE NO.
4:24-CV-04722-YGR

VIDEOTAPED DEPOSITION of TASHA McCAULEY, taken before Heather J. Bautista, CSR No. 11600, a Certified Shorthand Reporter for the state of California, with principal office in the county of Santa Clara, commencing on Tuesday, September 30, 2025, 9:17 a.m., at 2121 Avenue of the Stars, Los Angeles, California 90067.

Page 3

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Page 4

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Page 5

INDEX OF EXAMINATION

	PAGE
TASHA McCAULEY	
EXAMINATION BY MR. HAWES	10
EXAMINATION BY MR. SAVITT	143
EXAMINATION BY MS. PATEL	278
EXAMINATION BY MR. HAWES	286
EXAMINATION BY MR. SAVITT	291

Page 54

time away from -- from working on OpenAI, there was a question of whether OpenAI shareholders should -- should benefit from employee time being -- I believe, you know, if I'm recalling the discussions correctly, it was discussions of that nature.

Also corporate opportunity questions of whether, sort of, products that -- or features that were being offered to -- to startup fund participants, startup fund companies, maybe before -- before general releases that may have given them an advantage that -- I'm -- I apologize. I'm just trying to remember accurately what some of the discussions were.

I think it was really just questions of whether the fund was benefiting Sam, whether the fund was sufficiently -- it was, you know, taking away from potential returns for -- for OpenAI investors. That was the primary gist of it.

Q. (By Mr. Hawes) Okay.

And when you say "corporate opportunity questions" as constituting a part of the concern, what do you mean by that?

A. Yeah. If -- if -- if companies in the fund were getting access to, you know, certain features -- certain -- you know, certain parts of OpenAI's products that weren't available to the general public, that was

Page 55

giving them some -- some benefit that -- I think -- I think the concern being expressed by Mr. D'Angelo is that, you know, some amount of that benefit -- I want to make sure I'm not mischaracterizing what the concern that he was raising in this conversation was, so I'm just making sure I'm articulating it properly.

I think I prefer not to kind of speculate on what his specific concern was. This is approximately what I remember.

Q. Okay.

Just to make sure that I have your full recollection of -- of that memory, was the concern that OpenAI products would be directed or could be directed by Mr. Altman to those companies in which the OpenAI Startup Fund had invested?

MR. SAVITT: Objection. Calls for speculation.

Q. (By Mr. Hawes) You can answer.

A. I think that sounds -- I think that sounds approximately right.

Q. Did you share Mr. D'Angelo's concerns?

A. I -- I would say I think his concerns made sense to me, and I was equally interested in getting clear answers on -- on the structure of the fund and what the situation was.

Q. To your knowledge -- to your knowledge, did the

Page 56

OpenAI Startup Fund -- or strike that.

To your knowledge, did OpenAI provide products to companies in which the OpenAI Startup Fund had invested on a prioritized basis?

A. I -- I remember discussion of that concern. I do not recall specific -- specifically whether or not that happened.

Q. For all of these concerns that you've referenced, who, besides Mr. D'Angelo, did you discuss them with?

MR. SAVITT: Objection.

THE WITNESS: Some parts of this discussion, again, would implicate the privilege, so I -- I won't give you a complete list, but I would say there was a discussion amongst other board members.

Q. (By Mr. Hawes) Which other board members? And with the understanding that I'm not asking for the content of the attorney-client communications.

A. Yeah.

Apologies. I may need to just ask a quick question here. I apologize.

Q. That's perfectly okay.

MS. PETTI: Yeah.

MR. HAWES: Let's go off the record.

THE WITNESS: We're off the record. The time

Page 57

is 10:40 a.m.

(Recess taken from 10:40 a.m. to 11:01 a.m.)

THE VIDEOGRAPHER: We're back on the record. The time is 11:01 a.m.

Q. (By Mr. Hawes) All right.

Ms. McCauley, when we left, the question pending was: Which other board members had you discussed the concerns about Mr. Altman's investments with? And you asked to clarify something with your attorney regarding attorney-client privilege.

A. Yes.

Q. Can you answer that question to the best of your knowledge --

A. Yes.

Q. -- again, with that understanding?

A. Absolutely.

In particular about the OpenAI fund, I think discussion included the full board. What I'm trying to recall is, I don't remember exactly what month this -- like, these discussions were first taking place, so I'm not 100 percent sure if Will -- Will was still on the board, Will Hurd.

But in any case, it was the full board at the time. So at the very least, I think Will would have been there. So, you know, Sam, Greg, Ilya, Adam, Helen,

myself, and likely --

(Stenographer clarification.)

THE WITNESS: -- likely enough Will, although I don't specifically recall what -- what month this discussion took place, so I can't be 100 percent sure.

Q. (By Mr. Hawes) Okay.

We've discussed concerns about Mr. Altman. Did you have similar concerns regarding Mr. Brockman?

A. I did not.

When you say "similar concerns," concerns about undisclosed activities or investments that might have -- could you clarify your question. Sorry.

Q. Did you have concerns regarding whether Mr. Brockman had undisclosed interests in companies that might affect his conduct on OpenAI's board?

A. Not in particular. I don't think that's -- I don't recall having that concern.

Q. Okay.

I'm going to show you what will be marked as Exhibit 2.

(Exhibit 2 was marked for identification.)

Q. (By Mr. Hawes) And this, as it says on the top, is a Unanimous Written Consent of the Board of Directors of OpenAI dated November 16th, 2023, and it's signed by you and the directors.

Do you see at the bottom of Page 1 where it reads "Now, therefore, be it resolved" --

A. Yes.

Q. -- "that the board hereby, effective immediately" --

A. Yes.

Q. -- "terminates Mr. Altman's employment with the corporation and OpenAI GP, removes Mr. Altman from any position in which he serves for the corporation or for OpenAI GP."

A. Yes.

Q. Did the board, in fact, fire Mr. Altman from his position as board member and CEO of OpenAI, Inc.,? on November 16th, 2023?

A. Yes.

Q. Were you one of the board members who voted to remove Mr. Altman?

A. I was.

Q. And the paragraph right above the paragraph that I just read --

A. Yes.

Q. -- do you see where it states, "Whereas the board has lost trust in Sam Altman's ability to be candid and forthright in his communications with the board" --

A. Yes.

Q. -- "and employees of the corporation and OpenAI Global, LLC" --

A. Um-hum.

Q. -- "and is concerned about the resulting impact of his actions on the corporation's mission and as a result, the board desires to terminate Mr. Altman's employment with the corporation and OpenAI GP."

A. Yes.

Q. Had you, in fact, lost trust in Sam Altman's ability to be candid and forthright in his communications with the board?

A. We had.

Q. In general terms, what caused you to lose trust --

(Stenographer clarification.)

Q. (By Mr. Hawes) What caused you to lose trust in Mr. Altman's ability to be candid and forthright?

MR. SAVITT: Objection. Form.

Q. (By Mr. Hawes) You can answer.

A. We -- the board members had a number of experiences where we felt that Sam, you know, wasn't forthright and wasn't honest with the board and other, you know, members of the company, senior leaders, and it led to an erosion of trust, a loss of trust.

Q. And were you, in fact, concerned about the resulting impact of Mr. Altman's actions on OpenAI's mission?

A. Yes, absolutely. Yeah.

Q. How did Sam's conduct affect OpenAI's mission?

A. Well, given that the mission of the company is to ensure that, you know, artificial general intelligence benefits all of humanity, we were -- we needed to be careful that the public's interest, the public good was -- was being considered in each of the decisions; and that was the primary role of the non-profit there, was to say, you know, in any given moment, are the decisions we're making likely to present some considerable risk to the public or not?

And the fact that I think a number of instances made us feel that we could not trust that what we were -- the information we were receiving from the for-profit -- about the for-profit -- about the for-profit's activities via Sam made us concerned that -- you know, in particular, as the technology was accelerating, as stakes were getting higher and higher over time, that we would not be able to sufficiently oversee and to -- to make the decisions we needed to make.

MR. HAWES: Okay.

Page 62

And for the record, Exhibit 2 is Bates stamped OPENAI_MUSK27400.

Q. (By Mr. Hawes) Ms. McCauley, I'll now show you another document. This is going to be marked as Exhibit 3.

A. Okay.

(Exhibit 3 was marked for identification.)

MR. HAWES: And Exhibit 3 is Bates stamped 2024MUSK-11437.

This is a March 28th, 2025, "Wall Street Journal" article titled "The Secrets and Misdirection behind Sam Altman's firing from OpenAI."

THE WITNESS: Um-hum.

Q. (By Mr. Hawes) Do you recognize this article?

A. I -- I do remember seeing it when it came out. I don't know that I read it in depth, but I do recognize it, yeah.

Q. If you turn to Page 3.

A. Yes.

Q. In the third paragraph down --

A. Um-hum.

Q. -- it starts, "This account is based on interviews with dozens of people who lived through one of the" --

(Stenographer clarification.)

Page 63

Q. (By Mr. Hawes) "One of the wildest business stories of all time. The sudden firing of the CEO of the hottest tech company on the planet and his reinstatement days later.

"At the center was a mercurial leader who kept everyone around him inspired by his technological vision, but also, at times, confused and unsettled by his web of secrets and misdirections."

Do you see that?

A. I do, yes.

Q. Were you one of the dozens of people whom the "Wall Street Journal" interviewed for this article?

A. Yes, I believe so.

Q. Do you know anyone else whom the "Wall Street Journal" interviewed for the article?

A. I don't.

Q. On the same page, it continues: "From the start, OpenAI was set up to be a different kind of tech company, one governed by a non-profit board with a duty not to shareholders but to humanity."

Does that sentence, Ms. McCauley, accurately reflect your understanding that the OpenAI board had a duty to -- to humanity rather than to shareholders?

A. Yes, that the non-profit board did, yes. I -- I mean, to give a little more clarity there, the -- the non-profit board's duty was to humanity, and part of the way that we exercised our -- our mandate was to, you know, ensure -- ensure our ability to -- like I said before, oversee the non-profit and also to, you know, support the non-profit in carrying out the -- the objectives it was trying to achieve in the cases that -- that they were supportive of the mission.

Page 64

And so a side effect of that was that this could be very good for investors, but our primary objective wasn't to protect the interest of the investors, so -- yeah.

Q. Okay.

And the next paragraph, the one that's only one sentence, it says, "Behind the scenes, the board was finding, to its growing frustration, that Altman really called the shots. For the past year, the board had been deadlocked over which AI safety expert to add to its ranks. The board interviewed Ajeya Cotra, an AI safety expert, at the EA Charity Open Philanthropy" --

A. Yes.

Q. -- "but the process stalled largely due to foot-dragging by Altman and his co-founder, Greg Brockman, who was also on the board. Altman countered with his own suggestions."

Do you see that?

Page 65

A. I do.

Q. Is that description accurate, to the best of your knowledge?

A. Yes. I -- I think that's -- I think I would consider that accurate. We interviewed a good number of people. Ajeya was one of -- one of -- one of a number of board members -- potential board members that we interviewed for that position, and we had been running that process for quite a long time trying to expand the board toward, you know, including an -- an AI -- like, a safety-oriented board member and, in particular, trying to expand the board towards what we considered a good degree of independence.

Q. Is it -- is it accurate -- you testified that had been -- that process had been going on for quite a long time. Is it accurate that the board had been deadlocked over which AI safety expert to add?

A. Yes. Yeah.

Q. Which AI safety expert did you favor hiring?

A. Well, I think I had, you know, positive views on a couple of them and, you know, there were pros and cons to each. I believe I -- I was receptive to parts of the -- you know -- sorry.

There was a lot to this discussion, and it went for months, so I'm trying to simplify it as much as

possible.

I was on -- I was interested in bringing on a board member that had, yes, you know, an eye to -- to AI safety in particular. I think the independent board members and I were -- were particularly interested in taking steps to increase independence on the board, ideally with a board member who also had an eye to AI safety, so we considered a fairly large number of -- of candidates; and, you know, I think we had some good options among those.

Q. Did Mr. Altman oppose the board members that you were in favor of that were focused on AI safety?

A. Let me think about how to answer this most correctly.

So I think one -- one thing that we found challenging was that it was often difficult to tell -- and I think this is a challenge that I've heard reflected from -- from other people in the company as well. It was a challenge to know what Sam actually thought about things. So even in times where he would express, you know, a positive inclination towards something, I wasn't sure if that was a true positive inclination and then, you know, we would get, you know, sort of negative response from maybe other members of the board. It was -- I think a concern for us was that

it was difficult to tell, you know, how each person actually felt.

So I think there were some cases where -- maybe -- maybe Ajeya Cotra is a good example where I think even Sam, at one point, was positively inclined towards Ajeya. I don't know if he actually had the intention that he wanted her on the board, but was expressing positive inclination there.

So I think what was challenging about the situation was despite an immense amount of discussion and months and months and months going by, we could never actually get to a place where the board could agree on bringing on an AI safety person.

And, by the way, I think this comes on the heels of Sam had made a -- by the best of my recollection, I remember an employee telling me that Sam had made an announcement at an all-hands meeting of the company that he wanted an AI safety-oriented board member, and I remember getting positive feedback from the employee I spoke to about that statement.

And there was clear understanding on the board that that's something we wanted, so we -- as part of the process that I was spearheading on the governance committee, we ran a very comprehensive process to consider new board members; and each of the

safety-oriented board members we brought, we were just unable to make, you know, progress with. I mean, it was -- it was not seeming like we were going to, you know, find one that was suitable.

Q. Was it your understanding that notwithstanding the statements he would make, Mr. Altman, in truth, opposed the AI safety candidates?

MR. SAVITT: Objection.

THE WITNESS: You know, I -- I think -- I think a concern that I had was that -- and I think a concern that was spoken amongst, you know, the independent board members at the time was that we were worried that Sam didn't want to lose control of the board.

So I think -- I don't know about whether it was specifically about an AI safety board member or not. I think it was more a question of whoever we brought on, whether they were going to be favorable to, kind of, Sam's wishes or -- or not.

Q. (By Mr. Hawes) Okay.

And so was it your understanding that Mr. Altman was the reason the board was unable to make progress?

A. I think in -- I think, you know, he was a piece of the reason, you know, each of these -- each of these candidates was found not suitable. I mean, he did go as

far as to make suggestions about different -- by the best of my recollection again, about different candidates, you know, that might be already employees of OpenAI and that kind of thing.

For -- for the AI safety-oriented board member, that wasn't suitable to us, because, again, part of our objective was to increase the independence on the board. We were concerned about the fact we had three employee board members, you know, even though, technically, Sam didn't have meaningful equity, but, I mean, you know, we wanted -- and I think he was technically counted as an independent member, but we were trying to increase the true independence of the board.

Q. Outside of the OpenAI employees, were there other suggestions from Mr. Altman?

A. Yes. Yes. I don't remember a comprehensive list, but he definitely made numerous suggestions, and I think the suggestions from -- from my perspective, and I -- and according to the discussions I had with other independent board members, our concern was that these would tend to be people who would be favorable to him.

Q. Was Mr. Altman's handling of this situation one of the factors you considered in dismissing him?

A. Yes. I would say we were -- we were -- speaking for myself, I was concerned, very concerned,

Page 70

that the premise of the board, we -- that the design of the structure and the way the board was intended to be set up was that the board was -- had a majority of disinterested members. I've -- I have no equity in OpenAI. I've never been paid money by OpenAI. And I -- the decisions I was making as a board member there were, you know, financially disinterested decisions.

I was -- there's also a question of just, you know, Sam has a lot of power in, you know, the tech world and the Valley; and a concern for us was any board member we might be considering who had the, you know, credibility and experience to join OpenAI's board would likely be, you know, motivated and compelled by some degree of wanting to, you know, be on Sam's good side, so to speak, or, you know, just be -- be treated favorably by Sam, I suppose, and so that made it difficult.

You know, we had to sort of -- the filter we were using here was trying to bring on people, in the case of an AI safety board member, who were not otherwise conflicted. If they had sufficient expertise, it was likely enough they were from another lab or something like that, so that made the pool restricted.

And then -- and then also people who we thought would not be -- would be able to stand up to Sam in a

Page 71

moment of need and the kinds of people Sam were recommending, we didn't have a high degree of confidence that that would be true.

Q. On the next page --

A. Yep.

Q. -- if you flip, in the second full paragraph under the picture of Sam, it says, "Concerns about corporate governance and the board's ability to oversee Altman became much more urgent for several board members after they saw a demo of GPT-4, a more powerful AI that could ace the AP biology test in the summer of 2022."

Is that description accurate, to the best of your knowledge?

A. You know, I don't recall that being a particular moment or -- or I don't know that I would have described it that way. I think I was -- I think, from my perspective, over the whole time I was on the board of OpenAI and, in an increasing way, as technology accelerated, I was, you know, concerned about having good corporate governance structures. It wasn't in response to a particular demo.

Q. Okay.

A. Yeah.

Q. In the last paragraph on that page, it says, "Toner and McCauley had already begun to lose trust in

Page 72

Altman. To review new products for risks before they were released" --

A. Um-hum.

Q. -- "OpenAI had set up a joint safety board" --

A. Yes.

Q. -- "with Microsoft" --

A. Yes.

Q. -- "a key backer of OpenAI that had special access to use of technology in its products.

"During one meeting in the winter of 2022, as the board weighed how to release three somewhat controversial enhancements to GPT-4, Altman claimed all three had been approved by the joint safety board."

A. Um-hum.

Q. "Toner asked for proof and found that only one had actually been approved."

Do you see that?

A. I do.

Q. Is that description accurate, to the best of your knowledge?

A. Yes.

Q. Had you, in fact, begun to lose trust in Altman at that point?

A. Yes.

Q. Why?

Page 73

A. Sorry. Are you asking were we losing trust in him as a result of this particular incident or just more generally? I think --

Q. Let's start with this specific.

A. Yes.

Q. What about this incident contributed to you losing trust in Altman?

A. Well, because I think the joint safety board was there to ensure that we could be assured that products that might have, you know, potential negative impacts that we -- you know, potential negative impacts could go through a reliable process and that the result of that process would be shared with the board and that the board could have input on the -- the -- you know, the way the process was run and the results of the process; and when we were seeing that we were getting assurance that certain -- you know, certain enhancements to the -- to the model had been approved and hadn't, it was very concerning to us.

I mean, not just -- I think that -- that particular incident was, maybe, one small illustrative example of -- of things like that that were occurring that I think -- you know, put together, gave us -- gave us a broader concern that we might not be able to trust that the processes were working, the processes we put in

Page 74

place.
Q. And I think you mentioned this incident previously.
A. Yes.
Q. Were you there personally when those assurances were made?
A. Yes.
Q. And then at some point, did you become aware that only one of the three enhancements had actually been --
A. Yes.
Q. -- approved?
A. I believe -- yes -- yes, I did become aware.
Q. Do you remember how you became aware?
A. Yeah. I was just trying to think. I believe there was, not too long after the board meeting, another board member surfaced that concern via e-mail, if I recall correctly.
Q. Okay.
And you -- you touched on this, but as an OpenAI board member, was it important to you that enhancements to OpenAI's products be approved by the joint safety board?
A. Yes.
Q. Why was that important?

Page 75

A. As I said -- I mean, I think the -- in general, this is because there are unintended consequences that can come from very complex AI systems that, you know, can have damaging effects on society, potentially, so having a process in place to prevent those is -- is critical.
I would say, in the case of these earlier products, I don't think we were -- you know, I don't think we thought that these particular products were going to have specific negative effects; it was that we needed assurance in these early days that the processes we were putting in place were functional.
So the evidence we were getting that these processes were not functional was very concerning to us. And even if the processes themselves were running properly, the fact that we weren't being informed about the results of them, you know, made them -- made them dysfunctional. So -- yeah.
Q. Was this situation one of the factors that you considered in dismissing Altman?
A. Yes.
Q. If you flip to the next page. In the first paragraph, the article states, "Around the same time, Microsoft launched a test of the still unreleased GPT-4 in India, the first instance of the revolutionary code

Page 76

being released in the wild."
A. So sorry. I'm actually -- tell me where you are, which paragraph.
Q. I think if you flip back one page.
A. Oh. I'm sorry.
Q. The top part.
A. Yeah. Okay.
Q. "Around the same time, Microsoft launched a test of the still unreleased GPT-4 in India" --
A. Um-hum.
Q. -- "the first instance of the revolutionary code being released in the wild" --
A. Um-hum.
Q. -- "without approval from the joint safety board, and nobody had bothered to inform OpenAI's board that the safety approval had been skipped."
A. Yes.
Q. "The Independent board members found out when one of them was stopped by an OpenAI employee in the hallway on the way out of a six-hour board meeting; never once in that meeting had Altman or Brockman mentioned the breach."
Is that description accurate, to the best of your knowledge?
A. Yes.

Page 77

Q. Is that one of the incidents you described previously in your testimony?
A. Yes.
Q. Around what time did that incident occur?
A. What time of day? I'm sorry. What time -- sorry.
Q. Around what date?
A. Apologies.
This would have been in the -- in December -- early December of 2022 after this day-long board meeting, yes.
Q. And what -- strike that.
Were you the independent board member who was stopped by an OpenAI employee in the hallway?
A. Yes.
Q. So is that how you found out that the code had been released?
A. That's how I found out, yeah, walking -- leaving the board meeting, I found out, you know, in a -- you know, in what I consider a pretty happenstance way; I ran into an employee in the hallway and had a discussion, and it was mentioned.
Q. Did they mention that it had specifically been released without approval from the joint safety board?
A. I -- that was at least the implication --

Page 78

MS. PATEL: Objection. Form.
Sorry.
Objection. Form.
THE WITNESS: Apologies. Yeah.
I -- I'm trying to recall the specific, you know, wording, whether it was just described as -- as a -- I don't recall the specific wording, but that was the, you know, understanding I had; that was certainly, at the very least, the implication. I actually -- sorry. I don't want to speculate. I don't know.
Q. (By Mr. Hawes) That's fine.
At some point, did you find out that it had been approved for release without the joint safety board's approval?
A. Yes.
Q. What do you recall about how you found that out?
MR. SAVITT: I'm sorry. Could you --
(Stenographer clarification.)
MR. SAVITT: I don't mean to interrupt your question. I just want to make sure I knew what the "it" was in your question you just asked.
THE WITNESS: Are you asking -- sorry.
MR. HAWES: I'll -- I'll rephrase.
THE WITNESS: Okay. Yes.

Page 79

MR. SAVITT: Thank you.
I apologize.
THE WITNESS: Sorry.
Q. (By Mr. Hawes) What do you recall about how you found out that the still unreleased GPT-4 had been released in India without joint safety board approval?
A. Yes. I recall that I did not know about this breach, and when I exited a six-or-so-hour board meeting, I ran into an employee on the way out of the company, and that employee and I had a conversation. The employee mentioned the breach.
I do believe -- I mean, the understanding that I had was that it was without the -- you know, that it was against --
(Stenographer clarification.)
THE WITNESS: That it was going against DSB approval, because this particular employee I was speaking to was on the deployment safety board and was talking about this as a breach pertaining to that. So that -- you know, that was my understanding.
Q. (By Mr. Hawes) All right.
And did Mr. Altman's failure to inform you of that cause you concerns?
A. Yes.
Q. Okay.

Page 80

Would the release of unapproved models by OpenAI present an AI safety risk?
A. Yes, it potentially could. You know, I think, as I said before, we didn't know of any specific -- specific risks with these particular models, but there's absolutely the risk that models can -- can contain -- you know, that models can present risks; that they can have unintended consequences, so for that reason, having these processes in place was -- was very crucial in the eyes of, you know, the board; at least myself, I'll say.
Q. So was that one of the reasons that it caused you concern?
A. Yes. Yes.
Q. Okay.
If you flip to the next page --
A. Yep.
Q. -- Page 6.
A. Um-hum.
Q. Was Mr. Altman's handling of the -- of the release of GPT-4 in India without joint safety board approval one of the factors you considered when you decided to dismiss him?
A. Yes. Yes. It -- sorry. I -- it was one of the factors we considered.

Page 81

Q. Okay.
Now, if you flip to the next page. This is Page 6 of 9.
A. Okay.
Q. In the second full paragraph, do you see where it reads, "To the independent board members, the administrative oversight defied belief and cast previous oversights as part of a possible pattern of deliberate deception. For instance, they also hadn't been alerted to the previous fall when OpenAI released ChatGPT, at the time considered a research preview that used existing technology that ended up taking the world by storm."
Is that description accurate, to the best of your knowledge?
A. Um-hum. Yes.
Q. Was Mr. Altman's handling of that situation also one of the factors that you considered in dismissing him?
A. Yes.
Q. Flip to the next page. Right under the photograph, it says, "Toner had published a paper in October that repeated criticisms of OpenAI's approach to safety. Altman was livid. He told Sutskever and McCauley" -- apologies.

Page 82

"He said" -- "He told Sutskever that McCauley had said Toner should obviously leave the board over the article. McCauley was taken aback when she heard this account from Sutskever. She knew she had said no such thing."

A. Um-hum.

Q. Is that description accurate?

A. Yes.

Q. Do you recall the paper Ms. Toner published?

A. Um-hum. Yes. Sorry. I know I sometimes nod.

Q. Thank you.

A. Yes.

Q. What concerns did that paper raise?

A. I think it was quite an academic paper, and the organization --

(Stenographer clarification.)

THE WITNESS: -- the organization that Helen works for sometimes puts out these -- these kind of academic papers, and I think they were talking -- you know, I don't recall the bulk of the paper of -- of what it was talking about, but I believe it was, you know, addressing some, you know, maybe, you know, safety approaches by -- by various labs, and I think Sam was unhappy with the way that the paper discussed something about OpenAI's handling of safety. And -- and I think

Page 83

he was, you know, concerned that that just was not appropriate for a board member; that it wasn't supportive of -- of OpenAI.

Q. (By Mr. Hawes) When you refer to "Helen," are you referring to Ms. Toner --

A. Helen Toner --

Q. -- who was referenced in the article?

A. Yes.

Q. And you say that Sam was unhappy with the way the paper discussed something about OpenAI's handling of the safety. What discussions did you have with Mr. Altman about that?

A. Sam wanted to talk on the phone about it. We had a brief conversation about it. And I think, by the best of my recollection, what I said was something along the lines of, you know, "You might want to -- to convey your concerns to Helen." I can say for certain it involved no -- no indication of any kind that Helen should leave the board or anything of that nature. It was -- it was, you know, nothing of that nature.

Q. And at some point, did you learn that Mr. Altman had attributed the statement to you that Ms. Toner should obviously leave the board?

A. Yes.

Q. How did you find out?

Page 84

A. I was having a conversation with Ilya Sutskever, and he said that in a conversation with Sam about the -- after discovering the paper, that Sam had spoken to me and that I had said -- I think the quote I recall was "Helen's obviously got to go."

And I think also, in subsequent conversations, he said that Sam indicated he had talked to me on subsequent occasions and that I maintained that she needed to leave the board.

Q. How did you react upon hearing about that?

A. I was very displeased. This was absolutely not reflective of something I said or thought in any way. I think Helen was a -- a good independent board member. I don't think -- I think Sam didn't -- well, I won't speculate, but I was very displeased and very concerned.

I believe I called -- I called some other board members. I called Adam, I called Helen, and we discussed the fact that there was an untrue thing being said, it seemed with the intention of -- of pushing Helen off the board.

Q. And was Mr. Altman's handling of that situation one of the factors you considered in dismissing him?

A. Yes.

Q. If you look one -- two paragraphs below the photo on that page --

Page 85

A. Yes.

Q. -- it states, "Sutskever and Murati had been collecting evidence" --

A. Yes.

Q. -- "and now Sutskever was willing to share."

A. Um-hum.

Q. "He e-mailed Toner, McCauley, and D'Angelo two lengthy PDF documents using gmail's self-destructing e-mail function. One was about Altman; the other about Brockman."

A. Yes.

Q. Do you see that?

A. I do.

Q. Is that description accurate, to the best of your knowledge?

A. Yep. Yes.

Q. What did Mr. Sutskever's e-mail about Mr. Altman contain?

A. It contained a number of examples of what he considered dishonest behavior or problematic behavior; I would say some of the concerns we were considering. So there were -- maybe I'll just back out to say there was a few buckets of concerns.

There was concern about sort of our ability to oversee -- you know, properly oversee the company and

Page 126

Q. And were you contacted in connection with that investigation?
A. Um-hum. I was.
Q. What were you asked?
A. What was I asked?
Q. Um-hum.
THE WITNESS: I have questions about --
MS. PETTI: May we take a break?
MR. HAWES: Strike it.
And, yes, we can take a break if you'd like. Let's go off the record, please.
THE VIDEOGRAPHER: We're off the record. The time is 1:12 p.m.
(Recess taken from 1:12 p.m. to 1:27 p.m.)
THE VIDEOGRAPHER: We're back on the record. The time is 1:27 p.m.
Q. (By Mr. Hawes) Ms. McCauley, we were just discussing an investigation that Wilmer Hale did into the circumstances surrounding Mr. Altman's --
A. Yes.
Q. -- dismissal.
A. Right.
Q. Did you ever review a summary of the investigation conclusions?
A. I did not.

Page 127

Well, apologies. If you're asking about a written report or something generated by the investigation, I did not.
If you're talking about the public very, very brief summary that OpenAI provided, I did see that. So if that's what you mean by "summary," I saw -- I saw a public statement about it or --
Q. Okay.
Did you agree with the summary that you saw?
A. I think, if I recall correctly, the summary was that the board acted within its, you know, discretion in making the decision to fire Sam -- I'm just trying to recall the summary -- and -- but that it didn't -- that the circumstances didn't mandate removal, if I'm remembering approximately correctly.
I -- if that's -- if that memory is correct, then -- I would say a question of whether the behavior we saw mandates removal, is just maybe -- you know -- you know, subject to the -- to the viewer's opinion, but I -- from our perspective, I think it -- it was fair that it characterized it as us acting within our discretion and being -- being justified in making the decision we did.
Q. I'm going to show you a document that's going to be marked as Exhibit 9.

Page 128

(Exhibit 9 was marked for identification.)
MR. HAWES: This is a document with -- Bates stamped MSFT_MUSK58581.
THE WITNESS: Yes.
MR. HAWES: It's a May 26, 2024 --
(Stenographer clarification.)
MR. HAWES: -- article from "The Economist" written by yourself and Ms. Toner --
THE WITNESS: Yes.
MR. HAWES: -- titled "AI firms mustn't govern themselves say ex-members of OpenAI's board."
THE WITNESS: That's right.
Q. (By Mr. Hawes) Did you co-author this article?
A. Yes.
Q. Are all the factual statements in this article accurate, to the best of your knowledge?
A. Yes.
Q. Why did you decide to publish this?
A. As I explained earlier, I think there were a number of complicating factors right around the time of Sam's firing that made it difficult for the board to convey a summary of its reasoning apart from the very high-level summary we provided in a couple of our announcements around that time.
And I think we wanted to have something out

Page 129

there in our words that explained a bit more about what our reasoning was.
Q. On Page 2 --
A. Yes.
Q. -- middle of the first paragraph, it says, "When we were recruited to the board of OpenAI" --
A. Yes.
Q. -- "Tasha in 2018 and Helen in 2021" --
A. Um-hum.
Q. -- "we were cautiously optimistic that the company's innovative approach to self-governance could offer a blueprint for responsible AI development, but based on our experience, we believe that self-governance cannot reliably withstand the pressure of profit incentives."
A. That's right.
Q. What experience led you to believe that self-governance cannot reliably withstand the pressure of profit incentives?
A. The experience we had at OpenAI -- I think part of the way I described it toward the beginning, which is -- I think the reason we were optimistic is because the company was oriented in a very public way around its mission, and it had created a structure that would allow the empowerment of that mission, even in the face of

extreme pressure from investors, for example.

But the piece that would make that work correctly was really, you know, the leadership and the leadership's willingness to allow the board the proper oversight, allow the board to make decisions that were informed. And because we didn't have that piece, we were not able to really make that innovative structure work at OpenAI.

That's not to say that it's impossible for a self-governance structure to work. What we were saying here is, it can't reliably -- this can't be the primary mechanism by which AI governance happens.

(Stenographer clarification.)

THE WITNESS: Basically, that we need good regulatory frameworks to support the responsible development of AI, because if we're relying on private companies to consider the interests of the public, they can't be ultimately responsible for doing that because of the potential for these internal misalignments that come from -- the situation I've described, that come from interests that are at odds with one another.

And it all comes down to kind of one CEO making those decisions, and we have the public good at stake. That's very sub-optimal, so -- so that's what this was saying.

Q. (By Mr. Hawes) This mentioned profit incentives. What profit incentives was OpenAI experiencing?

A. Well --

(Stenographer requested to go off the record to address an equipment issue.)

THE VIDEOGRAPHER: We're off the record. The time is 1:34 p.m.

(Recess taken from 1:34 p.m. to 1:38 p.m.)

THE VIDEOGRAPHER: We're back on the record. The time is 1:38 p.m.

Q. (By Mr. Hawes) Ms. McCauley, we were just discussing the profit incentives that are mentioned in this article, Exhibit 9.

A. Yes.

Q. In your time on the board, what profit incentives did OpenAI experience?

A. Well, the company was developing -- you know, was commercializing a number of products in the time that I was there, so it stood to make money on those products, and those are the profit incentives I'm talking about.

I'm also talking about profit incentives for -- for investors who had invested in the company -- well, let me just make sure I see the wording exactly.

Q. In the middle of that first paragraph, it says --

A. Yeah.

Q. -- "Self-governance cannot reliably withstand the pressure of profit incentives."

A. Yeah, exactly. So, you know, there were many players who stood to get a return from the company, and those -- those stakeholders would have -- you know, there was potential for those -- those -- those stakeholders to apply pressure.

Q. Was OpenAI able to withstand those profit incentives effectively?

MR. SAVITT: Objection.

THE WITNESS: In my experience -- I mean, this is at the heart of the issue we're talking about. In my experience, we were concerned that, you know, decisions were being made that we didn't see as prioritizing the mission that the company was oriented around. And in our experience, that seemed to have potentially been motivated by profit interests.

Q. (By Mr. Hawes) Later on the page in the second full paragraph --

A. Yes.

Q. -- it says, "If any company could have successfully governed itself while safely and ethically

developing advanced AI systems, it would have been OpenAI. The organization was originally established as a non-profit with a laudable mission to assure that AGI, or artificial general intelligence, AI systems that are generally smarter than humans, would benefit all of humanity. Later, a for-profit subsidiary was created to raise the necessary capital, but the non-profit stayed in charge. The stated purpose of this unusual structure was to protect the company's ability to stick to its original mission, and the board's mandate was to uphold that mission."

A. Yes.

Q. "It was unprecedented, but it seemed worth trying. Unfortunately, it didn't work."

What did not work about the for-profit subsidiary structure?

A. I think what I described before about -- I do think the -- the reason I say that we went in cautiously optimistic about the structure itself -- I mean, the structure was being conceived of when I joined the company. As I said, I joined when it was still a non-profit, so I was there -- came in kind of like right before it -- it transitioned.

And I think, structurally, we were optimistic. I was optimistic upon coming in and Helen, as she said

Page 134

in this article as well, that that structure would lend itself a good chance of self-governance if we were achieving the necessary leadership buy-in.

And that's the piece that I think didn't work about this. I think the piece that didn't work was that we did not have confidence that we could properly oversee as -- as was mandated for us. Our -- one of our, you know, primary duties as board members was to oversee the activities of the non-profit and ensure that the activities were happening in accordance with the non-profit's mission. Since we determined that we couldn't rely on information we were receiving, we didn't think we could do that.

Q. The article mentions that "the stated purpose of the for-profit subsidiary was to protect the company's ability to stick to its original mission."

A. Um-hum.

Q. Do you think that the for-profit subsidiary had an alternative purpose that was different from that stated purpose?

A. Yeah. Well, the stated purpose of the unusual structure, the combination, this capped-profit structure with the non-profit on top of it, was to protect the company's ability to stick to its original mission.

Apologies. Ask the last part of your question

Page 135

again, please.

Q. Do you think that the for-profit subsidiary had an alternative purpose that was different from that stated purpose?

A. I mean, the reason this structure was put in place is because it's assumed that a for-profit is going to be -- you know, like most for-profits, are maximizing for a, you know, return to their shareholders.

What we wanted to put in place was that the for-profit can pursue that goal, can pursue a return for its shareholders, but the non-profit, at any moment if it perceives that the activities of the for-profit are not acting in accordance with the non-profit mission, the non-profit can make a decision that is not prioritizing the interest of shareholders.

So the for-profit itself, you know, the activities I understand, you know, they can -- they can freely pursue a profit, pursue a return for shareholders, but if it's acting out of accordance with the mission, the -- the non-profit board can make a decision to intervene.

Q. And in your opinion, did OpenAI fail to stick to its original mission?

MR. SAVITT: Objection.

THE WITNESS: I -- I think, in my opinion, I

Page 136

saw a number of instances that I would characterize as not prioritizing the mission.

Q. (By Mr. Hawes) And so when you say it didn't work in the article --

A. Yes.

Q. -- are you saying that OpenAI failed to stick to its mission?

A. I think the structure that was put in place wasn't sufficient to -- well, I would say the -- the combination of the structure and the behavior of -- of the company's CEO, Sam, resulted in a number of instances that I think I would characterize, as I said before, the mission was not being prioritized.

And we had concern that that would continue to happen, and we had very great concern that as stakes got a lot higher, that would be potentially against the interest of -- of the public.

Q. Okay.

If you go to the next page in the article.

A. Yep.

Q. At the top, it says, "Last November, in an effort to salvage this self-regulatory structure" --

A. Yes.

Q. -- "the OpenAI board dismissed its CEO, Sam Altman."

Page 137

A. Um-hum.

Q. "The board's ability to uphold the company's mission had become increasingly constrained due to long-standing patterns of behaviors exhibited by Mr. Altman" --

A. Um-hum.

Q. -- "which, among other things, we believe undermines the board's oversight of key decisions in internal safety protocols."

A. Yes.

Q. Outside of everything we've already discussed today, was there any behavior of Mr. Altman that you are referencing in that paragraph?

A. Yes. I mean, as I -- as I mentioned, I think there were a number of instances in my own interactions and a number of instances referred to by other members of the company where people had shared concerns with the board, board members -- apologies -- about Sam's -- you know, Sam's pattern of dishonesty, and I think those all contributed to our understanding of this long-standing pattern.

I think it's a pattern that we all had become aware of over time on the board or, you know, the -- the ones of us making this decision had become aware of, I'll speak for them, for myself and -- as part of that

Page 138

group, had become aware of in our time on the board, and those many experiences informed our decision.
Q. So if you go in the next sentence, do you see where it says, "Multiple senior leaders had privately shared grave concerns with the board" --
A. Yes.
Q. -- "saying they believed that Mr. Altman cultivated a toxic culture of lying" --
A. Um-hum.
Q. -- "and engaged in behavior that can be characterized as psychological abuse."
A. Yes.
Q. Is that accurate, to the best of your knowledge?
A. Yes.
Q. Which senior leaders are you referring to?
A. Let's see. So a toxic culture of lying was something said to me by Mira Murati. And she had spoken -- had conveyed a -- a large number of concerns to the board in the weeks prior to Sam's firing. Just -- this was one of the things she cited in a -- in a conversation that I had with her where she was listing a number of things.
Oh. And the next one here, sorry, behavior -- she -- she also commented on abuse from Sam, although I

Page 139

think this particular quote is referencing another conversation with a previous -- a previous conversation that I had with another -- another senior leader who -- Dario Amodei -- some years prior, who had talked about psychological abuse as well.
Q. If you look down at the second full paragraph of that page --
A. Yes.
Q. -- and in the last sentence of that paragraph --
A. Yes.
Q. -- do you see where it says, "We also feel that developments since he returned to the company" --
A. Yeah.
Q. -- "including his reinstatement to the board and the departure of" --
(Stenographer clarification.)
Q. (By Mr. Hawes) -- "senior safety-focused talent board bode ill for the OpenAI experiment in self-governance."
Why did you feel Mr. Altman's return to the board boded ill for the OpenAI experiments in self-governance?
A. A big piece of what we were struggling with, I think, when we were on the board, was -- was Sam's --

Page 140

we -- we didn't feel that we could get the board to, I think, a place of sufficient independence from Sam's wishes, and so part of our -- one requirement we had when we were leaving the -- the company and deciding on the new composition of the board was that Sam not be on the board, at least in that iteration of the board. We, obviously, couldn't control what the board chose to do later, but we didn't want his influence on -- at least those -- you know, the initials phase of the composition of that board. We were very concerned that he would -- he would take action that would make it favorable to him, as we did experience.
Q. And when you mention the departure of senior safety-focused talent --
A. Yes.
Q. -- who were you referring to?
A. A number of -- I mean, in the spring following the firing, a large number of people left in a very short period of time -- well, a significant number of people left in a -- in a short period of time. I think much of the super alignment team, some of the senior people there, some policy people, so that was -- that was very concerning to us, and I think -- I think there were some statements to the effect of why they left that were consistent with some of the concerns that we had

Page 141

had.
And there were a number of things, actually, even -- even in addition to that that were happening at the time with concerns about the -- some non-disparagement clause. I mean -- I think there were three or four instances in -- in maybe a two-week period, where a whole bunch of things were going on that were concerning about OpenAI's state, and I think that's what we were referring to here.
Q. And then at the bottom of this page in the very last sentence, it reads, "but even with the best of intentions" --
A. Yes.
Q. -- "without external oversight, this kind of self-regulation will end up unenforceable, especially under the pressure of immense profit incentives."
A. Yes.
Q. Do you see that?
A. Yes, I do.
Q. In your view, was OpenAI facing immense profit incentives?
A. Yes. I think OpenAI had the potential to be extremely profitable in the longer term.
Q. And do you think those profit incentives risk compromising OpenAI's ability to carry out its mission

Page 142

of developing safe AI?
A. I do --
MR. SAVITT: Objection. Form. Knowledge. Speculation.
THE WITNESS: I think that -- I think that those profit incentives make it necessary that there is -- there are checks and balances on how the decisions are being made. If -- if, you know, the company is going to talk about itself as a mission-oriented company with an independent board over it, if it's presenting itself that way, then -- then, absolutely, it needs to be able to show that it can actually provide the structure needed to -- to work against the profit incentives.
You know, if it were a purely for-profit company, you know, it's kind of a different question. The mandate we had was this particular structure made it so that we needed to be able to make informed decisions, and we didn't feel we could.
MR. HAWES: Okay. Thank you very much.
We will reserve the remainder of our time and pass the witness.
THE WITNESS: Thanks.
MR. HAWES: And if we all agree, should we take a break and go off record for lunch?

Page 143

THE VIDEOGRAPHER: All right.
We're off the record. The time is 1:53 p.m.
(Lunch recess from 1:53 p.m. to 2:46 p.m.)
THE VIDEOGRAPHER: We're back on the record. The time is 2:46 p.m.
MR. SAVITT: Thank you.
EXAMINATION
BY MR. SAVITT:
Q. Good afternoon, Ms. McCauley. My name is William Savitt. I represent the OpenAI defendants. Appreciate you being available.
A. Thank you.
Q. Could you summarize for the record your educational history since high school.
A. Sure. Since high school, I went to Bard College for my undergraduate, and I got an MBA from USC for graduate school. Those are my degrees.
Q. What was your major at Bard?
A. I studied both Latin American political science and sort of foreign languages, yeah.
Q. And since -- did you go to USC for the MBA immediately following completion --
A. No, no.
Q. -- of your degree at Bard?
A. No. Let's see. I graduated from USC in 2014,

Page 144

so about ten years later -- I finished ten years later.
Q. Thank you.
So summarize for me as well, please, your work history since -- since college.
A. Sure. I've had jobs in a number of different areas. Let's see. I was working for a period of time following college in alternative energy and specifically around --
(Stenographer clarification.)
THE WITNESS: I was working -- I was working for an organization that worked on alternative energy, and I had a period of time thereafter where I was working in real estate.
I, in my mid 20s, became interested in robotics. I started focusing on -- on robotics and went to a program focused kind of on robotics and AI and -- it wasn't a -- this was -- this was sort of, like, a summer graduate program for the study of exponential technologies, robotics and AI. That kind of furthered my interest in robotics. I went and did some post-baccalaureate coursework around that but didn't pursue a degree in it.
Then started with some colleagues who I met through that program -- well, I actually -- sorry. I was a student there and then came back. This was at

Page 145

Singularity University at NASA Ames, NASA Research Park, in -- in Northern California, and I came back there as a teaching fellow for a subsequent program and sort of ran a lab there.
And through some of the people that I met there, we started a small robotics company doing kind of consumer robots, telepresence robots, and I -- I think, in the interim, also had a position, like, a -- at kind of an engineering company called Applied Minds, but I was fairly short term. It was just an internship.
Then I was with that robotics company for -- for a number of years.
And, let's see, I went back to do my MBA -- let's see. So the robotics company was -- started in 2011, and then in -- I started my MBA in 2013, completed that in 2014.
I took a period of time off after I had my first baby -- I was leaving the robotics company at that time, had a baby in 2015, and took a period of time off after that.
And then I was -- then I was on the board of another company called GeoSim that I had been an investor in, and then I eventually became -- took a role there and eventually became CEO of that company and did that for a period of time.

Page 254

Q. (By Mr. Savitt) And, ultimately, Altman did come back.
A. That's right.
Q. And you and the other directors agreed that he should come back.
MR. HAWES: Objection to form.
THE WITNESS: The other directors and I agreed that of the options available to us at the moment -- at the moment of decision, around that, that that was the option that was most consistent with the mission, because we thought if the alternative truly was that OpenAI would disintegrate, that would not best serve the mission.
We also, of course, you know, had our very, you know, clear concerns around Mr. Altman; and a part of the negotiation process was to -- was centered around helping make -- helping make sure that he had the best chance of being governed going forward.
Q. (By Mr. Savitt) Fair -- fair enough.
But I want to make sure I get this narrow a point.
A. Yeah.
Q. You agree that Altman could not have been reinstated without the approval of the board as it was then constituted, which was you and three others;

Page 255

correct?
MR. HAWES: Objection to form.
THE WITNESS: I -- I agree.
Q. (By Mr. Savitt) Thank you.
And you talked about trying to put a better governance program in place looking ahead; you mentioned that or words to that effect, fair, Ms. McCauley?
A. Yes.
Q. And was part of that getting some interim directors in place that you had confidence in?
A. Yes. Yes, part of that was getting some interim director -- you know, to answer that question is not straight -- not entirely straightforward, because I think the directors that we chose had some -- had some evidence that they might be able to offer good governance, and I had, you know, also points of concern.
So I think of the options that we had of the composition that we were able to agree on, that seemed like the most reasonable option.
Q. You -- you and your fellow directors agreed that Bret -- Bret Taylor and Larry Summers would become directors; correct?
A. Yes.
MR. HAWES: Objection to form.
Q. (By Mr. Savitt) And you also agreed that

Page 256

Mr. D'Angelo would stay on as a director.
A. That's right.
Q. And that those three would comprise the board after Altman was reinstated.
A. That's right.
Q. You -- do you have any reason to doubt the integrity or independence of Bret Taylor or Larry Summers?
MR. HAWES: Objection to form.
THE WITNESS: I did have -- as I said, I had -- I think there were pros and cons in each case. As we weighed it out -- you know, part of what we really wanted to have happen there was that Adam could -- you know, one of the existing directors, which was Adam, that Adam would be able to stay on the board, and that meant that the other members being chosen had to be, you know, pretty amenable to the folks negotiating on the other side; and for that reason, we had to consider our options and consider the pros and cons of each.
I did have -- you know, I did have concerns. I knew -- I had more context on Bret Taylor than I did on Larry, and I had concerns about his ability to be -- yeah, to make disinterested decisions in a way that was --
(Stenographer clarification.)

Page 257

THE WITNESS: -- wasn't partial to Sam. I mean, you know, we had -- he had been proposed by Sam for the board previously when we were there and when we were going through the process of expanding the board. And by the best of my recollection, you know, Sam had -- had made recommendations on a number of different people. He was favorable to Bret Taylor.
If I recall correctly, Adam had -- I think I recall correctly that Adam had interviewed Bret in the process of considering other candidates, and that one of the -- prior to all of this -- sorry -- like, in the process that we were running over this -- you know, in the months prior, when we were trying to expand the board; and at that time, that -- one of the take-aways from that conversation was that -- I think -- I'm going to try to recall this exactly as possible, but it was -- I think Bret may have expressed concern that -- concern around the -- the conflicts. I think that he had said he had known Sam for a very long time and had a lot of connections to Sam and whatnot.
So at the time, that was something in the process of the board expansion that we were aware of; and, you know, that -- that was what I would have considered a con. We -- we did not want board members who were going to be overly partial to Sam.

Page 258

Again, you know, from my perspective, we had various trade-offs we had to weigh in this situation, and I knew that we weren't going to -- or that we were very unlikely to get a board composition that was perfectly acceptable to us according to our preferences for the board.

We had been trying for many, many, many months to do so as directors, to even get an additional number that we could all agree on, so --

Q. (By Mr. Savitt) So, ultimately, you approved Mr. Taylor, notwithstanding those concerns.

A. Yes.

Q. And you also approved Mr. Summers.

A. That's right.

Q. And they became the board.

A. And they became the board.

Q. And the determination to reinstate Altman was accompanied by an undertaking that would be an inquiry into the circumstances leading to his firing; is that correct?

A. That's right. Yes.

Q. And the Wilmer Hale firm conducted that inquiry.

A. That's right.

MR. HAWES: Objection.

Page 259

Q. (By Mr. Savitt) Do you have any reason to doubt the integrity or independence of the attorneys who conducted that inquiry?

MR. HAWES: Objection to form.

THE WITNESS: I don't -- I don't have specific reason to -- you know, let me say that the way they -- the interview process was conducted, did give me, you know, concerns on -- it didn't happen in a way that I think was consistent with what we were hoping for when we agreed upon having an independent investigation. It was out of our control at that point, and OpenAI was the one then commissioning --

(Stenographer clarification.)

THE WITNESS: -- the -- it was like a special committee of the board of OpenAI that was commissioning that investigation.

What we were hopeful would happen with that investigation was that a report would be produced and that more information would be made public. And from what we learned about the process, the -- it doesn't seem that a report was, you know, produced, and the -- the directors -- I have questions about --

MR. SAVITT: I'll withdraw the question.

THE WITNESS: Maybe we can -- yeah. Is that all right? Sorry.

Page 260

Q. (By Mr. Savitt) I just want to move on. I have a lot of things to ask you, and it's getting late.

A. Yeah, that's okay. That's okay.

Q. So I think I have the gist of your answer. Thank you.

You -- you met with the attorneys from Wilmer Hale who conducted the investigation.

A. I did.

Q. I'm not asking about the substance of it, but were you given the opportunity to tell them everything that you knew or that you thought that you had seen?

A. Yes.

Q. You -- you mentioned that as part of the board's lack of candor a statement by Altman regarding the review of GPT-4 Turbo by the DSB.

Do you recall that?

MR. HAWES: Objection. Form.

THE WITNESS: Sorry. Could you -- could you ask --

Q. (By Mr. Savitt) I'm asking about -- what's the DSB?

A. The deployment safety board, the joint board between Microsoft and OpenAI.

Q. Thank you.

And do you recall talking about the review of

Page 261

GPT-4 Turbo by the DSB?

A. Yes. Well -- yes.

Q. And you -- do you recall attributing a lack of candor to a statement by Altman regarding the review of the GPT-4 Turbo by the DSB?

MR. HAWES: Objection to form.

THE WITNESS: The issue with the GPT-4 Turbo DSB review was that Sam had, you know, communicated with -- with the CTO, indicating that this particular product might not need to go through the DSB review.

So I'm just to clarify your question about lack of candor. This would have been -- I would have described it as, you know, him communicating with a couple of senior leaders in a way that seemed like he wasn't being truthful with them, and then the board was also unaware of that interaction and unaware that there was potentially an attempt to slide this model past DSB review.

Q. (By Mr. Savitt) And everything you know about that you learned from Mr. Sutskever through a few screenshots in his document; correct?

A. Yes.

MR. HAWES: Objection to form.

THE WITNESS: Yes.

Q. (By Mr. Savitt) And in inquiring about this,

Page 262

the board didn't talk with Kwon or Altman about what had happened; right?
MR. HAWES: Objection to form.
THE WITNESS: Correct.
Q. (By Mr. Savitt) And the GPT-4 Turbo was not an entirely new model, was it? It was just an extension of GPT-4; right?
MR. HAWES: Objection to form.
Q. (By Mr. Savitt) Right?
A. It was a -- yes, it was an extension of --
Q. And GPT-4 --
MR. HAWES: Counsel, let her finish her answer.
THE WITNESS: Apologies.
Q. (By Mr. Savitt) And GPT-4 did go through DSB review, didn't it?
A. You know, this was a different implementation of GPT-4 and --
Q. My question was whether GPT-4 had gone through DSB review.
A. GPT-4 did, although this GPT-4 Turbo was also required to go through DSB review. And by this conversation, I think Sam was trying to indicate that maybe it didn't need to go through.
Q. This conversation that was reported to you from a few screenshots --

Page 263

A. That I saw screenshots --
Q. -- from a document that Sutskever proposed to you --
MR. HAWES: Objection.
Q. (By Mr. Savitt) -- without any of the context and leaving out other parts of the conversations. That's what you relied on; right?
MR. HAWES: Objection to form.
THE WITNESS: I know the parts of the conversation that I saw, and also I had conversations, you know --
Q. (By Mr. Savitt) But you didn't talk with a lot of other people, did you? You just relied on a couple of screenshots; that's what you did.
MS. PETTI: Objection. Objection.
Q. (By Mr. Savitt) Did you know that GPT-4 Turbo did go through the DSB review?
MR. HAWES: Objection to form.
THE WITNESS: It may have --
Q. (By Mr. Savitt) Did you know it was ultimately approved --
MR. HAWES: Counsel --
MS. PETTI: If you could let her finish.
Q. (By Mr. Savitt) I'll withdraw the question and ask you another one.

Page 264

Do you know that GPT-4 Turbo was ultimately approved by the DSB?
A. That doesn't -- I'm sorry.
(Unreportable cross-talk.)
(Stenographer clarification.)
Q. (By Mr. Savitt) Do you think the release of GPT-4 Turbo was a mistake?
A. That's not the issue at hand. It's not --
Q. That was my question.
A. I think I don't consider the release of GPT-4 Turbo unsafe.
Q. Thank you.
A. And I would like to elaborate that that wasn't the question at hand. The question that we were considering in that was, was the process sufficient to make sure that we could be ensured that models then and going forward into the future would be handled and put through a process of safety review in a way that was sufficient and -- and acceptable to the board and that indicated that --
Q. I understand.
A. Yes.
Q. I understand.
Let me -- let's talk about another one, the important aspects of your investigation. You mentioned

Page 265

an issue regarding GPT-4 in India.
Do you recall that?
A. I do.
Q. That involved a limited test of a product.
Do you remember that?
A. Um-hum.
Q. And you know that it was not OpenAI who released the product?
MR. HAWES: Objection to form.
(Unreportable cross-talk.)
(Stenographer clarification.)
MS. PETTI: Tasha, you can answer.
THE WITNESS: I do, and I think that was a particular, you know, point of concern; that the, you know, purely commercial partner was able to release a -- a limited version of the product to an unapproved audience after the joint DSB, the joint deployment safety board, had not determined that that was appropriate to do, and we were not informed about it.
That was, yes, definitely concerning.
Q. (By Mr. Savitt) And you didn't ask Mr. Altman about it, did you?
MR. HAWES: Objection.
THE WITNESS: There was, you know, in the course of that full-day board meeting that we were

A. Could you ask the question one more time, please.
Q. Sure.
In the days following Mr. Altman's firing, was it your understanding that OpenAI had the final say on any decisions about who would be added to the OpenAI board?
A. Yes.
MS. PATEL: Okay. Thank you.
I think I will pass the witness.
THE WITNESS: Thank you.
MR. HAWES: Mind going off the record briefly?
THE VIDEOGRAPHER: We're off the record. The time is 6:33 p.m.
(Recess taken from 6:33 p.m. to 6:44 p.m.)
THE VIDEOGRAPHER: We're back on the record. The time is 6:44 p.m.
EXAMINATION
BY MR. HAWES:
Q. Ms. McCauley, what month and year did you join OpenAI?
A. November of 2018.
Q. And at that point, OpenAI had already been in existence for approximately three years; is that correct?

A. Yeah. It was founded in 2015. Yeah, that's my recollection.
Q. You don't have any personal knowledge about the extent of Mr. Musk's involvement at OpenAI during those three years, do you?
A. Not -- not much. I, you know, have bits of information that I heard, but I wasn't there, so --
Q. You just testified that Mr. Musk made financial contributions to OpenAI before you joined; is that correct?
A. That was, yes, reported to me, yes.
Q. Are you aware Mr. Musk continued to pay rent for OpenAI at the Pioneer building even after he left OpenAI in 2018?
MR. SAVITT: Objection.
THE WITNESS: I -- we shared an office space with Neuralink, and I don't know if you're referring to the fact that that company -- that company's rent was being paid for. Could you specify. I'm sorry. I'm just --
Q. (By Mr. Hawes) Just trying to understand your knowledge.
Are you aware of whether Mr. Musk continued to pay rent for OpenAI even after he left in November of 2018?

A. I'm -- I don't recall that. I'm not aware of that.
Q. Do you know whether he continued to make those payments through 2020?
A. I -- I do not. I do not know that.
Q. You don't know?
A. I don't know.
Q. Okay.
You testified earlier about various incidents --
A. Yes.
Q. -- reported in the "Wall Street Journal" article that we reviewed that caused you to doubt Mr. Altman's truthfulness and candor to the board.
Do you remember that?
A. I do.
Q. Was one of those incidents Mr. Altman's foot-dragging over adding an AI safety expert to the board?
A. That -- that was -- you know, I think the fact that that process was unable to result in adding independent members and an AI safety member to the board, it exacerbated our concerns, yes.
Q. And was another one of those incidents that -- Mr. Altman's representation that the three enhancements

to GPT-4 had all been approved by the safety board?
A. Yes, that was a factor.
Q. Was another one of those incidents Mr. Altman's failure to disclose that a GPT-4 test was released in India without joint safety board review?
MR. SAVITT: Objection.
(Stenographer clarification.)
Q. (By Mr. Hawes) I'm sorry. Could you answer whether that was another incident.
A. Yes.
Q. And was another incident whether -- excuse me. Strike that.
Was another incident Mr. Altman's failure to inform the board prior to ChatGPT's release?
MR. SAVITT: Objection.
THE WITNESS: Yes.
Q. (By Mr. Hawes) And was another incident Mr. Altman's misrepresentation about you allegedly saying Ms. Toner should obviously leave the board?
A. Yes.
MR. SAVITT: Objection.
Q. (By Mr. Hawes) And was another incident Mr. Altman's misrepresentation that the legal department told him GPT-4 Turbo did not need safety board review?
MR. SAVITT: Objection.

Page 290

THE WITNESS: Yes, that -- that we saw screenshots to that effect.
Q. (By Mr. Hawes) And did those six incidents cause you concern about Mr. Altman's commitment to AI safety?
MR. SAVITT: Objection.
THE WITNESS: It caused me concern about our -- those and -- and I think a broader pattern that we were observing, you know, through -- you know, this broad pattern caused us concern that we would not appropriately be able to oversee the -- the for-profit, and that had, you know, implications for safety.
Q. (By Mr. Hawes) Okay.
A. I can't speak to his personal commitment to safety. I don't know what he was thinking about that, but it did -- it did definitely affect my -- my impression of how capable we would be of upholding the mission of the non-profit, yes.
Q. Okay.
So did Mr. Altman's handling of those six incidents impair the board's ability to manage AI safety risks?
A. I do believe it impaired our -- our ability to do so with respect to -- to OpenAI and OpenAI's activity.

Page 291

Q. And did those six incidents also cause you to question whether Mr. Altman was prioritizing commercial interests over AI's -- OpenAI's mission? Excuse me.
MR. SAVITT: Objection.
THE WITNESS: It did -- they did cause me to question -- to question that.
Q. (By Mr. Hawes) And did those six incidents contribute to the view you expressed in your "Economist" op-ed, that self-governance at OpenAI had not reliably withstood the pressure of profit incentives?
A. Those did, yes.
MR. HAWES: Okay.
Thank you very much.
THE WITNESS: Thank you.
MR. HAWES: We pass the witness.
Do you want to go off the record?
MR. SAVITT: No. This will be super quick.
THE WITNESS: Okay.

EXAMINATION

BY MR. SAVITT:
Q. Notwithstanding those six incidents, Ms. McCauley, you reached the conclusion that it was better to reinstate Mr. Altman with the governance revisions that your and your fellow directors instituted, as compared to allowing OpenAI to

Page 292

disintegrate; correct?
A. Yes.
Q. And you made the decision to reinstitute Mr. Altman as CEO, believing it was in the best interest of OpenAI and its mission; correct?
A. I guess as compared to the alternative of the company falling apart.
Q. And that was the alternative that appeared to be available; correct?
MR. HAWES: Objection to form.
THE WITNESS: That -- that it appeared possible.
Q. (By Mr. Savitt) Okay.
Do you think Elon Musk would make a -- an effective steward of an organization like OpenAI?
MR. HAWES: Objection. Beyond the scope.
THE WITNESS: Can you clarify more what you mean about what -- what his role might be. Could you clarify.
Q. (By Mr. Savitt) Do you think -- do you think he's someone that one could rely upon to seek to bring about artificial intelligence for the benefit of humanity?
MR. HAWES: Objection. It's well beyond the scope, as well as to form.

Page 293

THE WITNESS: Do I proceed to answer?
MS. PETTI: Yeah.
THE WITNESS: Okay. Sorry.
I don't -- I don't have very much personal knowledge of -- of Mr. Musk, so I -- that's a difficult thing for me to say. So much of that determination would be based on me knowing -- well, I don't think I have enough information to say.
MR. SAVITT: Okay.
I have nothing more for this witness.
THE WITNESS: Thank you.
MR. HAWES: Nothing from us either.
MS. PATEL: Nothing further from us either.
MR. KRY: Just before we go off the record, there was -- we're going to designate under the protective order --
(Stenographer clarification.)
MR. KRY: -- the testimony with respect to Shivon Zilis that came up.
MS. PETTI: What is the standard confidentiality --
MR. SAVITT: Highly confidential --
(Unreportable cross-talk.)
(Stenographer clarification.)
MR. SAVITT: We don't need this on the record.