

Date: [Insert Date]

To: [Partner Name / Board of Partners]

From: [Your Name/Entity]

Subject: Formal Notice Regarding Fiduciary Duties and Artificial Intelligence Implementation Liability

Dear [Partner Name],

This letter serves as a formal advisory regarding the fiduciary duties owed to [Company Name] (the "Partnership") in relation to the integration and deployment of Artificial Intelligence (AI) technologies within our business operations.

As partners, we are bound by the duties of loyalty and care. In the context of AI implementation, these duties necessitate rigorous oversight to prevent foreseeable harm to the Partnership's assets, reputation, and legal standing. Please be advised of the following liability considerations:

- **Duty of Care and Due Diligence:** Partners must exercise reasonable care in selecting, testing, and monitoring AI systems. Failure to perform adequate due diligence regarding algorithmic bias, data privacy compliance, or technical reliability may constitute a breach of duty.
- **Data Security and Confidentiality:** The input of proprietary or client data into third-party AI models must be managed to prevent the loss of trade secrets or violations of non-disclosure agreements.
- **Regulatory Compliance:** Partners are responsible for ensuring that AI usage complies with evolving jurisdictional regulations. Non-compliance leading to institutional fines may result in individual partner liability.
- **Professional Oversight:** AI tools should augment, not replace, professional judgment. Over-reliance on automated outputs that lead to professional negligence or financial loss remains the legal responsibility of the partners.

To mitigate these risks, it is proposed that the Partnership adopt a formal AI Governance Framework, including regular audits and risk assessments. This notice is intended to ensure that all partners are aligned in protecting the Partnership from liabilities arising from emerging technologies.

Please acknowledge receipt of this letter and signify your commitment to upholding these standards during our upcoming executive session.

Sincerely,

[Your Signature]

[Your Title]