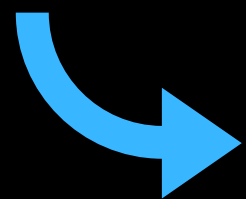


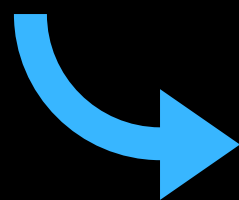
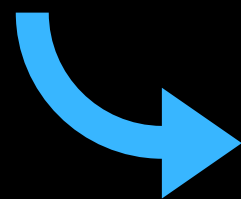
Intro to Litigation Finance

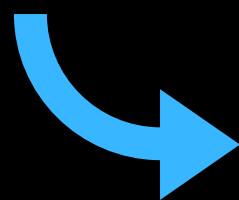
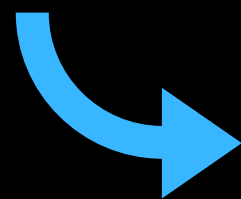
Eva Shang

4/21

Legalist 





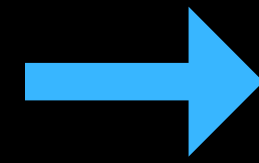


Tech-enabled
credit firm

\$650M

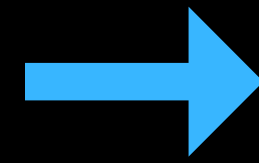
AUM

\$650M
AUM

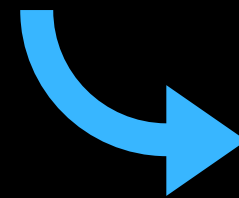


litigation
\$400M AUM

\$650M
AUM

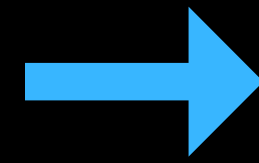


litigation
\$400M AUM

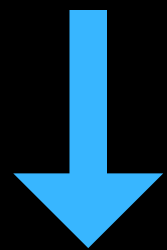


bankruptcy
\$100M AUM

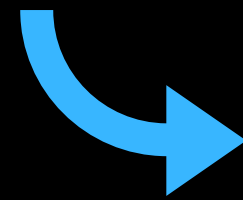
\$650M
AUM



litigation
\$400M AUM



**government
receivables**
\$100M AUM



bankruptcy
\$100M AUM

2016



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Legalist is making it easier for lawyers to find state court records

Fitz Tepper @fitztepper / 3:42 PM EDT • July 19, 2016

Comment



Image Credits: Stock4B

Imagine a lawyer with a client who lives in one county and works in another. Or even a lawyer who litigates in multiple states. Both common occurrences, but



2017

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PRO VC NEW MONEY

VCs Back Tech-Driven Litigation Finance

Legalist Inc. uses algorithms to find and fund civil lawsuits



2018



2019

FUND NEWS

Tech-Driven Litigation Finance Firm Raises \$100 Million for Latest Fund

The latest fund from Legalist far surpasses the firm's first litigation investment vehicle, which raised \$10.25 million in 2017

By Will Louch

Sept. 12, 2019 5:15 pm ET

 SAVE  PRINT  TEXT

Legalist Inc., a litigation finance startup founded by two Harvard College dropouts, has closed on \$100 million for its second fund.

The firm raised the money largely from institutional investors, including endowments and insurance companies, to source and finance civil lawsuits that require less than \$1 million in funding.

TOP NEWS

Apollo Global Looks to Participate in a Bid for Twitter



Key Executive Departures Disrupt BlackRock's Secondary Fundraising



2020



2021

reuters.com/article/legalinnovation-legalist/litigation-funder-legalist-bets-on-bankruptcies-expanding-small-to-...

WESTLAW NEWS MARCH 18, 2021 / 6:09 PM / UPDATED A YEAR AGO

Litigation funder Legalist bets on bankruptcies, expanding small-to-midmarket strategy

By Sara Merken

1 MIN READ



Legalist Inc has raised \$50 million for its first bankruptcy fund, expanding the litigation funder's portfolio to include the bankruptcy sector with the same smaller-scale focus it has brought to commercial litigation finance.

The San Francisco-based company will provide debtor-in-possession financing to small and lower-middle-market businesses in bankruptcy, with a typical loan in the range of \$1 million to \$10 million, the company said.

2022

A screenshot of the The Wall Street Journal website. The top navigation bar includes the site's name, edition options, and a search bar. The main content area features a photograph of a woman sitting on a red cushioned bench with a large brown dog. The headline and sub-headline are overlaid on the bottom of the image.

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◆ WSJ NEWS EXCLUSIVE

The 26-Year-Old Dropout Lapping the Hedge-Fund Field

Fund manager, startup founder, blogger: Eva Shang is cracking the private debt market. The \$400 million she raised in six months says Wall Street is taking notice.

**What is litigation
finance?**

Collateralized by
non-recourse
litigation proceeds

Plaintiff-side only

**Liability, damages,
collections**

Case study

Distributor v. Window Installation Franchise



\$500K Litigation Finance investment
\$5M-10M prospective damages

Case study

Distributor v. Window Installation Franchise



\$500K Litigation Finance investment
\$5M-10M prospective damages



\$5.5M settlement

Evaluate a litigation

Junior Partner v. Rich Venture Partner

Plaintiff, an employee and partner, entered into a real estate venture where he was improperly terminated and not paid his carry and promote.

Evaluate a litigation

Junior Partner v. Rich Venture Partner

The case is in the middle of discovery. Although the Plaintiff has an employment contract, it is unclear how much of his carry and promote has actually been earned given the lack of business success of some of the ventures in the underlying portfolio.

Evaluate a litigation

Junior Partner v. Rich Venture Partner

Venue: California State Superior Court, San Francisco County

Requested Investment: \$1M

Damages: \$10M including the dubiously performing investments,
\$2M - \$3M excluding those

Evaluate a litigation

Wholesale Grocery Broker v. Global Grocery Store

Plaintiff, a wholesale grocery broker, alleged that a global discount grocer tortiously interfered with Plaintiff's business contracts with 45 food manufacturers.

Evaluate a litigation

Wholesale Grocery Broker v. Global Grocery Store

The case is filed and in the middle of discovery and spans 45 different supplier contracts, many of which have varying damages and a mixture of oral and written contracts. Plaintiff has already self funded for \$2M.

Evaluate a litigation

Wholesale Grocery Broker v. Global Grocery Store

Venue: Illinois State Circuit Court, Cook County

Requested Investment: \$1.3M

Damages: \$27M lost profits from expert report

Evaluate a litigation

Energy Broker v. Electricity and Gas Provider

Plaintiff, an energy broker, spent 4 years developing a project to use waste heat from cement plants to generate electricity, but was cut out of the deal by the energy companies who implemented it.

Evaluate a litigation

Energy Broker v. Electricity and Gas Provider

The case is in the middle of discovery. The key unknowns are whether Plaintiff had continuing rights in the deal following the dissolution of the Joint Development Agreement, and what damages ensued from the final project.

Evaluate a litigation

Energy Broker v. Electricity and Gas Provider

Venue: Arbitration

Requested Investment: \$700K

Damages: \$6M - \$10M calculated on present value of anticipated earnings

Eva Shang

eva@legalist.com

DISCLAIMERS

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EXCEPT FOR THE GENERAL PARTNER AND CERTAIN OTHER IDENTIFIED REPRESENTATIVES OF THE FIRM, NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION RELATING TO THE FUND OR THE LIMITED PARTNERSHIP INTERESTS THEREIN. EACH PROSPECTIVE INVESTOR WILL BE AFFORDED THE REASONABLE OPPORTUNITY TO: (A) OBTAIN ALL ADDITIONAL INFORMATION WHICH HE, SHE OR IT MAY REASONABLY REQUEST RELATING TO THE FUND OR THE OFFERING OF ITS LIMITED PARTNERSHIP INTERESTS; AND (B) ASK QUESTIONS OF THE GENERAL PARTNER AND CERTAIN OTHER IDENTIFIED REPRESENTATIVES OF THE FIRM CONCERNING THE TERMS AND CONDITIONS OF THE PARTNERSHIP AGREEMENT, ANY INFORMATION SET FORTH IN THIS PRESENTATION, AND ANY SUPPLEMENTAL INFORMATION THAT MAY BE PROVIDED TO PROSPECTIVE INVESTORS BY THE FIRM.