



Company Description (by OpenAI's ChatGPT)

OpenAI is an artificial intelligence research laboratory. The company's primary aim is to promote and develop friendly AI that benefits humanity as a whole, and its research focuses on developing artificial intelligence technologies, including machine learning and deep learning algorithms.

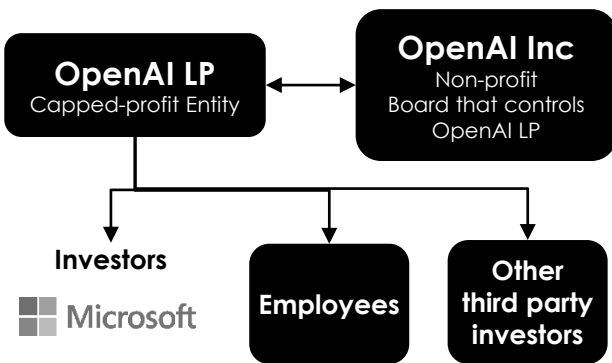
OpenAI Products

- ChatGPT (generative language AI) – [click here](#)
- DALL•2 (image generation) – [click here](#)
- Codex (code generation) – [click here](#)
- Custom models for enterprises

Microsoft + OpenAI partnership

- Microsoft Azure OpenAI Service – [click here](#)
- GitHub Co-pilot (code) – [click here](#)
- Bing (search) – [click here](#)

OpenAI Legal Entity Org Chart



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Reid Hoffman
PayPal Mafia member,
LinkedIn founder

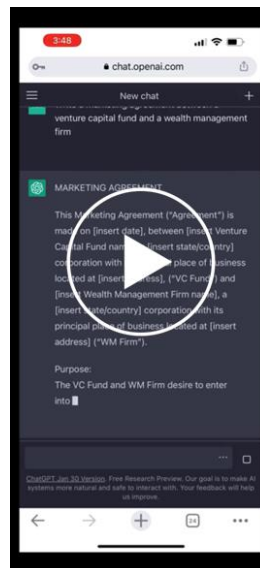
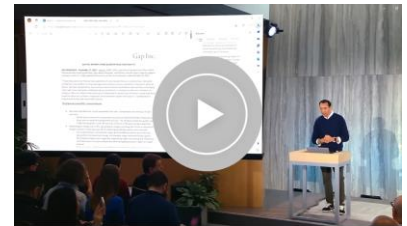
Please note:
Investor profits are capped at 100x; e.g. invest \$1.0m and profit is capped at \$100m.



Click for OpenAI's CEO Sam Altman on the company's product line and mission

"I believe that using AI to transform critical tasks like [search] is going to improve our productivity and day-to-day quality of life. I think this is the beginning of a very new era." Sam Altman

Click for Microsoft's announcement of OpenAI with Big (search) and Edge (browser)



Click for examples of ChatGPT in action;

- AI writes a marketing agreement between a venture capital fund and a wealth management firm
- AI writes a 2-page paper on the best Egyptian pharaoh
- AI writes a love letter to your wife



OpenAI Key Statistics

\$29b

Valuation

100m

Total users



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Investors



Reid Hoffman
PayPal Mafia member,
LinkedIn founder

2015

Year founded

375

Employees

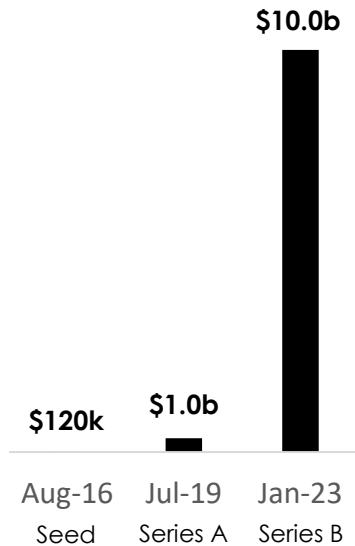
\$11b

Total capital
raised to date



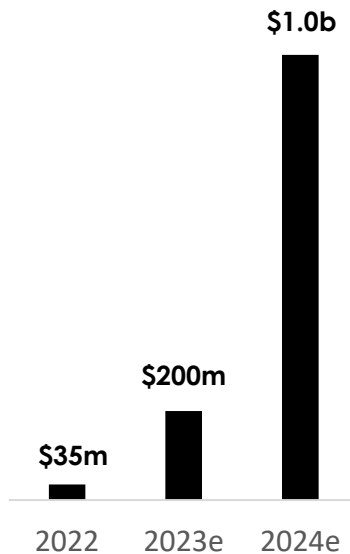
Headquarters

Capital by Round



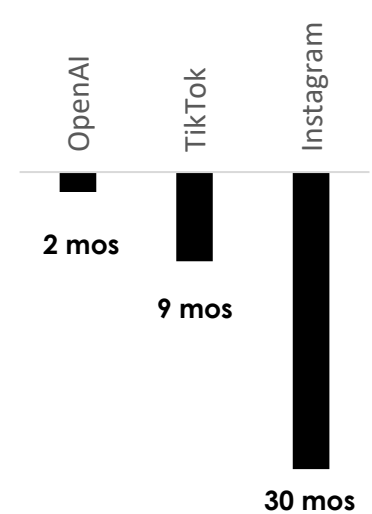
Microsoft invested \$10b at a \$29b valuation in Jan 2023

Revenue



OpenAI is forecasting \$1.0b in 2024 revenue

Months to 100m Users



OpenAI reached 100m users 7 months faster vs TikTok, 28 months vs Instagram



AG Dillon OpenAI Pre-IPO Stock Fund



About the Fund

The AG Dillon OpenAI Pre-IPO Stock Fund seeks to pool investor capital to invest into OpenAI LP shares.

The Fund may gain exposure to OpenAI LP shares by directly purchasing from the company, purchasing from existing shareholders, purchasing a portion or all of one or more legal entities that solely own OpenAI stock (aka SPVs), or derivative contracts (forwards, options).

The Fund will purchase OpenAI LP shares and hold the shares until a liquidity event occurs; IPO or acquisition. If IPO, OpenAI LP shares will be distributed in-kind (ideally no tax event) to investors as quickly as possible. If acquisition, cash will be distributed to investors as quickly as possible.

OpenAI Investment Thesis

1. OpenAI, via Microsoft Bing, will take material search advertising revenue market share from Google
2. Microsoft Azure OpenAI Services will accelerate adoption of OpenAI solutions by enterprises locking in massive recurring revenue
3. Cloud storage (Amazon AWS, Google Cloud, Microsoft Azure) is now table stakes for software development and applications, we believe AI-assisted software development will also become table stakes with OpenAI capturing, via Microsoft's GitHub, outsized market share

Summary of Terms

Fund Name	AG Dillon OpenAI Pre-IPO Stock Fund 1 LP
SEC Exempt Reporting Advisor	AG Dillon Asset Management LP
Manager	AG Dillon LLC
Target Size	\$5.0 million
Minimum investment	\$2,500 Due to limited availability of allocations in the Fund, the Manager reserves the right to accept or decline subscriptions for any reason, in its own discretion, including on the basis of commitment size.
Closings	Initial closing of the Fund will occur on 31 Mar 2023 or on such other date as the Manager determines in its sole and absolute discretion.
Term	Five-year term, subject to two 1-year extensions at the Manager's discretion. The term can be further extended to permit the orderly liquidation, sale, exchange, or other disposition of the Fund's remaining investments.
Capital Contributions	100% called at closing.
Investment Period	12 months from closing, subject to one 1-year extension at the Manager's discretion.



Summary of Terms

Fund Administration	NAV Consulting Inc - www.navconsulting.net
Legal	Morgan, Lewis & Bockius LLP - www.morganlewis.com
Institutional Traders	<p>The Fund will access pre-IPO stocks through institutional traders. The list below includes, but is not limited to, the Fund's institutional traders.</p> <ul style="list-style-type: none"> • Forge Global - www.forgeglobal.com • Zanbato - www.zanbato.com • Nasdaq Private Markets - www.nasdaq.com • EquityZen - www.equityzen.com • ShareNett - www.sharenett.com
Expenses	<p>The Fund will bear all expenses, including but not limited to:</p> <ul style="list-style-type: none"> • Broker commissions • SPV creation and administration expenses • Legal expenses • Variable fees for wire and blue sky filing <p>Underlying SPV fees</p> <ul style="list-style-type: none"> • There is a high probability that the Fund will purchase shares of a SPV that solely owns OpenAI stock. This SPV may have its own management fee and carried interest fee. This management fee and carried interest fee are separate from the Fund's management fee and carried interest fee. For more information, please contact aaron.dillon@agdillon.com.
Management Fee	0.60% management fee*. Management fee based on each investor's capital commitment to the Fund at closing date. (*charged up front for full 5 year term of the Fund)
Performance Based Compensation	10% carried interest (the "Carried Interest").
Distributions	Distributions shall be made based on Distributable Cash received by the Fund; 100% to Members of the Fund on a pro rata basis until each such Member has received aggregate distributions of Distributable Cash equal to the sum of (without duplication) (x) the capital contributions of such Member used to acquire realized or written off Fund Investments, plus such Member's proportionate share of any write-downs of unrealized Fund Investments, as of that time (collectively, "Realized Investments") and (y) a portion of the capital contributions of such Member used to pay Organizational Expenses and Operating Expenses incurred in connection with such Fund Investments, as determined by the Manager, in its sole discretion, to be allocable to Realized Investments and write-downs of unrealized Fund Investments. Thereafter, 90% to such Members, 10% to the Manager.
Reports	The Fund shall provide (i) unaudited annual financial statements; (ii) unaudited quarterly reports providing summary financial information and other information regarding the Fund; and (iii) tax information regarding the Fund for completion of Members' tax returns.
Investor Suitability	Accredited investors only
Risks	Please see limited partner agreement, private placement memorandum, and subscription document for investment risk.



General Partner Bio



Aaron Dillon

AG Dillon & Co

Managing Director

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Dillon's pre-IPO stock experience

- 5,500%+ realized return on SoFi pre-IPO stock investment
- 4,000%+ unrealized return on KraneShares ETFs pre-IPO stock investment
- 10 other pre-IPO stock investments including SilkFAW (www.silkfaw.com), Public.com, Callin (www.callin.com), Kinly (www.bekinly.com), Paga (www.mypaga.com)
- Assisted 40+ fintech challenger banks launch online bank account offerings, assisted with seed capital raising (SoFi/Galileo, www.galileo-ft.com)

Dillon's fund management and passive investing experience

- Co-founded KraneShares ETFs and ran day-to-day operations for SEC 1940 Act funds. KraneShares has \$10 billion in assets under management.
- Head of wealth management division at FTSE Russell Indices and constructed indices for ETFs, direct indexing, and passive SMAs. FTSE Russell is the largest index company globally with \$16 trillion benchmarked.

Dillon's regulatory and RIA/IBD servicing experience

- Managed investment product platforms at Morgan Stanley Wealth Management and TD Ameritrade and ensured compliance with SEC and Finra regulation while understanding and meeting financial advisor needs. Morgan Stanley Wealth Mgmt is the largest wealth manager in the US with \$5 trillion in client assets. The TD Ameritrade mutual fund and ETF business manages \$160 billion of client assets.

Dillon's companies and roles – see [LinkedIn bio](#) for more:

- SoFi – Managing Director – Wealth Management, Galileo division
- London Stock Exchange / FTSE Russell Indexes – Managing Director, US Wealth Mgmt
- KraneShares ETFs – Co-founder, Managing Director
- TD Ameritrade – Director, Head of Mutual Fund & ETFs
- Morgan Stanley Wealth Management – VP, Investment Products & Managed Accounts