



Generative AI
Investing: **Your**
Expert Introduction



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All information and materials are for **educational purposes only**. All parties are encouraged to consult with their attorneys, accountants and financial advisors before entering any type of investment.

Today's Agenda

- ❖ Generative AI and how it works
- ❖ Benefits and risks of each investing strategy
- ❖ Incorporate market trends into your strategy
- ❖ Vetting opportunities with due diligence
- ❖ Investing in AI with and without an IRA





Meet Your Host



Bill Neville



13 Years at Entrust



Educates investors and professionals
on tax-preferred retirement accounts



B.S. in Finance from Penn State University



About Entrust



Self-Directed IRA Administrators



Knowledgeable Staff with
CISP Certifications



Monthly Educational Webinars



Annual IRA Academy





About **Entrust**



\$5B

Assets Under
Administration



45k

Investors
Empowered



40

Years of
Service



1

Point of
Contact



ATOMBEAM

Investing in AI

Agenda

- Generative AI and how it works
- Investing in Atombeam as an AI play
- Benefits and risks of each investing strategy
- Incorporate market trends into your strategy
- Vetting opportunities with basic due diligence
- Invest in AI with and without an IRA



Atombeam: Who Is Presenting?



Charles Yeomans, CEO

Three-time CEO,
former investment
banker and Naval
intelligence officer,
Stanford MBA

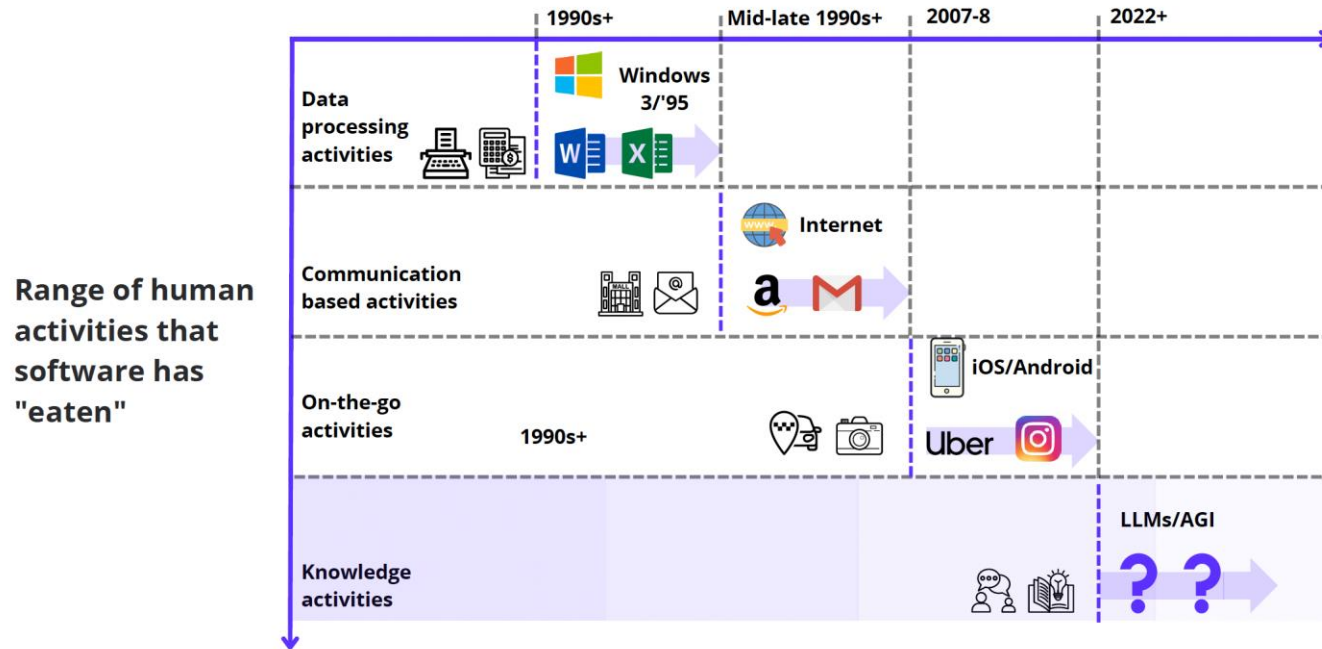


Josh Cooper, PhD, CSO

Mathematician /
computer scientist,
Professor at U of
South Carolina, MIT,
UCSD

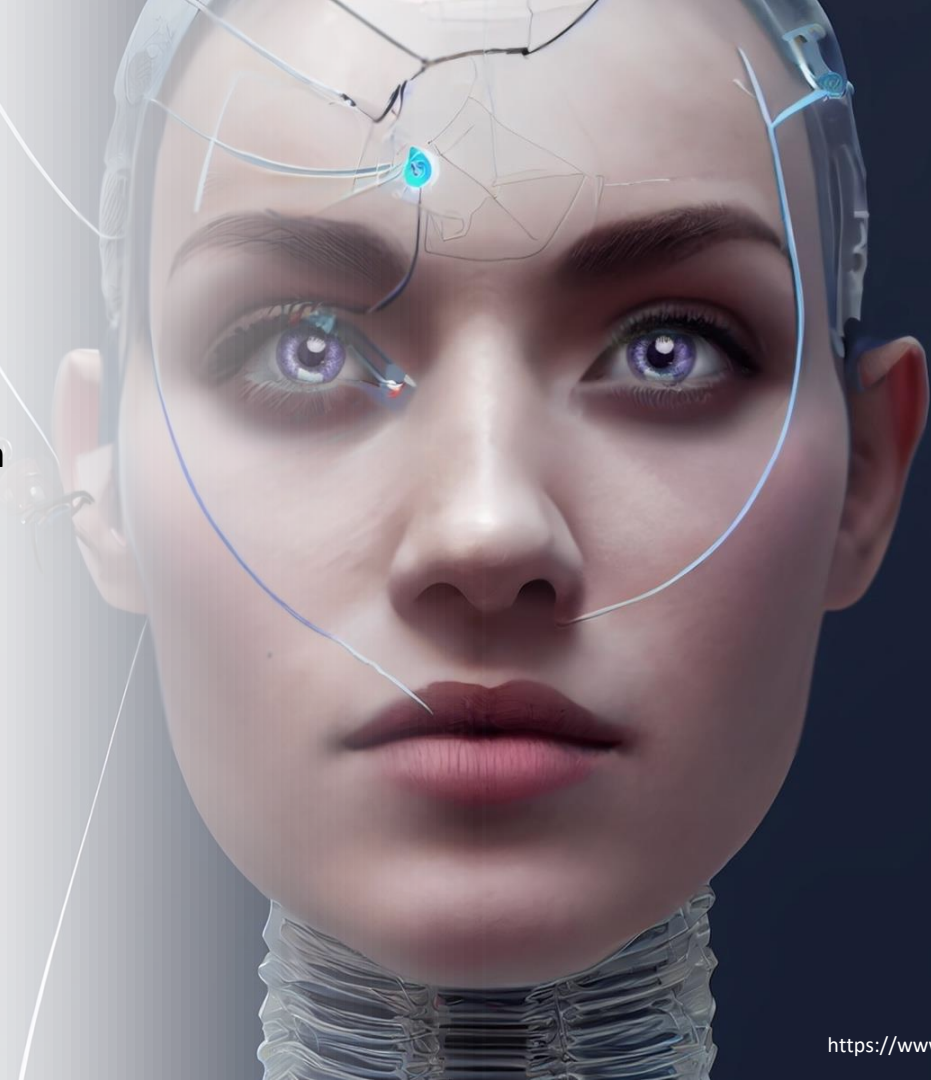
Major Leaps Forward in Humans<>Technologies

Major platform launches that have enabled new types of applications, over time

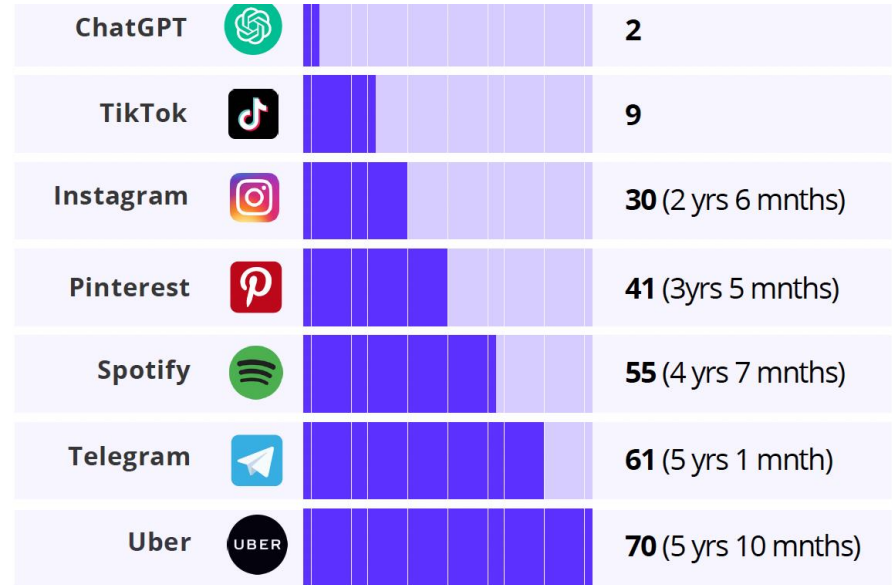
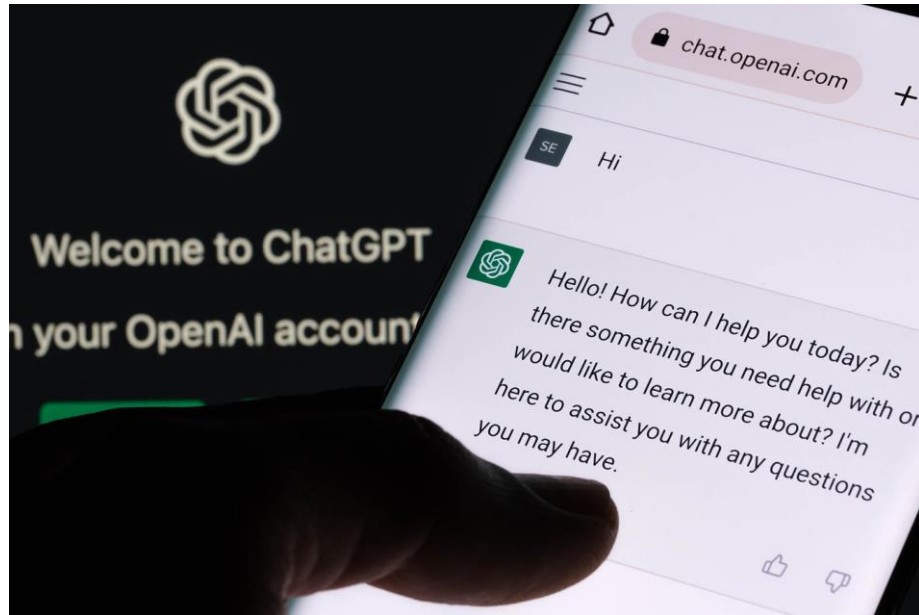


What is Generative AI?

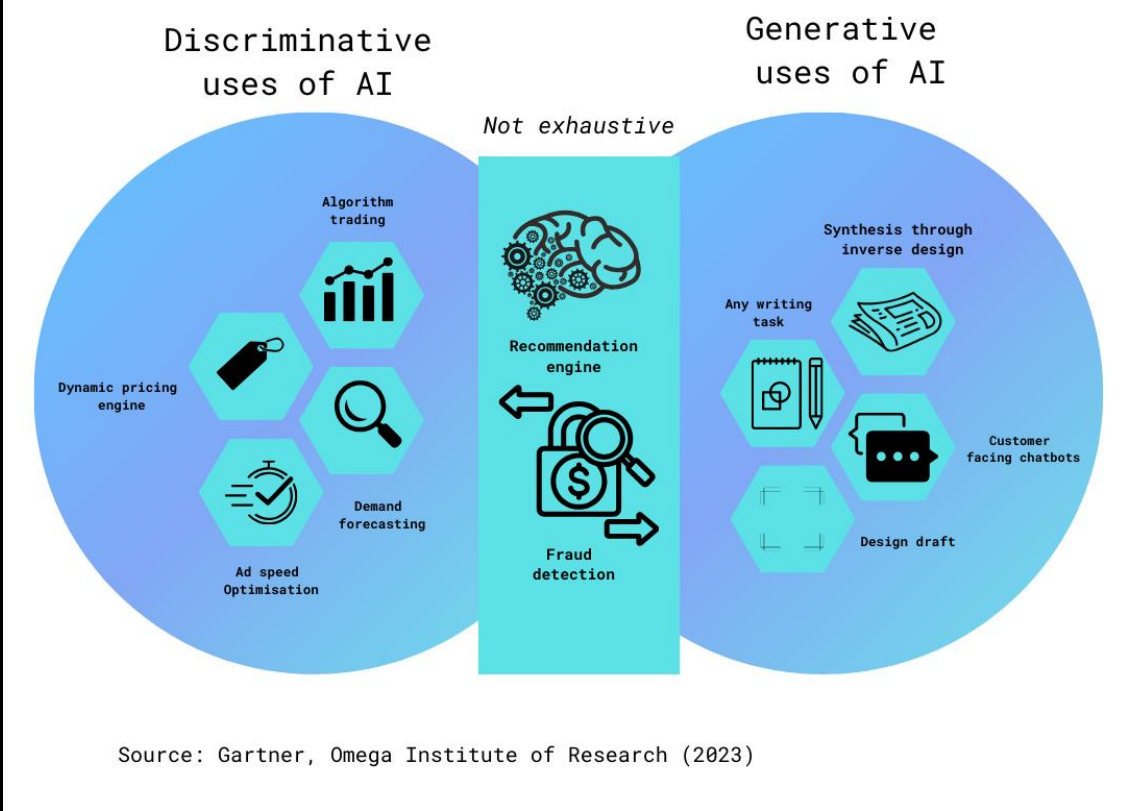
Generative AI is a type of AI that can create new content based on data it's been trained on. This content can include text, images, music, audio, videos, computer code, synthetic data, and more.



ChatGPT – The Big Bang Moment for Gen AI



Generative vs. Discriminative AI



Source: Gartner, Omega Institute of Research (2023)

HOW DOES GENERATIVE AI WORK?

STEP 1: INPUT

THE AI IS GIVEN VAST AMOUNTS OF TEXT, IMAGES, OR OTHER DATA TO LEARN FROM.

STEP 2: ANALYSIS

AI ANALYZES THE DATA TO DETECT PATTERNS AND RELATIONSHIPS.

STEP 3: LEARNING

THE AI USES 'ATTENTION' TO UNDERSTAND THE CONTEXT WITHIN THE DATA

STEP 4: CREATION

BASED ON LEARNED PATTERNS, THE AI GENERATES NEW TEXT, IMAGES, ETC.

STEP 5: REFINING

THE AI CHECKS IF THE OUTPUT MAKES SENSE AND REFINES IT AS NEEDED.

STEP 6: NEW CONTENT

THE FINAL OUTPUT IS DELIVERED, SUCH AS A STORY, ARTWORK, OR ANSWER.

PAPINI, 2023



Large Language Models and the Atombeam LCM

L I G H T W E I G H T C O D E W O R D M O D E L

Large Language Model (LLM)	Lightweight Codeword Model (LCM)
Open AI, Anthropic, Google Bard etc.	Atombeam (in development)

Long training times (5-6 months)

Reduced by estimated 15-50%

Massive power consumption

Reduced due to less training time

Language based

Any data

Need to re-train

May be able to train autonomously

Gen AI Has a LONG List of Potential Use Cases

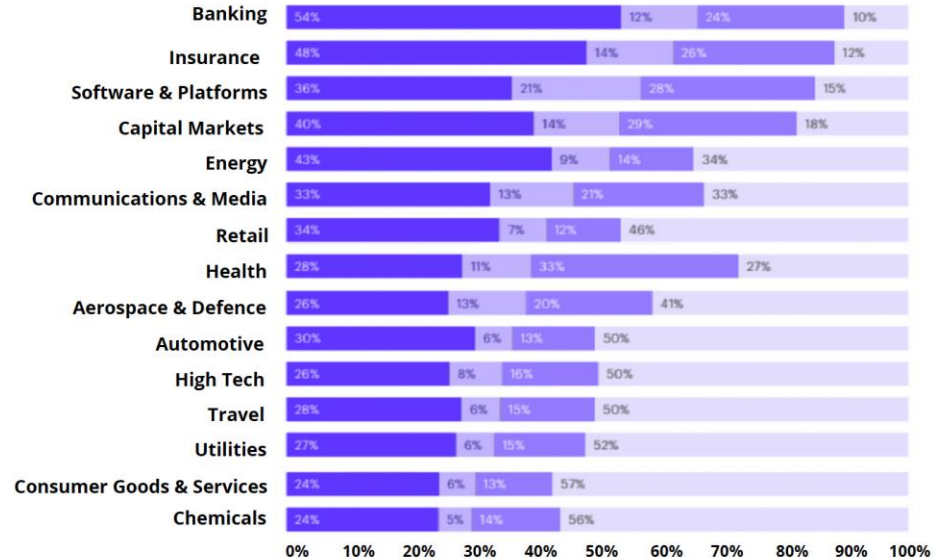


- ▶ **Finance & Legal:** Draft and review documents, patents and contracts; and highlight important points in regulatory documents; find and answer queries from large documents; scan through historical data to recommend action.
- ▶ **Marketing & Sales:** Automate SEO-optimised content generation, enable hyper-personalise communication and deployment, create product user persona, analyse & segment customer feedback, hyper-capable chatbot cross-sell .
- ▶ **Customer service:** Natural-sounding, personalised chatbots and virtual assistants handle customer inquiries, recommend swift resolution, and guide customer information they need.
- ▶ **HR & Recruitment:** Smart-shortlist of candidates, risk assessment of service of HR functions via chatbots and automation
- ▶ **Information technology:** Advanced code writing code and document and error detection, and accelerated software development, auto-generate synthetic data.

Resistance Is Futile

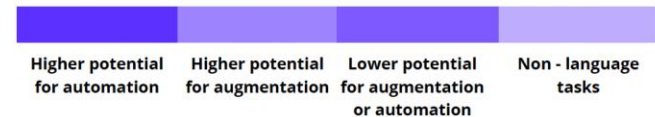
Nearly 6 in 10 organizations plan to use ChatGPT for learning purposes and over half are planning pilot cases in 2023. Over 4 in 10 want to make a large investment.

Why is this the case? Language tasks account for 62% of total worked time in the US. Of the overall share of language tasks, 65% have high potential to be automated or augmented by LLMs.



Work time distribution by industry and potential AI impact:

Based on their employment levels in the US in 2021





And Someday, Not Too Long From Now

AGI: Artificial General Intelligence

This is when we merge with AI



How Can You Invest In AI?

An obvious investment in AI would be a company that makes an AI tool like ChatGPT. Such companies may or may not go public before being taken over by the Microsofts of the world.

There are not many pure play public AI companies. Most of the big AI companies (OpenAI, Anthropic) are private, as are the hot startups.

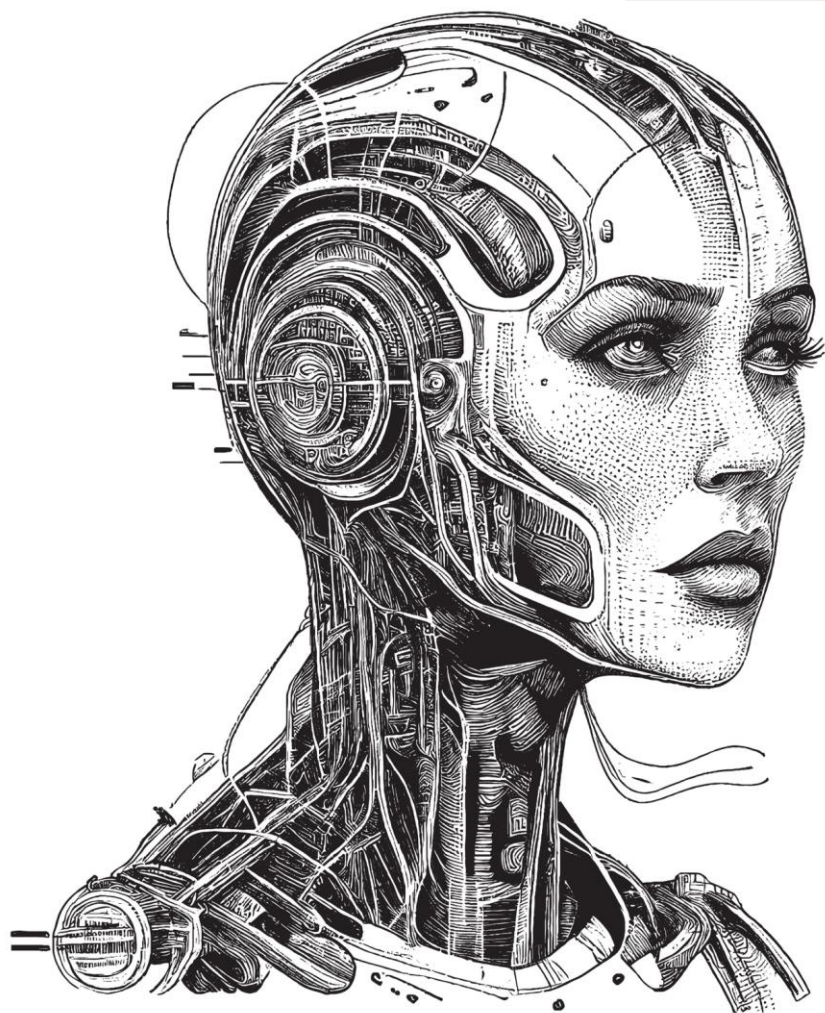
Atombeam is also private, but has an active offering of its common stock under Regulation A+.



Generative AI Investment Strategies

There are multiple investment strategies within generative AI:

- Investing in AI platform companies
- Investing in AI infrastructure companies
- Investing in AI application companies



Investing in Pure Play AI Platform Companies

Companies that provide platforms for accessing and using AI capabilities

Examples (private)

OpenAI

Hugging Face

Anthropic

xAI

Examples (private, offering Reg A+ stock)

Atombeam

ARTIFICIAL INTELLIGENCE

Investments in Platform AI via Hyperscalers



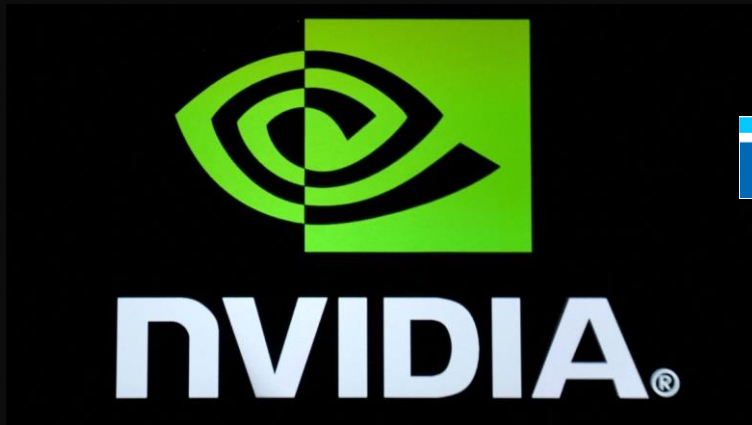
Major technology companies offer generative AI to users as a key part of their offerings, such as Microsoft, Google and soon, Apple

Gen AI is becoming a core technology for most of them



Infrastructure Investments in AI

Supplying the picks and shovels to the gold miners



And MANY more

Investing in AI Application Companies

Companies that use AI to build specific products or services

- Jasper AI: AI-powered writing assistants
- Gong: AI analyzes sales calls and provides insights
- SoundHound: AI-powered voice assistants and voice recognition
- C3.ai: AI software for enterprise applications
- DeepL: AI-powered translation tools
- Grammarly: AI provides grammar and writing suggestions



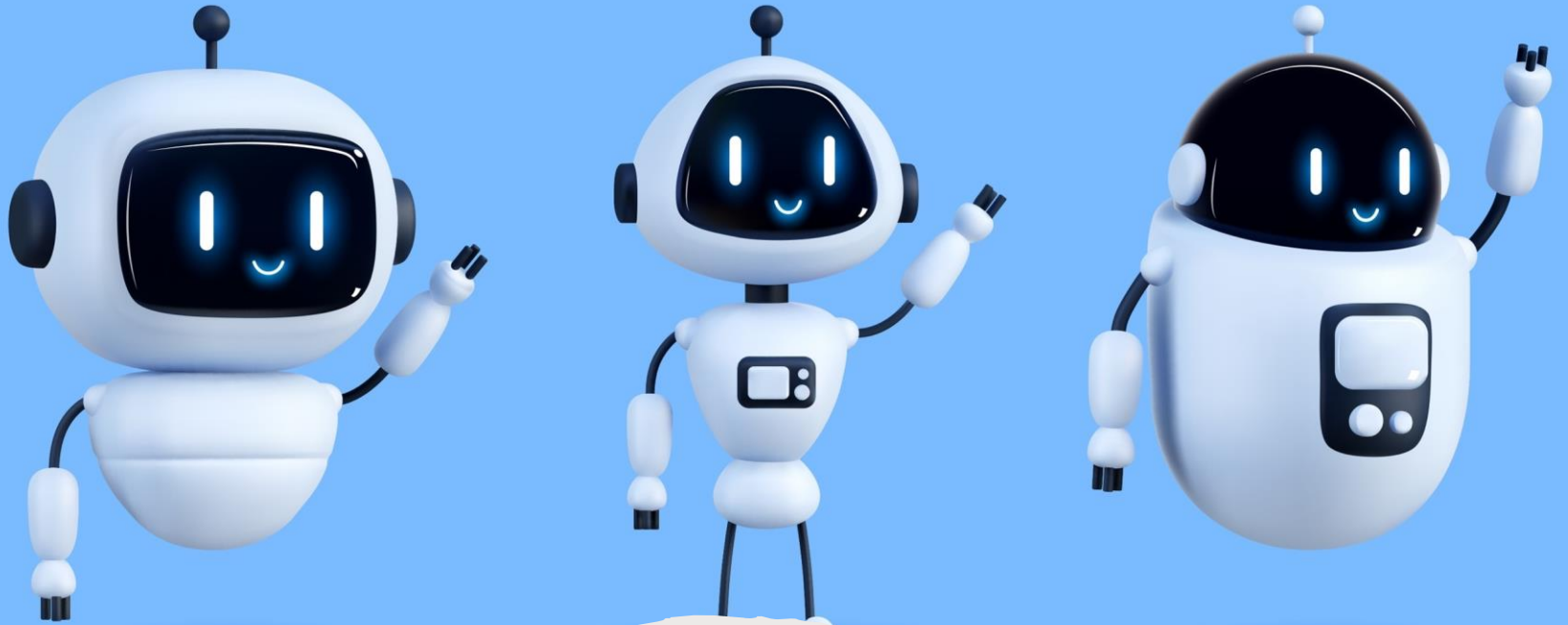
JP Morgan: AI is Not a Bubble

“...we think today’s leading AI infrastructure companies, such as the data center and cloud providers and the semiconductor manufacturers, should continue to grow as the market develops.

However, most of the unrecognized value in AI is in areas such as software and applications.”

Nvidia quarterly revenue from data centers (billions)





How do these investments work?

A person in a dark blue shirt is holding a tablet. The image is overlaid with various financial data visualizations, including a candlestick chart, a line graph with a dashed trend line, and a line graph with solid nodes and connecting lines. The background is a light blue gradient.

Conducting Due Diligence

- Identify publicly traded companies involved in generative AI
- Research company technology, financials, and growth potential
- Consider AI-focused ETFs or mutual funds
- Diversified exposure to the AI sector may be a safer investment

Earning Returns with AI Investments

- **Dividends:** Some companies pay dividends to shareholders, deposited in your IRA
- **Capital Gains:** Profit from selling AI company shares at a higher price
- **Tax-Deferred Growth:** Earnings in your IRA grow tax-deferred until retirement



Generative AI Funding Options

- Direct investment in public companies
- Venture capital funds
- Angel investing
- AI-focused ETFs or mutual funds

Due Diligence Considerations

- **Team:** Strong and experienced team with a proven track record?
- **Technology:** Unique, defensible technology with a clear competitive advantage?
- **Financial projections:** Realistic and supported by a sound business plan?
- **Market fit:** Does the product or service address a real market need?
- **Exit potential:** Potential acquirers or a clear path to an IPO?



Getting Started with AI Investing

- Invest in publicly traded AI companies or AI-focused ETFs or mutual funds through a self-directed IRA
- Invest directly in public companies, venture capital funds, or even angel invest in private early-stage AI startups

How it Works in an IRA



What is a Self-Directed IRA?

A retirement account in which the individual is in charge of making all investment decisions



What is a Self-Directed IRA?

Greater opportunity for
asset diversification outside
of traditional stocks, bonds,
and mutual funds



What is a Self-Directed IRA?

All securities and investments are held in a retirement account administered by a regulated custodian or trustee, following Internal Revenue Codes



Tax Deferred vs. Tax-Preferred



Tax-Deferred Funding

With Traditional IRAs, you can invest with pre-tax income, allowing you to defer taxes until you withdraw earnings



Tax Deferred vs. Tax-Preferred



Tax-Deferred Earnings

With Roth IRAs, you can invest with taxed income, allowing your investment earnings to grow tax free





Getting Started in 3 steps





Getting Started **in 3 steps**



Open an
Entrust Account



Getting Started **in 3 steps**

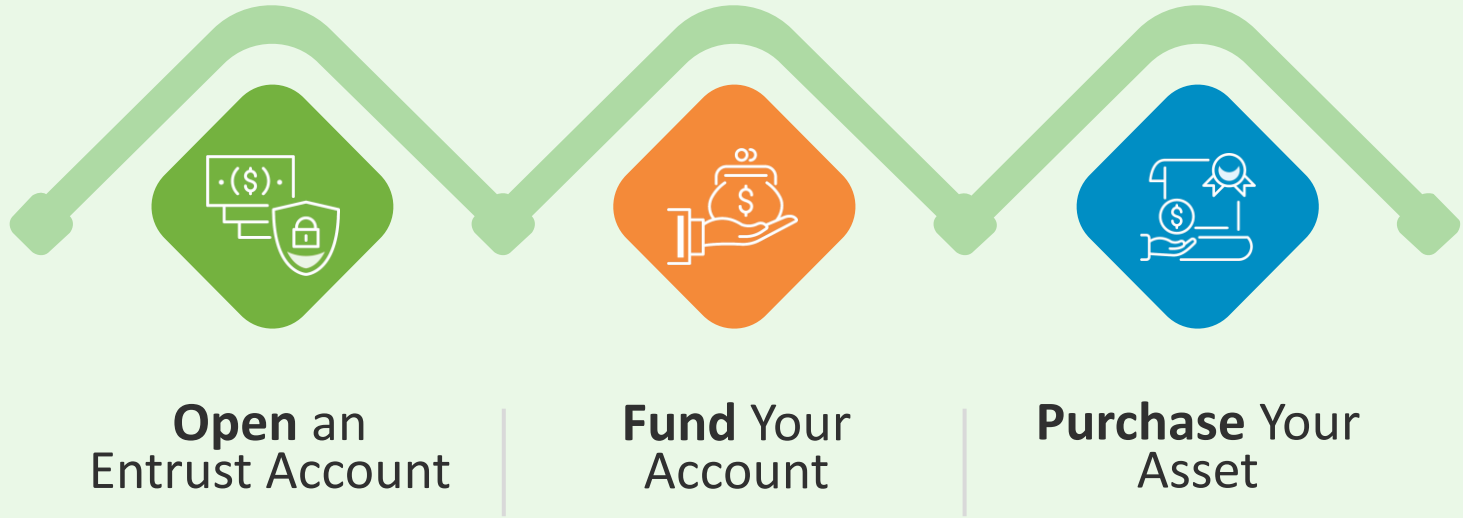


**Open an
Entrust Account**

**Fund Your
Account**



Getting Started **in 3 steps**



Let's Wrap Up





What's Next?

Register for Our Upcoming Webinar

Trust Deeds 2.0: How Experts Find and Vet Investments.

Have feedback or new topic requests?

Please let us know in the survey as you leave





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Question & Answer Session



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Learning gives CREATIVITY

Creativity leads to THINKING

Thinking provides KNOWLEDGE

Knowledge makes you GREAT

- Abdul Kalam

