



Company Overview

March 2022

EXECUTIVE SUMMARY

Validity offers clients and law firms the financial resources needed to keep their operations running smoothly during lengthy legal battles. Clients frequently use the capital to pay for some or all of the cost of the litigation, such as attorneys' fees, discovery expenses, expert-witness fees, and court costs. Our funding can also be used by clients for working or operating capital or to monetize their litigation assets. Validity's funding is non-recourse; clients are not obligated to repay Validity unless the client's litigation results in a recovery.

THE VALIDITY DIFFERENCE

Validity's investment team is composed entirely of former trial litigators from top U.S. firms such as Kirkland & Ellis, Gibson Dunn, Simpson Thacher, Boies, Schiller & Flexner and Baker Botts. Members of the team have clerked for federal judges, including the U.S. Supreme Court. With an average of 18 years prestigious law firm experience, our team is more than a provider of capital: we are a valued litigation partner ready to contribute to legal strategy in coordination with our network of law firms and experts.

We also have one of the longest track records in the industry. With a combined 50 years financing litigation, our team has invested over \$250 million in litigation over the last three years and our management team has over a 70% success rate on resolved cases.

Our considerable experience litigating and funding cases means we understand what clients want and need from a funder. Validity's goal is to help every client strengthen its case. We do this by sharing all of our own due diligence with our clients – conducted at no cost to the client – and by aiming to close every transaction quickly and smoothly.

At Validity, we exist to serve clients. Where other funders see legal assets, we see people, and we see businesses. We provide unprecedented service, including full transparency on the funding process, and beyond. Validity aims to invest in cases in which the client can realistically recover 50-60% of any eventual monetary award or settlement. We are elite trial lawyers, and we evaluate your claim as potential partners. As a well-capitalized finance company, we have the ability to take and spread litigation risk.



WHAT WE DO

Validity has over \$350 million in capital commitments from global investment management firm Towerbrook Partners and other institutional investors. Unlike many other funders or brokers, we operate as a balance-sheet company, giving clients prompt and reliable access to permanent capital when they need it.

We finance business-to-business, commercial litigation in U.S. courts and in arbitration around the globe. No matter the industry or type of commercial claim, if you lack the funds to prosecute a meritorious case or simply want to share the risk of litigation with a party better equipped to bear it, we can help.

Our financing enables clients to hire the best lawyers and experts in the world, who may or may not be available on a contingency basis, to vindicate your claim.

REPRESENTATIVE INVESTMENTS

Validity has committed \$11 million in funding to a leading international law firm to help clients of the firm pursue major asset recovery cases for a foreign bank, a patent case for a corporation in the Southeast US, and a number of other domestic commercial litigation cases.

Validity has provided \$10 million in portfolio funding to a boutique litigation firm to help handle several hundred million dollars' worth of hurricane-related insurance disputes.

Validity has invested \$10 million in funding to a multi-national to support their multi-billion-dollar arbitration claim arising from a failed joint venture in Southeast Asia.

Validity committed \$4 million to an international corporate affinity program in a breach of contract case with claim value in the tens of millions.

Validity provided \$3.75 million to a biotech manufacturer locked in the middle of a multi-million-dollar case related to the patent rights to specific breakthrough technology. This case resolved in settlement for over \$25 million.



OUR FUNDING PROCESS

Step 1: Term Sheet.

After executing a non-disclosure agreement to protect your confidentiality, we quickly assess your case and propose a basic financial structure. We promise clear pricing, simple terms, and no hidden fees.

Step 2: Diligence.

We conduct our own due diligence on the merits of your case, at no cost to you. We may ask for information and documentation from you or your lawyers to aid our diligence.

Step 3: Investment.

You can expect the final terms of our agreement in a short, easy-to-understand investment contract. Once our investment committee approves, our deal is closed, and capital is made available to you immediately.

Going Forward.

We stay in close touch and stand ready to offer strategic insight whenever called upon. We are always available to assist in managing case budgets, shaping legal strategy, and any other matters impacting your case. Clients can access up-to-date information 24 hours a day on the status of funding requested and deployed through Validity's client portal.



OUR CORE VALUES

In every client interaction, we are committed to delivering:

Fairness – Validity aims to invest in cases in which the client recovers 50-60% of any final monetary award or settlement. No other U.S.-based funder tracks or publishes this metric for its U.S. cases.

Agility – Clients need and deserve swift funding decisions. Validity produces term sheets within three to five business days.

Clarity – Validity’s term sheets are clear, short, and concise, with no hidden fees.

Ethics – Validity is driven by the highest ethical standards in the industry. Our Advisory Panel is comprised of legal ethics experts who specialize in ethics and focus on the impact of funding on the attorney-client relationship.

Client Service –Our goal is to maximize the speed and ease of every funding transaction. In addition, Validity’s team of elite trial lawyers can provide client’s counsel with strategic legal advice upon request.



OUR INVESTMENT TEAM



Ralph Sutton

Chief Executive Officer

Ralph Sutton is an industry pioneer whose strategic and operational experience make him among the most trusted funding professionals in the industry. He co-founded Validity in 2018 with the express goal of providing fair, sustainable, and innovative funding to clients in the U.S.

Ralph’s exceptional wealth of experience includes an 18-year career as a trial attorney, and the co-founding of Credit Suisse’s Litigation Risk Strategies Group, one of the first dispute funding entities in the U.S. Ralph then launched Bentham U.S. (now called Omni Bridgeway), running its operations from 2011-17 as chief investment officer, during which time Bentham expanded to Los Angeles, San Francisco, and Houston from its New York base.

Ralph is a champion of increased access to civil justice, and has lectured on funding and its role in reducing legal inequality at Harvard, Stanford, and other premier law schools. In 2016, he helped establish a new Civil Justice Research Institute at the University of California, Irvine School of Law.

Ralph graduated from Columbia University and received his J.D. from the New York University School of Law. He served as a law clerk to U.S. District Court Judge G. Thomas Eisele for two years.



Allen Fagin

Senior Advisor

Allen Fagin is a board member and senior advisor to Validity Finance. He is a well-known attorney and former chairman of Proskauer Rose, LLP.

Allen began his career at Proskauer in 1976, and specialized in employment litigation, co-chairing the firm’s Labor and Employment Law Department for many years. During his tenure as chairman of Proskauer (2005-2011), the firm grew to over 750 lawyers and approximately 1,500 employees, and opened offices in London, Sao Paulo, Chicago, and Hong Kong.

Allen previously served as a law clerk to the Honorable Robert L. Carter, United States District Judge in the Southern District of New York. He is an honors graduate of Columbia College, Harvard Law School, and the JFK School of Government at Harvard, where he received a J.D. and a master’s degree in Public Policy.





Julia Gewolb

Chief Risk Officer

As Chief Risk Officer, Julia is responsible for ensuring an effective review process to evaluate case merits during the diligence phase of the litigation investment. With her background in complex commercial litigation, she additionally helps offer legal advice on investments to the entire Validity team.

Prior to Validity, Julia was Legal Counsel at Bentham IMF (now Omni Bridgeway) in New York and a litigation attorney at Boies, Schiller & Flexner LLP in New York, where her practice included litigation in the areas of antitrust, intellectual property, securities, contract, trusts and estates, and constitutional law. She has successfully represented both plaintiffs and defendants at trial. In 2015, Super Lawyers Magazine named Julia a “Rising Star” in Business Litigation.

Julia received her J.D. magna cum laude from New York University School of Law, where she was Managing Editor of the New York University Law Review and a member of the Order of the Coif, and her B.S.F.S. from Georgetown University’s School of Foreign Service. She also clerked for Judge Gladys Kessler of the U.S. District Court for the District of Columbia.



Dave Kerstein

Managing Director and Senior Investment Officer

As Managing Director at Validity, Dave brings an unparalleled knowledge and experience helping companies and law firms mitigate litigation risks with creative and innovative funding models.

Prior to joining Validity, Dave was Investment Manager and Legal Counsel for Bentham IMF. Dave has among the best track record in the country helping companies and individuals mitigate risk with non-recourse funding. He has also helped many law firms better leverage litigation to reshape their profit models. His experience includes cases involving breach of contract, fraud and securities fraud, corporate control contests, trade secrets, employment disputes and other matters.

In addition to designing financial solutions to litigation Dave also provides strategic advice to cases funded by Validity. With fifteen years of experience handling complex commercial disputes at Gibson Dunn, Dave has litigated on behalf of both plaintiffs, for whom he has recovered substantial sums or injunctive relief, and defendants, for whom he has achieved trial court victories or favorable outcomes.

Dave earned his J.D. from the University of Pennsylvania Law School in 1999 where he graduated as a Toll Scholar, and his B.A. from the School of Arts and Sciences at the University of Pennsylvania, where he was a Benjamin Franklin Scholar and received a degree in diplomatic history.





Laina Hammond

Managing Director and Senior Investment Officer

In her role as Managing Director and Senior Investment Officer, Laina Hammond helps guide Validity’s strategic growth into new and expanded markets and avenues for investment. Laina also serves as a trusted strategic partner to trial attorneys and clients seeking to manage financial risk. Leveraging her extensive litigation and funding experience, Laina leads Validity’s origination, review, and negotiation of new litigation investment opportunities and helps develop and manage Validity’s investment strategies.

Since co-founding Validity in 2018, Laina and her Validity team have worked on the cutting edge of commercial litigation funding, investing in both individual cases and law firm case portfolios. She and her team efficiently evaluate case merits and structure deals that provide companies and law firms the capital and strategic perspective they need to pursue worthy cases without financial constraints.

Laina is a recognized leader in litigation finance and has been named among Lawdragon’s “Global 100 Leaders in Legal Finance” and selected by Who’s Who Legal as a “Thought Leader in Third Party Funding.”

A Phi Beta Kappa graduate of the University of Texas Plan II Honors Program, Laina earned her J.D. from Vanderbilt University Law School, where she was an associate editor of the Vanderbilt Law Review. After law school, she served as law clerk for the Honorable John D. Rainey of the U.S. District Court for the Southern District of Texas, Houston Division. Before joining Validity, Laina was a principal at Shipley Snell Montgomery, LLP



Will Marra

Investment Manager

A former law clerk at the United States Supreme Court, Will has been recognized as a Global Leader in Litigation Finance by LawDragon. He has written and spoken widely on litigation funding, and his article “*The Shadows of Litigation Finance*” will be published by the Vanderbilt Law Review in Spring 2021.

Will is responsible for sourcing investment opportunities from the country’s leading lawyers and claimholders, and he is also actively engaged in Validity’s due diligence and investment underwriting process. He offers Validity’s clients his expertise as a former commercial and constitutional litigator at Cooper & Kirk, PLLC, as well as his experience working at Bain & Company, the business consulting firm.

Will graduated magna cum laude from Harvard College and Harvard Law School. In addition to clerking for Justice Samuel A. Alito, Jr., Will also clerked for Chief Judge William H. Pryor, Jr., of the United States Court of Appeals for the Eleventh Circuit. During college, he served as President of The Harvard Crimson, the University’s daily newspaper.





Joshua Libling
Director of Risk Analytics

Joshua Libling works closely with clients and other investment team members to evaluate cases and identify funding solutions that work for a variety of complex litigation scenarios. Joshua is a member of the Minorities in the Profession Committee for the New York City Bar Association.

Prior to joining Validity, Joshua was counsel and pro bono coordinator at Boies Schiller Flexner where his practice centered around complex commercial and appellate litigation. Our clients benefit from Joshua's broad experience in antitrust and securities suits, government investigations (for both private and government clients), contract disputes, and multistate class actions. He has been involved in some of the country's highest-profile and highest-stakes litigations and has worked extensively on appellate matters before the U.S. Supreme Court, the U.S. Court of Appeals for the Second and Fifth Circuits, the New York First and Second Departments, and the Superior Court of Pennsylvania.

Joshua previously served as law clerk to the Honorable Chester J. Straub, U.S. Court of Appeals for the Second Circuit, and to the Honorable Kenneth M. Karas, U.S. District Court for the Southern District of New York.

Joshua received his J.D. magna cum laude, Order of the Coif from New York University School of Law, where he was a Furman Scholar and an Allen Scholar, as well as an article editor for the Annual Survey of American Law. He earned his B.A. in Philosophy with general honors from the University of Chicago.



Eli Schulman
Investment Advisor, Head of Israel Office

As head of Validity's Israel office, Eli helps law firms and companies in Israel, the U.S., and around the world manage risk associated with U.S. commercial litigation and international arbitration.

Eli draws upon his 22-year career as a lawyer – during which he was repeatedly recognized by Chambers and The Legal 500 among leading dispute-resolution practitioners worldwide – as well as upon his experience using third-party funding in his own practice. Providing a unique perspective on Israeli parties' needs in international disputes, Eli has represented clients from a diverse range of the country's dynamic high-tech sector, as well as traditional industries.

Eli has taken an active role in the global international-arbitration community, including as a member of the ICC Commission on Arbitration and ADR, the IBA Arbitration Committee, and the New York International Arbitration Center. He has guest lectured on international arbitration at Harvard Law School and The Hebrew University of Jerusalem and is a fellow of the Chartered Institute of Arbitrators.



Earlier in his career, Eli clerked for Judge Michael B. Mukasey of the U.S. District Court for the Southern District of New York. He worked at Cahill Gordon and Kellogg Hansen, and served in the Department of International Affairs at the Israeli Ministry of Justice. A former Fulbright fellow at The Hebrew University of Jerusalem, Eli is a graduate of Columbia College and Harvard Law School.



Jim Amend
Investment Advisor

Jim brings over 50 years of intellectual property experience to Validity including as partner at Kirkland & Ellis from 1968-2007 and as Chief Circuit Mediator for the United States Court of Appeals for the Federal Circuit from 2007-2013. As a mediator for JAMS, Jim mediated over 500 cases involving appeals from claims of patent infringement and counterclaims for patent invalidity, inequitable conduct, and unfair competition across a diverse set of technologies, including computers, medical devices, pharmaceuticals, chemicals, mechanical inventions, and industrial processes.

Jim was a Consulting Professor on Patent and Intellectual Property Law at Stanford University Law School from 1996-1999. He served as Chairman of the ABA Section of Litigation, Copyright Subcommittee and Chairman of the International Trademark Association, Expert Neutrals Panel. Jim was founding member and chairman of the Expert Neutrals Panel of the International Trademark Association and has worked as special master to several District Court Judges to conduct claim instruction hearings and recommend claim constructions.

Author of *Patent Law – A Primer For Federal District Court and Magistrate Judges* (Eds. 1998 and 2006), Jim earned his J.D., *magna cum laude* from University of Michigan, Order of the Coif and B.S. in Mechanical Engineering, *summa cum laude*, also from the University of Michigan. Jim was recognized as one of the *Best Lawyers in America*, 2019-2020.



Wendie Childress
Portfolio Counsel

As Portfolio Counsel in the Validity Houston office, Wendie works directly with clients and team members to evaluate the strengths and weaknesses of potential claims. A business trial lawyer with over a decade of trial experience, Wendie has a winning track record representing both defendants and plaintiffs

With a focus on business torts, contract, securities, and employment disputes for clients in a wide range of industries including healthcare, energy, construction, and financial services, she has significant experience handling all aspects of litigation.

Wendie joined Validity from litigation powerhouse Yetter Coleman. She graduated with Honors from the University of Texas at Austin in 1997, where she went on to earn her JD in



2000. She then served for two years as General Counsel to the Texas Senate Committee on Business and Commerce. In 2015, Wendie was named “Houston Top Lawyer” in Business & Commercial Litigation by H Texas Magazine. She is a member of the State Bar of Texas, Texas Young Lawyers Association, and the Houston Bar Association.



Ronit Cohen
Portfolio Counsel

As Portfolio Counsel in New York, Ronit brings her expertise as an experienced litigation funding professional and former trial lawyer to help clients evaluate the strengths of their cases and potential opportunity to leverage funding.

Among the most experienced legal finance industry counsel in the US, Ronit has been at the forefront of the industry helping clients secure funding for a wide variety of commercial litigation including for breach of contract, arbitration, bankruptcy, insurance, patent infringement disputes, and law firm portfolios.

Prior to joining Validity, Ronit spent seven years at Bentham IMF and was a lawyer at Simpson Thacher Bartlett and O’Melveny and Meyers where she worked with some of the leading litigation lawyers in the country. She graduated from Yale University with distinction in philosophy, and, and received her J.D. from Columbia University, where she was a James Kent Scholar.

Michelle is responsible for Validity’s patent matters, including evaluating new cases for investment and managing funded cases.



Michelle Eber
Portfolio Counsel

Michelle brings more than ten years of patent and trade secret litigation experience to Validity, including significant courtroom experience. Prior to joining Validity, Michelle was special counsel at Baker Botts, where she represented both plaintiffs and defendants in the energy and technology sectors in high-stakes IP cases. Her cases included various oilfield-related technologies, telecommunications systems, data and video compression systems, and computer hardware and software technologies. Michelle is also a registered patent attorney with the U.S. Patent and Trademark Office and has prepared and prosecuted a number of patent applications. Michelle was recognized as “One to Watch” in The Best Lawyers in America in 2022 and a Texas Super Lawyer – Rising Star for IP Litigation in 2020-2022.

Michelle received her JD with honors from The University of Texas School of Law, where she was a member of the Texas Law Review. She also received her MBA from The University of Texas McCombs School of Business. She graduated magna cum laude from the University of Pennsylvania with a Bachelor’s of Science in systems engineering.





Sarah Williams

Portfolio Counsel

As Portfolio Counsel in Validity’s Houston office, Sarah works closely with clients, law firms, and the Validity team to develop innovative solutions to meet the legal finance funding needs of companies in Texas and beyond. As a trial lawyer, Sarah is keenly aware of the important role litigation finance can play in ensuring worthy cases

reach the courtroom.

Prior to joining Validity, Sarah was a partner at Kirkland & Ellis, where she successfully represented both plaintiffs and defendants in high-stakes, bet-the-company litigation across the country. She has broad experience in all aspects of complex commercial litigation, including energy, contract, fraud, antitrust, and bankruptcy-related disputes. Sarah served as a law clerk to the Honorable Marcia A. Crone in the United States District Court for the Eastern District of Texas. Additionally, she worked as a journalist for several years prior to law school.

