

EXHIBIT 26
PUBLIC REDACTED VERSION

Message

Sent: 7/15/2019 4:11:46 AM
To: Amy Hood [REDACTED]
Subject: RE: Open AI

What is their cap on profits.

Sent from Mail for Windows 10

From: Amy Hood <[REDACTED]>
Sent: Sunday, July 14, 2019 9:01:09 PM
To: Marc Brown (CORPDEV) <[REDACTED]> Kevin Scott <[REDACTED]> Satya Nadella <[REDACTED]> Frank X. Shaw <[REDACTED]>
Subject: Re: Open AI

Given the cap is actually larger than 90% of public companies, I am not sure it is terribly constraining nor terribly altruistic if made transparent but that is Sam's call on his cap. Our risk return isn't great on paper but if it were to work we would make much more than that in commercial returns which I think is a little of the gotcha.

Amy

From: Marc Brown (CORPDEV) <[REDACTED]>
Sent: Sunday, July 14, 2019 8:51:07 PM
To: Kevin Scott <[REDACTED]> Satya Nadella <[REDACTED]> Amy Hood <[REDACTED]> Frank X. Shaw <[REDACTED]>
Subject: Re: Open AI

I do worry that mentioning the "capped" return begs the question as to what the cap is on the investment and didn't think we want to go into that level of detail. I do think the idea that we think this is a good investment is a good point to underscore

From: Kevin Scott <[REDACTED]>
Sent: Sunday, July 14, 2019 8:03:45 PM
To: Satya Nadella <[REDACTED]> Amy Hood <[REDACTED]> Frank X. Shaw <[REDACTED]> Marc Brown (CORPDEV) <[REDACTED]>
Subject: Re: Open AI

I love 3!

K

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From: Satya Nadella <[REDACTED]>
Sent: Sunday, July 14, 2019 6:48:29 PM
To: Amy Hood <[REDACTED]> Frank X. Shaw <[REDACTED]> Marc Brown (CORPDEV) <[REDACTED]>

Cc: Kevin Scott <[REDACTED]>
Subject: RE: Open AI

Frank – that will be great to iterate on and make sure we have this air tight by the time of the press release next week.

I also read Kevin's transcript from NYT.

Here is how I wanted to answer the question around... why are we doing this... where is the return? #3 is a bit controversial but... .could be the best way to say that there is a check on AGI ever being monetized beyond Cloud... which is actually good for us... given right the multiple of AGI returns are more with GOOG/FB and the Chinese....

- We are primarily doing this so that we have the best independent AI lab with high ambition (AGI) building on Azure. And this means the AI Super Computer we build in Azure will run any high end AI workloads. And there will be many customers from large Pharma to Large Energy to others who all will need super computer like this. Including our own workloads. Basically as every industry become more software driven there will be need for AI Super Computing.
- We will commercialize the Open AI Innovation... .which means 3 things:
- They will use Azure for their computation needs (and pay us)
- We will make their products as they come out as part of Azure offerings (we will be resellers; and since anyone who uses Cloud needs a lot more then just the AI runtime, we will be able to attract more customers to use other services)
- We also have the option to use them in our workloads across M365/D365 etc.
- Yes they are a capped return AGI company. Just imagine if there was capped return Web Search company and we were the exclusive Cloud provider for such a company. And someone said please invest a billion in it in say 98... would we have? My answer would be yes.

Thoughts?

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From: Amy Hood <[REDACTED]>
Sent: Sunday, July 14, 2019 6:30:00 PM
To: Frank X. Shaw <[REDACTED]> Satya Nadella <[REDACTED]> Marc Brown (CORPDEV) <[REDACTED]>
Subject: RE: Open AI

Maybe we can work to make sure that the commercial agreement which involves their exclusive use of Azure is defined as a commercial one in the PR – meaning they pay us. This PR works hard to avoid that and I think it is a mistake as we are making a little money. Not a lot, but not losing it or donating it.

Good thing we have a week.

amy

From: Frank X. Shaw <[REDACTED]>
Sent: Sunday, July 14, 2019 5:49 PM
To: Amy Hood <[REDACTED]> Satya Nadella <[REDACTED]> Marc Brown (CORPDEV) <[REDACTED]>
Subject: RE: Open AI

Press release is below.
What we are saying is that OpenAI will exclusively use Azure.

In the background calls we are doing we will make clear that we are not providing this free – this is a financial commitment from them back to us, but we are not giving numbers.

Microsoft and OpenAI form exclusive partnership to build new Azure AI supercomputing technologies

Multi-year partnership founded on shared values of trustworthiness and empowerment, and an investment of \$1 billion from Microsoft, will focus on building a platform that OpenAI will use to create new AI technologies and deliver on the promise of Artificial General Intelligence

SAN FRANCISCO, Cal. and REDMOND, Wash. – 22, 2019 – Microsoft Corp and OpenAI, two companies thinking deeply about the role of AI in the world and how to build safe, trustworthy, and ethical AI to serve the public, have partnered to further extend Microsoft Azure's capabilities in large-scale AI systems. Through this partnership, the companies will accelerate breakthroughs in AI and power OpenAI's efforts to create Artificial General Intelligence (AGI). The resulting enhancements to the Azure platform will also help developers build more powerful AI applications. The partnership covers the following:

- Microsoft and OpenAI will jointly build new Azure AI supercomputing technologies
- OpenAI will use Microsoft Azure exclusively to create new AI technologies and deliver on the promise of Artificial General Intelligence
- Microsoft will be OpenAI's partner for commercializing new AI technologies that OpenAI chooses to take to market.

The companies will focus on building a computational platform in Azure of unprecedented scale, which will train and run increasingly advanced AI models, include hardware technologies that build on Microsoft's supercomputing technology, and adhere to the two companies' shared principles on ethics and trust. This will create the foundation for advancements in AI to be implemented in a safe, secure, and trustworthy way and is a critical reason the companies chose to partner together.

Over the past decade, innovative applications of deep neural networks coupled with increasing computational power have led to continuous AI breakthroughs in areas such as vision, speech, language processing, translation, robotic control, and even gaming. Modern AI systems work well for the specific problem on which they've been trained, but getting AI systems to help address some of the hardest problems facing the world today will require generalization and deep mastery of multiple AI technologies. OpenAI and Microsoft's vision is for Artificial General Intelligence to work with people to help solve currently intractable multi-disciplinary problems, including global challenges such as climate change, more personalized healthcare and education.

"We believe the creation of AGI will be the most important technological development in human history, with the potential to shape the trajectory of humanity," said Sam Altman, CEO, OpenAI. "To accomplish our mission of ensuring this technology benefits all of humanity, we'll need to ensure that AGI is deployed safely and securely and that its economic impact is widely shared. We are excited about how deeply Microsoft shares this vision."

"AI is one of the most transformative technologies of our time. It has created breakthroughs in medicine, has removed barriers to communication and has the potential to solve large-scale challenges like climate change and education," said Satya Nadella, CEO, Microsoft. "The possibilities of AI are only limited by today's computing power. Through our partnership with OpenAI and new Azure AI supercomputing technologies, we will fuel breakthroughs that will unlock new innovations in trustworthy AI and empower everyone to take advantage in safe and responsible ways."

About OpenAI

OpenAI's mission is to ensure that artificial general intelligence benefits all of humanity. Towards this end, we're a capped-profit company, meaning that all profits beyond a cap are owned by the OpenAI Nonprofit to benefit the world. The OpenAI Charter describes the principles that guide us as we execute on our mission.

About Microsoft

Microsoft (Nasdaq “MSFT” @microsoft) enables digital transformation for the era of an intelligent cloud and an intelligent edge. Its mission is to empower every person and every organization on the planet to achieve more.

For more information, press only:

Microsoft Media Relations, WE Communications for Microsoft, (425) 638-7777

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OpenAI Media Relations, press@openai.com

From: Amy Hood <[REDACTED]>
Sent: Sunday, July 14, 2019 5:46 PM
To: Satya Nadella <[REDACTED]> Marc Brown (CORPDEV) <[REDACTED]>
Cc: Frank X. Shaw <[REDACTED]>
Subject: RE: Open AI

I haven't seen any of the latest draft press stuff but did spend a long time with Frank as there was a lot of back and forth on how to describe.

Frank didn't want us to describe the size of the commitment back to our cloud – but can't remember why (sorry about that Frank – it must have been compelling for me to stop hounding you or we got distracted by other urgent items).

The investment is a convertible limited partnership interest to be exact in their unique corporate structure. [REDACTED] but that isn't needed for press calls. I think it is easiest to describe it as an “investment” without designating but now you have the exact term. Marc, in a perfect world, what you would have it called for press as I think Satya and Sam have prebriefs tomorrow?

amy

From: Satya Nadella <[REDACTED]>
Sent: Sunday, July 14, 2019 5:30 PM
To: Amy Hood <[REDACTED]> Marc Brown (CORPDEV) <[REDACTED]>
Cc: Frank X. Shaw <[REDACTED]>
Subject: Open AI

Hi Amy, Marc

In terms of Open AI Investment. It simply says we are investing 1Bil and not disclosing any terms at this time. And then we are also doing a strategic partnership around cloud.

In terms of the investment, we are staying away from disclosing if this equity or debt or some combination... is that right?

In any event was wondering what is the best way to describe the investment and commercial pieces here. thx

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