

**GILGAL**  
**GENERAL**

**Exchange-Traded Annuities**

**Seed Financing**

# OUR TEAM



**Alexander A. Ampontuah**  
Founder & CEO

21 Years of Capital Markets Experience:

- Fixed income trading (MBS)
- Credit portfolio derivatives trading
- Equity derivatives trading
- Market risk management
- Credit risk management

Prior Firms:



**Bo Qian**  
Software Engineer

18 Years of Capital Markets Technology Experience

- Fixed Income Trading Technology (MBS)
- Market Risk Management Technology
- Credit Risk Management Technology

Prior Firms:



**Cenray Gangadharan**  
Software Engineer

16 Years of Capital Markets Technology Experience

- Fixed Income Trading Technology
- Market Risk Management Technology
- Credit Risk Management Technology
- System Design & Software Development Solutions For Enterprises - Distributed, Desktop and Web Applications

Prior Firms:



## Advisors

Grant Eldred – Managing Director, Goldman Sachs  
Stan Lewis – Vice President, Goldman Sachs

**Founder and key software engineers worked together  
at RBC Capital Markets for 5-6 years in FICC &  
Proprietary MBS Trading units**

## The 2019 SECURE Act

The 2019 SECURE Act annuity provision permits US employers to carry annuities on workplace retirement plan without incurring fiduciary liability risk

## Potential Impact of the 2019 SECURE Act

Much like how the 2006 Pension Protection Act (PPA) paved the way for auto-enrollment and auto-increase in workplace retirement plans, we believe the 2019 SECURE Act will have similar market adoption impact in the workplace retirement savings market (401k, 403(b) & IRAs) to help employees & retirees convert portions of their retirement savings balances to guaranteed retirement income using annuities.

## PPA Impact on Workplace Retirement Savings Adoption

	2019	2006
401k Auto-Enrollments	61%	35%
QDIA – Target Date Funds	73%	32%
401k Auto-Increase	46%	26%
Roth IRA Contributions	61%	31%

## How retirement math has changed

Retirement math used to be simple:



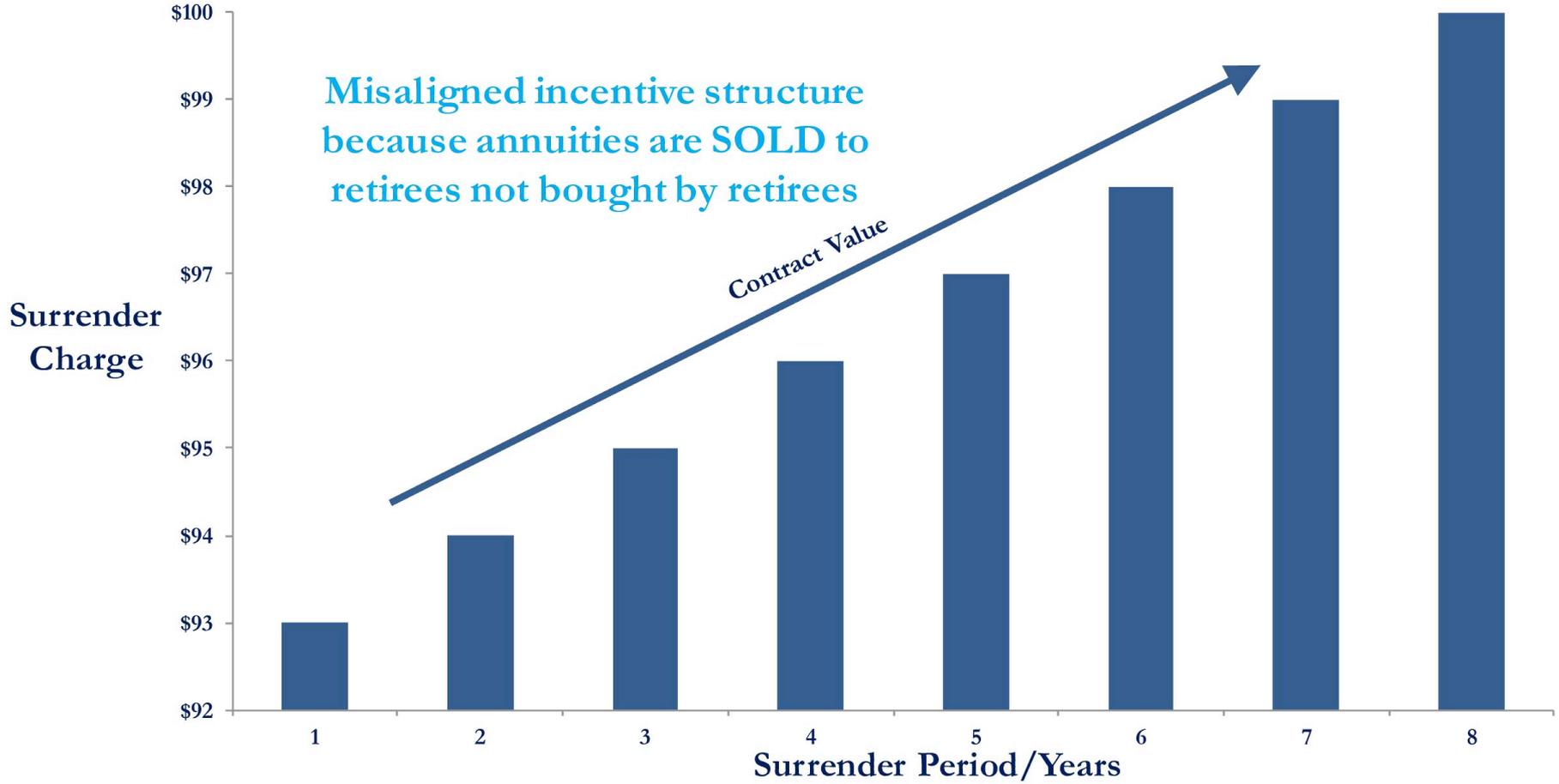
But today, the math isn't so straightforward:



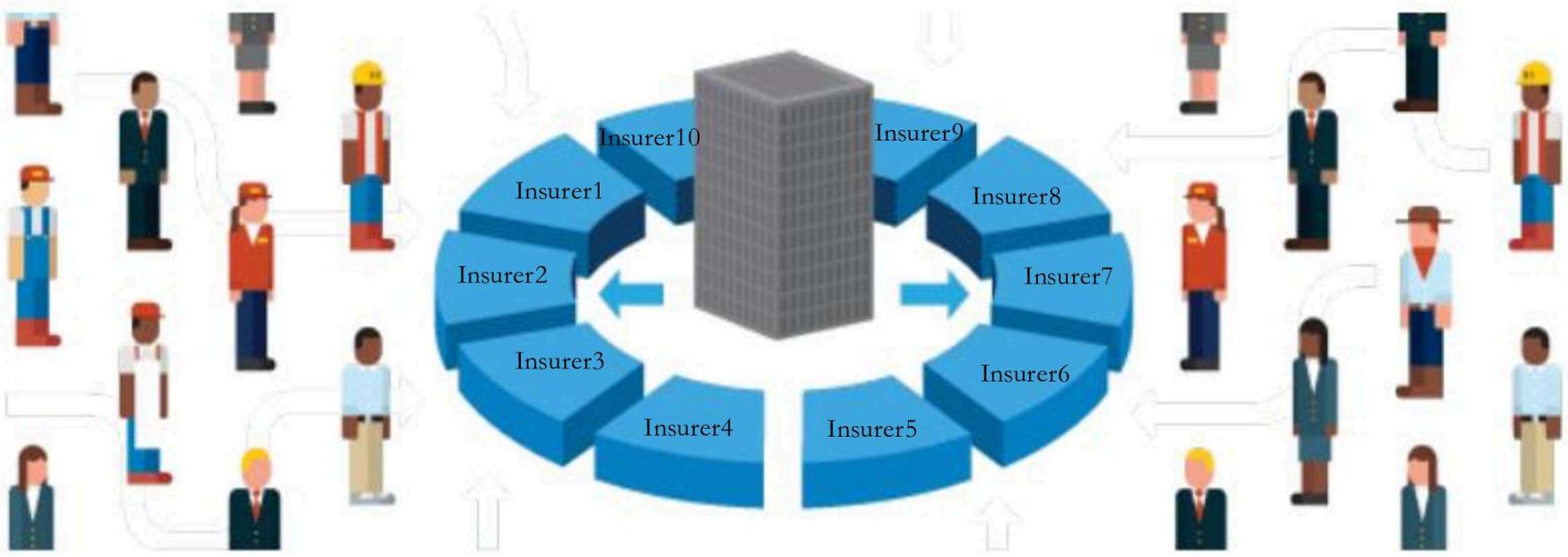
The guaranteed retirement income once promised by pensions is gone.

# ANNUITIES CAN FIX THIS...BUT ANNUITIES ARE COSTLY

Imagine buying an annuity contract from an insurance company and the very next day, the contract value declines by 7-10%. And you must wait 7-10 years before the contract value creeps back to par or you will lose the 7-10% of the contract value if you leave before the 7-10 year surrender period.



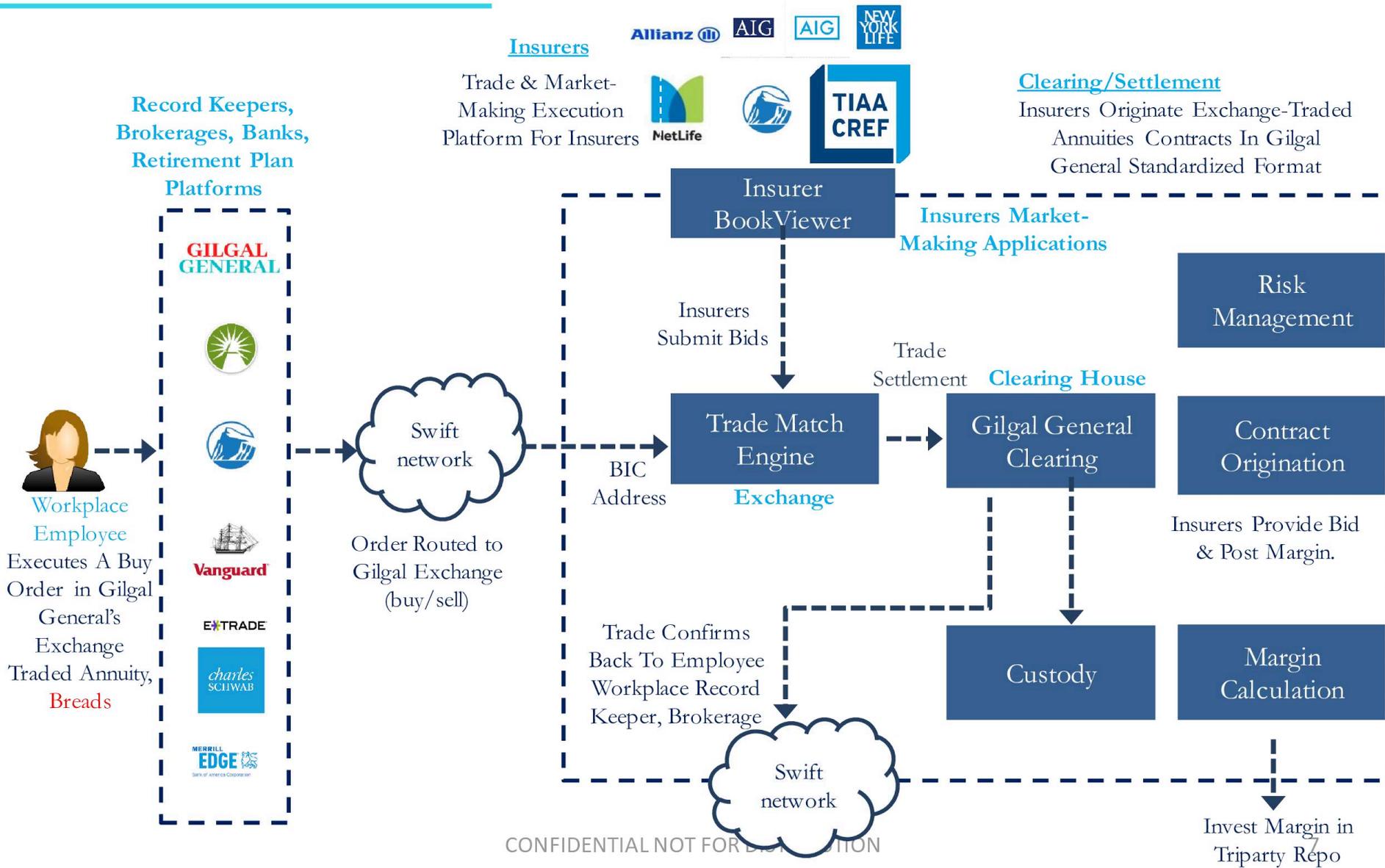
# THE SOLUTION...EXCHANGE CLEARINGHOUSE



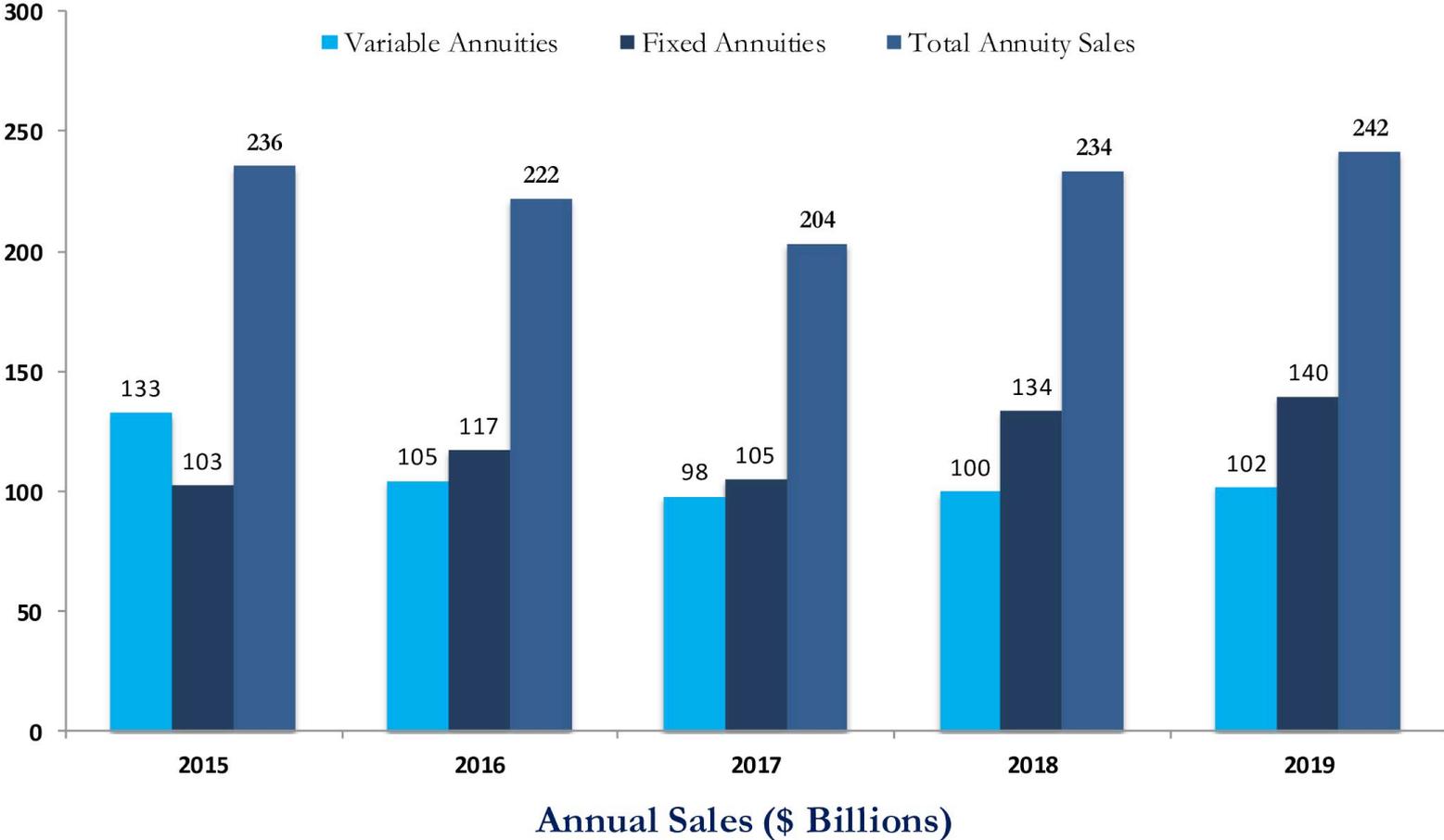
## THE CLEARING HOUSE

Monitors and processes every trade, limiting counterparty credit risk among insurers and mitigating the risk of member-insurer default. It acts as the neutral counterparty between every buyer (retiree) and seller (insurer), ensuring the soundness and integrity of every annuities contract executed on the exchange.

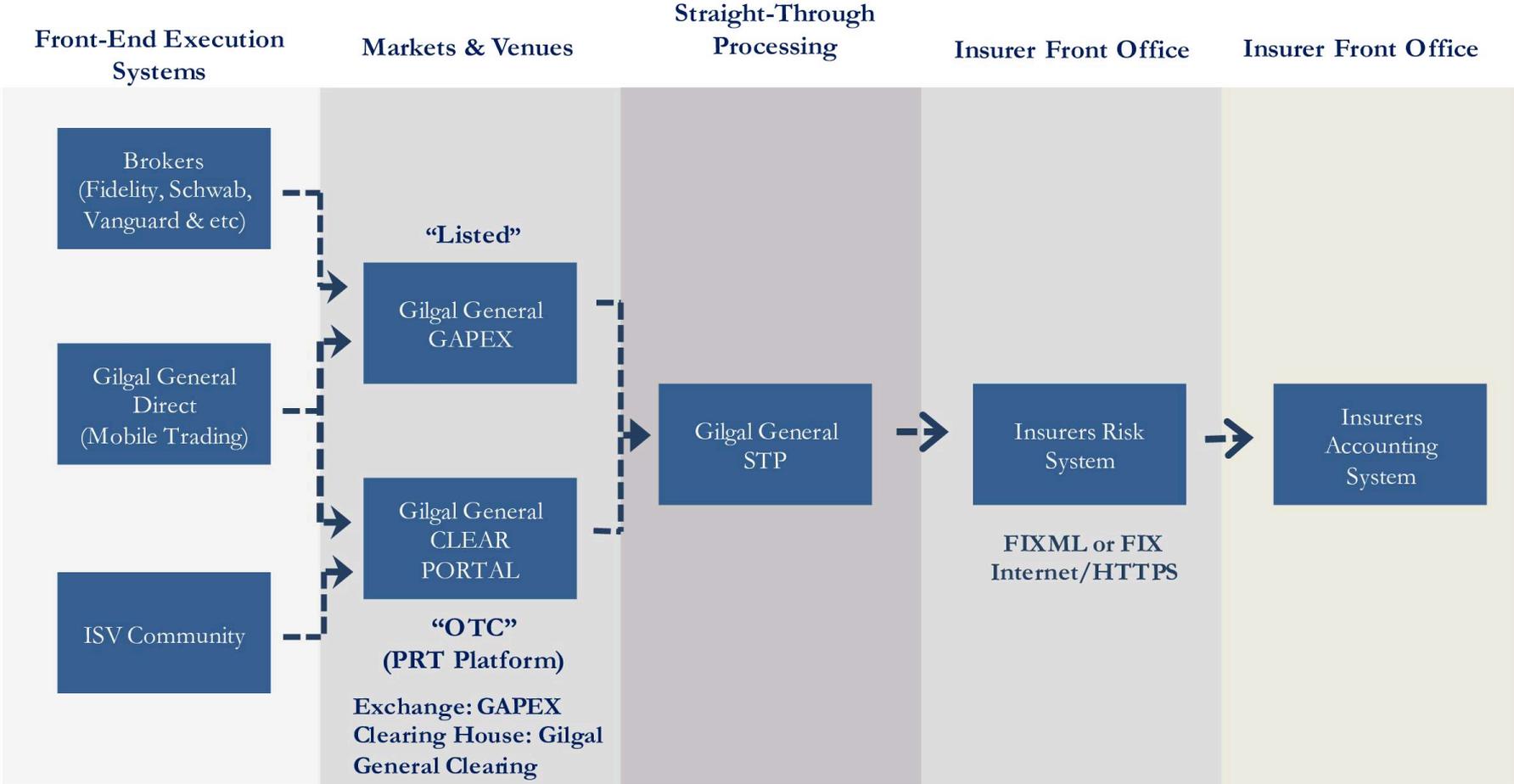
# SOLUTION INFRASTRUCTURE



## Stable & Consistent Annuity Sales Over The Years – Despite The Lower For Longer Rates Environment



# PRODUCT - TRADING PLATFORM

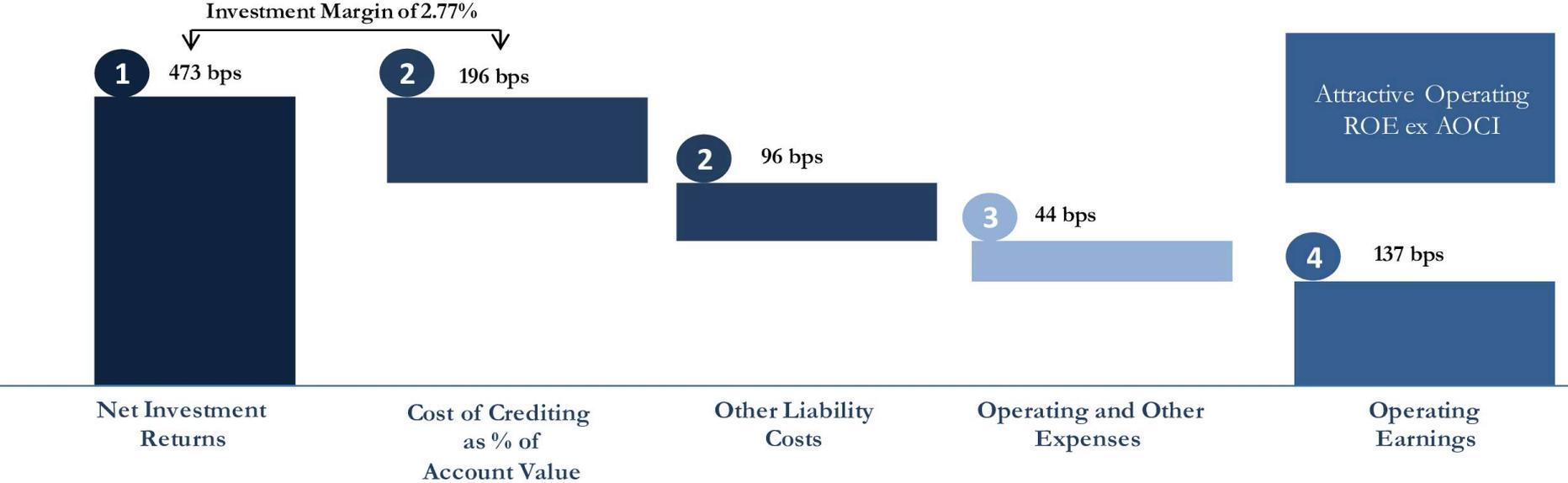
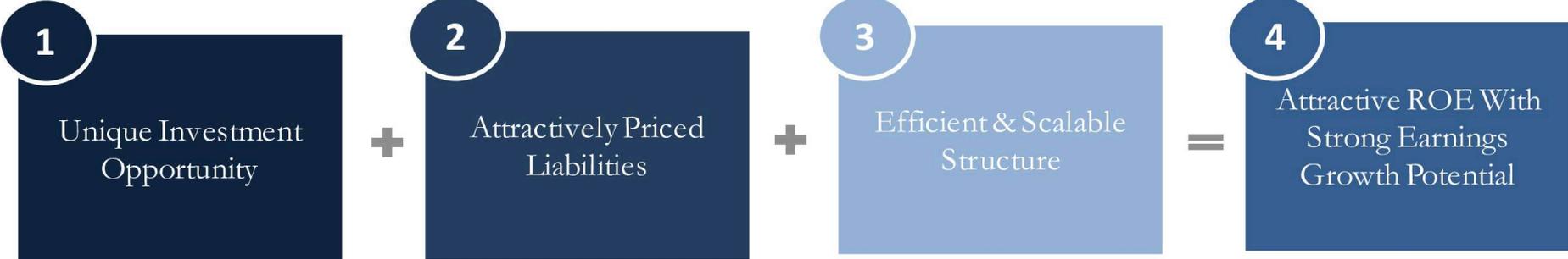


## GILGAL EXCHANGE



# THE ANNUITY CONTRACT = SWAP CONTRACT

## The Annuity Contract Re-imagined



## Illustrative Fixed Annuity Contract Economics

# REVENUE MODEL

**We Have A Take Rate Of 12-25% On All Transactions Economics  
From Insurers**



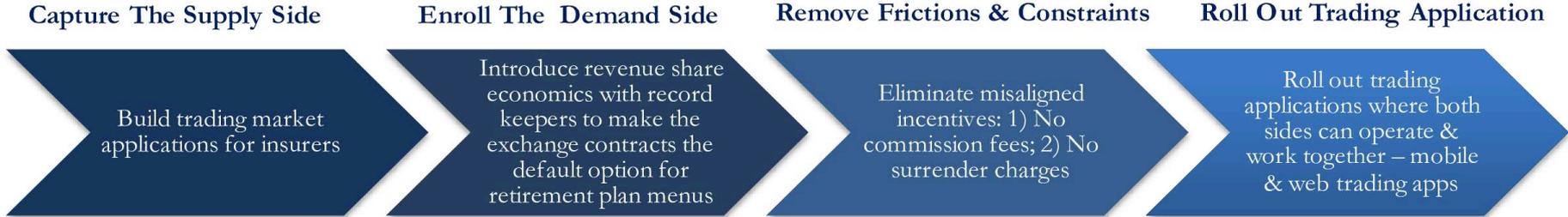
## Other Revenue Stream:

- Exchange - Insurers Membership Fees
- Clearing House - Clearing fees
- Custody Fees
- Fees Per Trade/Execution Fees
- Repository/Market Data Fees (API)
- Settlement fees
- Tri-party repo fees

Disclaimer: these projections cannot be guaranteed

# GO-TO-MARKET

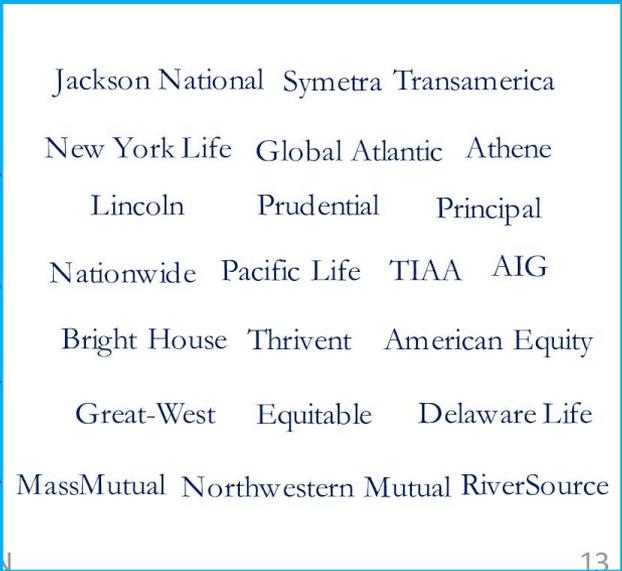
Bringing a once offline, bespoke and manual annuity contract, to online electronically traded exchange-traded contract allowing insurers to compete for volume flow from workplace employees



## RETIREMENT PROVIDERS



## INSURANCE COMPANIES



# COMPETITION

## 2019 Annuity Sales - US Insurers (\$ In Thousands)

Rank	Insurance Company Name	Total		Insurance Company Name	Variable Annuity		Insurance Company Name	Fixed Annuity	
1	Jackson National Life	19,626,719	10.7%	Jackson National Life	14,693,766	15.2%	AIG Companies	13,264,328	12.5%
2	AIG Companies	19,419,511	10.5%	Equitable Financial	11,697,921	12.1%	New York Life	9,863,105	9.3%
3	Lincoln Financial Group	14,837,778	8.1%	TIAA	9,858,000	10.2%	Allianz Life of North America	8,368,418	7.9%
4	New York Life	13,239,522	7.2%	Lincoln Financial Group	9,752,988	10.1%	Global Atlantic Financial Group	8,292,011	7.8%
5	Allianz Life of North America	12,369,631	6.7%	Prudential Annuities	8,523,711	8.8%	Athene Annuity & Life	6,766,852	6.4%
6	Equitable Financial	11,734,276	6.4%	AIG Companies	6,155,183	6.4%	Pacific Life	6,194,839	5.9%
7	Nationwide	10,809,100	5.9%	BrightHouse Financial	5,767,867	6.0%	Nationwide	6,114,900	5.8%
8	Prudential Annuities	10,477,707	5.7%	Nationwide	4,694,200	4.8%	Lincoln Financial Group	5,084,791	4.8%
9	TIAA	9,858,000	5.4%	RiverSource Life Insurance	4,086,723	4.2%	Massachusetts Mutual Life	5,079,675	4.8%
10	Pacific Life	9,511,941	5.2%	Allianz Life of North America	4,001,212	4.1%	American Equity Investment Life	4,963,208	4.7%
11	Global Atlantic Financial Group	8,397,573	4.6%	Transamerica	3,633,533	3.8%	Jackson National Life	4,932,953	4.7%
12	Athene Annuity & Life	6,782,132	3.7%	New York Life	3,376,417	3.5%	Great American	4,545,638	4.3%
13	BrightHouse Financial	6,157,641	3.3%	Pacific Life	3,317,105	3.4%	Fidelity & Guaranty Life	3,595,367	3.4%
14	Massachusetts Mutual Life	5,544,547	3.0%	Thrivent Financial for Lutherans	2,291,067	2.4%	Symetra Financial	3,497,556	3.3%
15	American Equity Investment Life	4,963,206	2.7%	Fidelity Investments Life	1,545,727	1.6%	Principal Financial Group	2,890,424	2.7%
16	Great American	4,649,120	2.5%	Northwestern Mutual Life	1,045,025	1.1%	Western Southern Group	2,838,241	2.7%
17	RiverSource Life Insurance	4,435,381	2.4%	CMFG Life Insurance Company	998,448	1.0%	Security Benefit Life	2,540,018	2.4%
18	Transamerica	4,196,305	2.3%	Principal Financial Group	568,663	0.6%	Delaware Life	2,405,953	2.3%
19	Symetra Financial	3,622,527	2.0%	Massachusetts Mutual Life	464,872	0.5%	Midland National	2,257,659	2.1%
20	Fidelity & Guaranty Life	3,595,367	2.0%	Securian Financial	364,198	0.4%	North American Company For Life & F	2,216,537	2.1%
Top 20 Insurance Companies		184,227,984		96,836,626			105,712,473		
Total Industry		241,727,000		101,900,000			139,827,000		
Top 20 Insurance Companies Share		76%		95%			76%		

# VALUE PROPOSITION

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## Employees, Retirees & Investors

- Buy annuities in seconds, not weeks
- No commission fees
- No surrender charges
- No surrender period
- No investment minimums
- Eliminate single insurer default risk
- Market-based competitive bidding
- Portable - seamless portability from workplace to workplace

## Employers & Pension Plans

- Eliminate fiduciary liability risk
- Revenue-sharing economics
- Portable - seamless portability from workplace to workplace
- Complimentary & unique exchange-traded retirement income product on workplace retirement providers plan menus
- Remove workplace employees inertia adopting annuities

## Insurance Companies

- Revenue-sharing economics
- Opens up access to new customers domestic & int'l
- Operational efficiency – operational cost savings
- Radically reduced cost of distribution
- Contract is centrally-cleared
- Regulatory capital-efficient
- Capital requirements and equity buy-in for insurers

## Record Keepers, Brokerages & Banks

- Revenue-sharing economics
- Complimentary & unique exchange-traded retirement income product on workplace retirement providers plan menus

# USE OF FUNDS

We are looking for operational capital on a SAFE Note to build our next generation clearing house, contract trading platform & exchange trading infrastructure

## Accomplished

- ✓ 9 Fixed Annuity (FA) contracts constructed & automated into the trading platform
- ✓ 72 Fixed Indexed Annuity (FIA) contracts constructed & automated into the platform
- ✓ 8 Variable Annuities (VA) contracts currently in implementation/build out phase.
- ✓ Partnered & contracted with ICE (owner of NYSE) to supply live market data for pricing of Fixed Annuities, Fixed Indexed Annuity & Variable Annuities (VA) contracts on GAPEX – the trading platform.
- ✓ Will partner and cross-list on NYSE for the 8 Variable Annuity (VA) contracts to be developed in conjunction with ICE/NYSE for broader market liquidity.
- ✓ Fixed Annuities & Fixed Indexed Annuity contracts already priced & deployed in batch mode in our cloud computing analytics infrastructure..

## Use of Funds

- SEC/CFTC Registrations:
  - Exchange Trading Facility (SEF)
  - Contract Clearing Organization (DCO)
  - Broker-Dealer (SIPC & FINRA)
- Build the Exchange Trading Facility - Finish the build out of the exchange trading technology infrastructure.
- Finish the build out of the Clearing House risk management analytics and clearing infrastructure (DCO)- finish beta by end of Q3 2021
- Hire 5-7 additional technologists/software engineers
- Bring on board up to ~8 insurers on the marketplace as contract market-makers/clearing members on the exchange.
- Bring on board up to ~6 retirement plan providers/record keepers to enroll work place employees & retirees.
- Patents & trademarks registrations

# GOALS & MILESTONES

## Goals

## Milestones

	Short-Term 2022Q2	Medium-Term 2024Q1	Long-Term 2025Q3
Goals	<ul style="list-style-type: none"> <li>Introduce electronic exchange-traded annuities to plan sponsors &amp; insurers</li> <li>Validate plan participants exchange-traded annuities cost curves</li> <li>Validate cost, distribution and conversion rates of plan participants to the electronic exchange</li> </ul>	<ul style="list-style-type: none"> <li>Broaden the exchange liquidity &amp; bring down the cost curve of plan participants to improve product adoption and conversion rates in US and international</li> <li>Increase plan participants on the exchange to 32-36mm</li> </ul>	<ul style="list-style-type: none"> <li>Enter adjacent markets – Pension Risk Transfer (PRT) – work with pension plan sponsors on product adoption and conversion</li> <li>Operate at national scale</li> <li>Optimize profits</li> <li>Improve operational efficiencies</li> </ul>
Milestones	<ul style="list-style-type: none"> <li><b>Build</b> front-end trade execution &amp; clearing engine for insurers; iOS &amp; Android mobile trading execution platform for retirees/investors. <b>Release</b> UAT v1 in 8 months to insurers for testing and feedback; v2 4 months after v1; v3 4 months after v2.</li> <li><b>Acquire</b> 8-10 insurance companies &amp; 6-8 record keepers onto the exchange</li> <li><b>Connect</b> all 6-8 record keepers’ plan participants into the exchange electronically ~approximately 20-24mm plan participants; 6mm of which would-be retirement income seekers of this population.</li> <li><b>Convert</b> 2-3mm of those 6mm plan participants into the exchange for exchange-traded retirement income.</li> </ul>	<ul style="list-style-type: none"> <li><b>Improve, scale &amp; build</b> further network infrastructure connectivity with insurers, banks, record keepers and pension plans in the marketplace</li> <li><b>Grow</b> network to 20-25 of the top 40 US insurers/annuity providers &amp; 12-15 of the top 20 US record keepers onto our electronic exchange</li> <li><b>Expand</b> into multiple international geographical markets – with key focus on Japan &amp; China; potentially UK pension market (very suitable product for UK pension system)</li> </ul>	<ul style="list-style-type: none"> <li><b>Partner</b> with other US national and international exchanges &amp; cross-list our exchange-traded retirement income products with other exchanges to further broaden product liquidity &amp; product adoption and increase consumers take-up rate and conversion</li> <li><b>Capture</b> the top 40 of US insurers/annuity providers &amp; the top 20 of US record keepers onto the electronic exchange.</li> </ul>