July 2026

PARAGON ANALYTICS, LLC

# Investor Presentation

We use proprietary AI and data mining techniques to generate high-value mass tort legal cases at a Case Acquisition Cost of less than $500 per valid case, irrespective of case type.

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Section A

# Paragon Analytics & Mass Torts

# Paragon Analytics

Paragon Analytics is a legal tech company that utilizes proprietary, world-class AI and data mining techniques to identify and communicate directly with victims who have used defective products that cause serious bodily harm. We do this in order to originate high-value mass tort cases for our affiliated law firms.

Our techniques allow Paragon to spend less than $500 in Case Acquisition Costs (variable costs excluding overhead), as opposed to standard origination costs that exceed, for example, $5000 for a NEC infant formula case. We will contact the six out of seven victims who will never respond to TV and Facebook ads for case types such as Roundup, Paraquat, talc/Johnson & Johnson Baby Powder, Bard PowerPort, and Depo-Provera.

We have used this technology to generate significant revenues by selling cases to law firms. No other company in the world has *any* similar technology to generate mass tort (or personal injury) legal cases.

## KEY TAKEAWAYS

LESS THAN
**$500**
IN CASE ACQUISITION COSTS

WE CAN REACH
**6** *OUT OF* **7**
VICTIMS WHO WON'T RESPOND TO TRADITIONAL MARKETING CHANNELS

# Mass Torts

Mass torts are product liability claims against manufacturers of pharmaceuticals, medical devices, and toxic substances. An example would be the herbacide Roundup causing non-Hodkin's lymphoma.

In 1968, Congress established the Judicial Panel on Multidistrict Litigation ("JPML"), which decides whether a group of cases should be consolidated into an MDL (multidistrict litigation). In an MDL, one federal judge oversees all pending cases of a similar type filed throughout the United States.

More than one-half of civil cases filed in federal court are MDL cases. For many case types, settlement funds of $10 billion or more have already been established, in which case obtaining a settlement involves little more than filling out some forms.

Paragon has not been able to find any published estimates of the market size for mass tort legal fees.

# Our Sales Process

**We Don't Wait for the Phone to Ring**
Paragon will be proactive — we will initiate telephone calls, text messages, emails and direct mail. If a case is sufficiently valuable, we'll pay someone $100 to knock on their door.

**We Hire Top Telemarketers**
We will utilize AI tools (specifically, Anthropic Claude) to identify and hire telemarketers with a proven track record of exceptional sales performance. We will only hire "rockstars," those in the top five percent of sales performance, telemarketers who can sell ice to Eskimos.

**Weed Out the Hiring Mistakes**
As selective as we will be in hiring telemarketers, some will not work out. Each quarter we will ask, "Knowing what we now know, would we hire them again?" Chad Peets (a sales management expert) says that *at a minimum,* it is essential to attrit at least the bottom 2.5% each quarter (10% per year).


*"Now there goes a good salesman!..."*

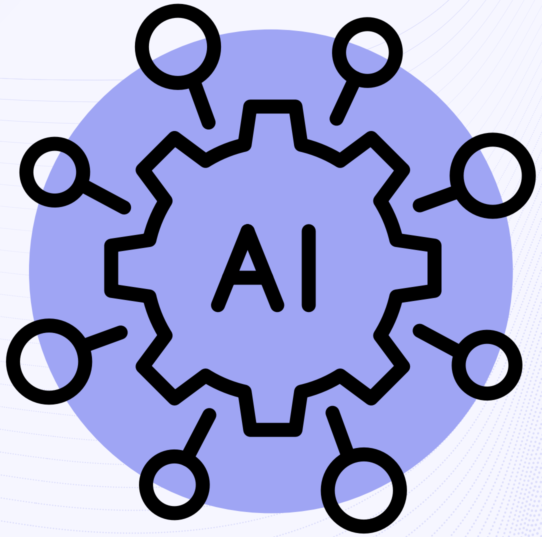
# Our Sales Process (cont.)

### We Provide Extensive Coaching

A Sales Manager's two most important responsibilities are recruiting rockstars and providing extensive coaching after the hire. We will hire 1 hands-on Sales Manager for every 5 telemarketers.

### We Hire Telemarketers Who Seek to Improve Their Sales Skills

We seek telemarketers who are constantly improving their sales skills through call reviews, role playing, independent reading, and courses (such as Dale Carnegie and David Allen's GTD methadology).




### We Empower Sales Associates with AI Efficiency

Once the prospect has agreed to sign with us, Paragon's Sales Associates take over the call. We'll soon add AI agents that will automatically enter prospect/client data into our CRM system during intake.

# Our Sales Process (cont.)

**We Eliminate Almost All Attrition**

Most large mass tort law firms lose approximately 25% of their clients through attrition because so many of their clients ghost them. Paragon will obtain 6 to 10 contacts for each client, and we can contact these people if we are unable to reach the client. This approach has reduced our attrition rate to less than 4%.

**We Utilize Our Custom-built CRM**

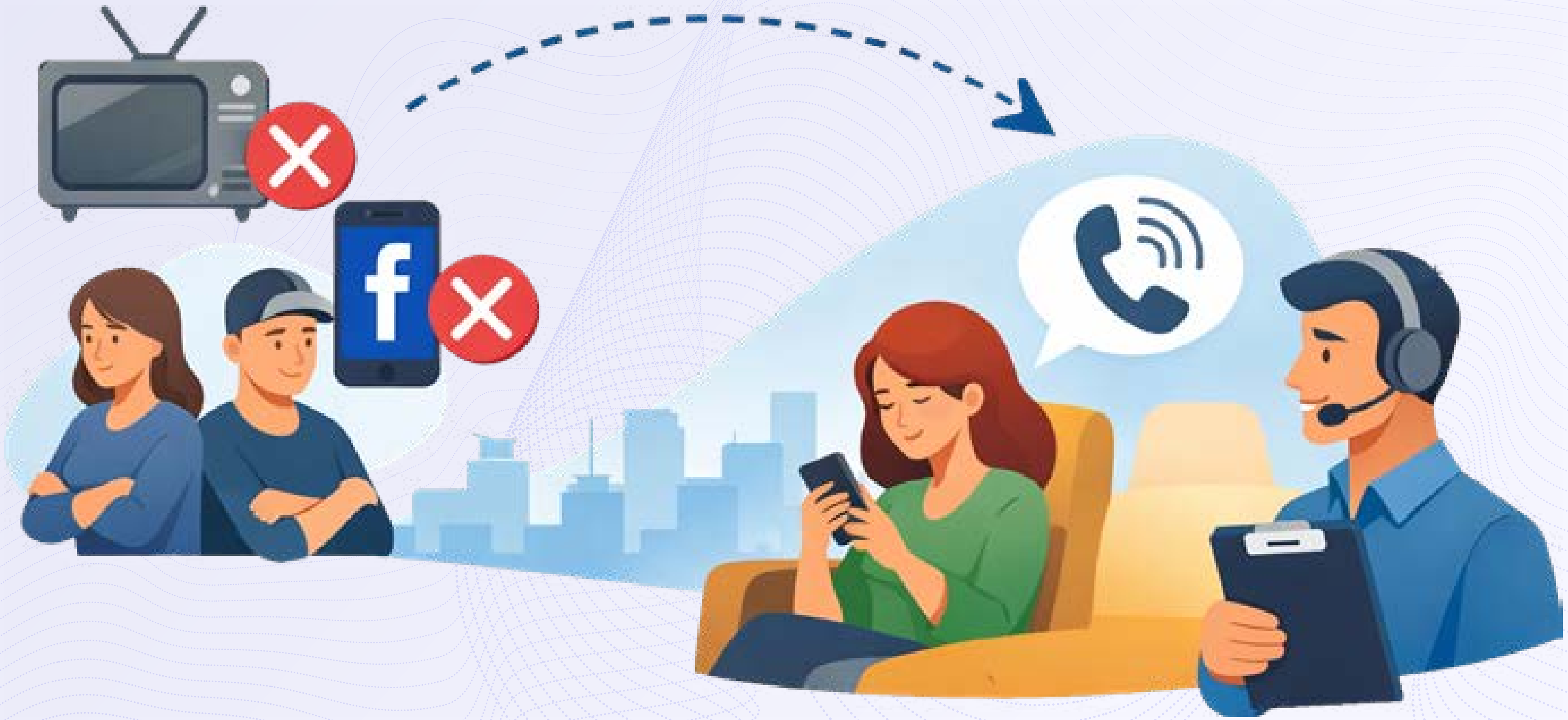
We have developed *Case Prospecting System* ("CPS"), our proprietary CRM system. We use CPS to solicit mass tort cases, enhance telemarketer productivity, and to increase conversion rates (yield). CPS is based on Salesforce's Sales Cloud SaaS system, and it integrates nicely with our Cisco VOIP phone system, our Five9 power dialer, Dialpad AI (coaching prompts and sentiment analysis), Numeracle (caller ID reputation), and Twilio Flex (SMS control). Version 1.0 has just been completed, and a new version will be released every 3 months.

# Three Advantages of Paragon's Approach


## Paragon's Radically Lower Case Acquisition Costs

Paragon spends no money on advertising, and the only money we spend on marketing is a great logo and website. Instead, we spend a small amount of money on outbound telemarketing. Our variable Case Acquisition Costs ("CAC") are less than $500 per valid case, irrespective of case type.

# Three Advantages of Paragon's Approach (cont.)




## We Reach the Unreachable

Paragon spends a small amount of money on direct contact with victims. Marketing experts estimate that 6 out 7 of victims do not respond to traditional marketing channels (such as TV and Facebook ads).

# Three Advantages of Paragon's Approach (cont.)


## We Reduce Fraud

Advertising almost always attracts a significant number of bogus claims, as people think they can obtain free money even though they have never used the product and/or suffered bodily harm. Because Paragon knows which medical ailment the prospect suffers from before we contact them, our approach reduces fraud considerably.

PARAGON ANALYTICS

Section B

# The Economics of Mass Torts

# Advantages of This Asset Class

High upside relative to risk

Exceptionally high Value-to-Investment ratio (including overhead and variable case costs)

Exits are automatically created when cases settle — no need to “sell the company.” In addition, there are several financial structures that allow investors in a law firm to achieve liquidity (see slide B11)

Inflation protection — Settlement values naturally increase with the rate of inflation.

Mass tort settlements are not correlated with any other market, index or asset class. Rather, outcomes are based on legal merits, procedural timelines, and settlement dynamics.

In addition to these five advantages, Paragon’s exceptionally low Case Acquisition Costs are “icing on the cake.”

# How Do Other Mass Tort Law Firms Obtain Their Cases?

- Referrals from other law firms
- Television advertising
- Radio advertising
- Billboards
- Print Ads
- Search engine optimization (“SEO”) / organic search
- Pay-per-click (such as Google AdWords)
- Facebook advertising
- Other Social Media (TikTok, Instagram)
- Video — YouTube, their own websites
- Town Halls / Community Meetings
- Lead brokers

# Our DC Law Firm and Co-Counsel Law Firms

Paragon's co-counseling business strategy is to obtain as much of the legal fees as possible from a case, as opposed to selling cases and thus give away 95% of the attorneys fees to another law firm.

We utilize District of Columbia law firms because:

- The DC bar association permits sharing of legal fees with non-attorneys (Rule 5.4 (b)); and
- DC permits "solicitation" — i.e., we can telephone prospects that have not previously reached out to us (DC does not have a Rule 7.3).

Paragon will initially focus exclusively on case origination, leaving case processing and settlement to our co-counsel law firms. Through our extensive industry contacts, we can identify the strongest mass tort law firms in the country to co-counsel with for that case type (see slide B4).

Attorneys' fees are almost always 40% of the settlement, and Paragon receives 4/10 of such fees (16 percent of the settlement).

KEY TAKEAWAYS

**DC**
PERMITS SOLICITATION

PARAGON RECEIVES
**16%**
OF SETTLEMENT

# Selection of Co-Counsel

Selection of a co-counsel law firm is *exceptionally* important. For each case type, Paragon identifies the most suitable law firm in the country. The factors we consider include:

- Are they a trial firm, a law firm that regularly takes product liability cases to verdict? If so, what is their win-loss track record?
- How many cases do they currently have in their case docket for that particular case type?
- How many of such cases have they taken to trial and have they obtained favorable verdicts?
- How many attorneys, paralegals, Case Managers, and support staff do they employ?
- What is the quality of the firm's overall team, including support staff and paralegals?
- Do they treat their employees well? How much are they paid? What is their employee turnover?

# Selection of Co-Counsel (cont.)

- Will a specific person be assigned for each client as the Case Manager? (As opposed to a client talking to a different person each time they call.) Is the Case Manager based in the U.S.?
- Is the law firm punctilious about tracking every "touch point" on a case — e.g., every Left Word, ever phone call, every letter sent, every request for medical records.
- Which Case Management System ("CMS") do they use? Can their system automatically transfer data to our CMS via API calls?
- Do they have an in-house, full-time IT professional on staff?
- Most important, will such law firm agree to a 4/10 split of attorneys' fees?

# Key Steps in Adding a Case Type

At any given time, there are approximately 15 case types that meet our case selection criteria (see slide D1). Key steps in adding a new case type include:

- Identify its signature injury. Our medical coding specialist will then determine that injury's ICD-10 code.
- Using that code, purchase data from a suitable data source. Map the data schema of the data source to the data schema of our Case Prospecting System ("CPS"; see slide A4). Import the data into CPS.
- Launch a website for that case type — e.g, The Roundup Institute, The Depo-Provera Hot Line.
- Identify the most appropriate co-counsel for that case type (see slide B4) and negotiate a referral agreement, including our 4/10 fee split.
- Hire telemarketers and Sales Associates to handle the new sales calls.
- Start making sales calls.

# Paragon Does Not Sell Its Cases

After we spent seven years perfecting our AI data mining technologies, Paragon generated significant revenues by selling cases to law firms. The advantage of this approach was that it generated cash immediately, while the disadvantage was that we gave away 95% of the legal fees.

The reason we are now raising capital is that going forward, rather than selling cases, we will be signing up cases on behalf of one of our captive law firms and a co-counsel firm. We do not wish to sell these leads because we want to capture as much of the legal fees as possible.

In the California gold rush, some mined for gold while others sold the miners pickaxes and shovels. We prefer to mine for gold.

# Settlement

| Case Type | Average Settlement | Total Attorneys’ Fees |
|---|---|---|
| Actos | $ 175,000 | $ 70,000 |
| Avandia | 266,000 | 106,400 |
| DePuy artificial hips | 182,000 | 72,800 |
| Drug eluting stents | 300,000 | 120,000 |
| Fen-Phen | 150,000 | 60,000 |
| Pradaxa | 182,000 | 72,800 |
| Rezulin | 150,000 | 60,000 |
| Sulzer defective hip implants | 147,000 | 58,800 |
| Vioxx | 225,000 | 90,000 |
| Yaz / Yasmin | 210,000 | 84,000 |

# Use of Funds

1. Purchase of data
2. Salesforce developer to continue enhancing our CRM system (see slide A5)
3. Sales Manager
4. Outbound telemarketers and Sales Associates
5. Rent and other overhead expenses

# Financial Assumptions

Paragon will enjoy operating profits in excess of 90%. As long as we are meeting this operating margin target, rather than worrying abou t reducing expenses, we will be focused on *increasing* revenues. If we can double revenues every six months, after three years our revenues will be 64 times larger.

For each telemarketer, we will hire two Sales Associates.

A telemarketer working with two Sales Associates will sign up at least 500 valid cases per year.

Attorneys' fees are almost always 40% of the settlement, and Paragon receives 4/10 of such fees (i.e., 16 percent of the settlement).

Detailed financial projections are available in our investor data room.

KEY TAKEAWAYS

**>90%**
OPERATING PROFITS

**500**
CASES PER YEAR PER TELEMARKETER

# An Exit for Paragon

On slide B1 we said that exits are automatically created when cases settle — no need to "sell the company." However, there have been several dozen law firms that have achieved substantial liquidity through a variety of financial structures.

The most common approach is to create a separate company — a Management Services Organization ("MSO") — that owns the law firm's business infrastructure. In most such transactions, a private equity firm purchases a stake in the MSO, and most or all of such cash is then distributed to the partners of the law firm.

Some examples of various financial transactions:

- Trive Capital investment with LA firm Massumi + Consoli
- Uplift Investors investment with Louisiana firm Dudley DeBosier Injury Lawyers
- Rafi Law Group obtained a $125 million PE investment for Rafi Law Services at a $250 million valuation
- Uplift Investors has invested into Orion Legal, which will acquire PI law firms nationally
- Morgan & Morgan (a very large PI law firm) has hired JP Morgan to explore selling a $1 billion+ minority stake to a PE firm

Since Paragon is already a separate legal entity from its affiliated law firms, structuring an exit is thus much easier.

Section C

# Paragon’s AI and Data Mining Techniques

# Our AI and Data Mining Techniques

Our CEO entered the mass tort industry in 2007. In 2018 he met medical data experts who posited that *theoretically* medical data could be analyzed using various data mining and AI techniques. He led a technical team that spent *seven years* developing and enhancing these technologies. In 2023, Paragon started to incorporate more advanced AI algorithms to streamline and enhance the process.

*Paragon then used this technology to originate dozens of cases, which we then sold to law firms. Such sales generated substantial revenues and operating margins in excess of 90%.*

Accordingly, Paragon's techniques are *proven*. Since then, we have spent a considerable amount of time developing a propreitary CRM system (see slide A5) uniquely designed for prospecting for and signing up mass tort clients.

# Small Lake vs. the Pacific Ocean


Hundreds of mass tort law firms have been fishing in a small pond, and the fish are depleted. These firms are spending more and more money to catch fewer and fewer fish.

In the Pacific ocean, there is only one boat, the *S.S. Paragon*. Fish are literally jumping into the boat, and thus our CAC is less than $500 (variable cost).

# HIPPA

The Health Insurance Portability and Accountability Act ("HIPPA") is a federal law that protects the privacy of an individual's medical record and other individually identifiable health information, which is called "protected health information" ("PHI.")

Because the PHI is encrypted in the medical data we purchase, we have developed six alternative approaches to *legally* reidentify the PHI, so that we can obtain the victim's name, home address, phone number, and email address. All six of these approaches are legal under HIPAA and all other federal and state medical data privacy laws.

# How Paragon Uses AI

Conduct extensive, sophisticated analysis of medical data to uncover trends, insights, and opportunities

Reidentify and massage encrypted PHI data to enabling researchers to extract meaningful insights.

Automate medical data mapping

Identify most valuable prospects

Coach our telemarketers via customer sentiment detection as well as key intent signal identification

Guide Sales Associates ("SA") in gathering the most relevant information from the prospect

Refine and enhance lead scoring to predict the likelihood of successful engagement with potential clients

# How Paragon Uses AI (cont.)

- Analyze, recommend and assign next steps
- Sort and summarize medical records
- Extract plaintiff core facts in order to generate a *Short-form Complaint*
- Standardize language across thousands of plaintiffs
- Prepare the first draft of a *Plaintiff Fact Sheet*
- Generate damages models that align with jurisdiction-specific valuation patterns
- Tailor tone, structure and legal arguments to the defendant's risk profile and produce a polished, litigation-ready demand package in minutes

PARAGON ANALYTICS

Section D

# Case Types Paragon Will Pursue

# Our Case Type Evaluation Criteria

- How well do our AI and data mining techniques work with that case type?
- How many cases have gone to verdict and did the plaintiffs win most of the time? How large were the verdicts?
- How serious are the injuries? *Ceteris paribus*, wrongful death cases are more lucrative than cases with lesser injuries.
- Does the typical plaintiff have jury appeal?
- How soon can a plaintiff obtain a trial date?
- What is the defendant's track record in settling? Historically, once a reasonable number of favorable verdicts have been obtained, does it settle the remaining cases, or does it fight to the death?


# Talc

Until May 2020, Johnson & Johnson ("J&J") Baby Powder contained talc, a mineral that can cause ovarian cancer when used for feminine hygiene purposes. More than two dozen peer-reviewed medical studies have established causation. Damages include serious chemotherapy, hysterectomies, infertility and death.

Baby Power was first manufactured by Johnson & Johnson ("J&J") and now spinoff Kenvue. Unsealed documents revealed that J&J has known since 1982 that its talc products also sometimes contain deadly asbestos fibers.

A mass tort case for 22 women received a verdict for $4.69 billion, later reduced on appeal to $2.12 billion. Other notable verdicts were $966 million and $1.56 billion for single plaintiffs.

Conversations with MDL leadership indicate that J&J will reach a global settlement of both ovarian cancer and mesothelioma cases in 2027, with a total settlement value of approximately $11 billion.

# Roundup

Roundup is a popular herbicide manufactured by Monsanto for commercial and personal use. Roundup's most active ingredient is glyphosate, which is toxic to most broadleaf plants and grasses.

In order to obtain EPA approval of Roundup, Monsanto colluded with EPA officials on glyphosate assessments and ghostwrote scientific studies proclaiming its safety.

In 2020, Monsanto entered into a $10.9 billion settlement. As of February 2026, Monsanto has entered into a new proposed (subject to court approval) settlement of an additional $7.25 billion.

In June 2026, the U.S. Supreme Court ruled that the federal pesticide labeling law ("FIFRA") precludes state failure-to-warn lawsuits concerning Roundup. However, plaintiffs may still assert design defect, negligent testing, breach of express warranty, breach of implied warranty, and fraud claims against Monsanto. Most important, Monsanto very much wants to effectuate the $7.25 billion settlement it has negotiated.


# Paraquat

Paraquat is a highly toxic herbicide used for rapid weed and grass killing that can cause serious damage to lungs (pulmonary edema), kidneys (acute kidney failure and progressive renal damage), liver (acute liver failure), and heart (cardiac injury and circulatory collapse).

Paraquat is banned in the U.S., China, Brazil, and dozens of other countries. In June 2026, Syngenta discontinued Paraquat production.

The Paraquat MDL judge has approved a *Master Settlement Agreement* and has appointed a special master to oversee the settlement process. In March 2026, she has approved the creation of a Qualified Settlement Fund ("QSF") to distribute payments.

Average settlement values are between $100,000 and $150,000 per victim, which means a fee for Paragon of $13,000 to $20,000 per case.

# NEC / Infant Formula

Necrotizing Enterocolitis (“NEC”) is caused when a preterm (born before 37 weeks of pregnancy) or low birth weight baby is fed infant formula based on cow’s milk. (As opposed to moether’s breast milk, which is the gold standard for safety.) The two primary defendants are Mead Johnson (manufacturer of Enfamil) and Abbott Laboratories (manufacturer of Similac).

To date, two families have obtained verdicts for $60 million and $495 million, and a lawsuit involving four families obtained a $70 million verdict. The fourth case was a defense win, but that verdict was set aside by the trial judge d misconduct by defense counsel.

Paragon expects settlement values to be high because juries are almost always sympathetic to babies that need lifetime medical care, and they want to make certain that the infant is taken care of for life, even if the plaintiff’s case is not that strong.


Abbott

# Bard PowerPort

The Bard PowerPort is an implantable port catheter system placed under the skin and connected to a catheter to deliver medications, chemotherapy, blood products, and IV fluids. It is designed for repeated vascular access without repeated needle sticks. The PowerPort suffers from inherent design and manufacturing defects that make it prone to break, degrade, or migrate inside the body.

Law firm Miller & Zois projects these settlement values:

| Injury Severity | Estimated Settlement Range |
|---|---|
| Minor injuries (pain, short term complications) | $25,000 — $50,000 |
| Moderate injuries (infection, non surgical complications) | $50,000 — $150,000 |
| Severe injuries (fracture requiring retrieval, organ damage, embolism) | $150,000 — $250,000+ |
| Catastrophic injuries (cardiac tamponade, permanent disability) | $300,000 — $500,000+ |

# Depo Provera

Depo Provera is a long acting injectable contraceptive manufactured primarily by Pfizer (and its subsidiaries Pharmacia & Upjohn, Greenstone, Viatris, and Prasco).

For some patients, Depo Provera causes meningioma, which is sometimes a disabling brain tumor arising from meninges. The allegations are that long term exposure to high dose synthetic progestins increases the risk of tumor growth.

TortAdvisor.com projects these settlement values:

LOW SEVERITY

**$100,000—$300,000**

- Smaller tumors
- No surgery
- Minimal neurological impairment
- Limited economic loss

MEDIUM SEVERITY

**$300,000—$750,000**

- Craniotomy or other surgical intervention
- Documented cognitive, visual, or hormonal symptoms
- Clear medical records linking Depo Provera use to tumor growth

HIGH SEVERITY

**$300,000—$1,500,000+**

- Tumors are large, multiple, or recurrent
- Permanent neurological deficits exist
- Long term wage loss or major life care costs are documented

PARAGON ANALYTICS

Section E

# Our Team

# Our Team

- CEO who has been in the mass tort industry since 2017 and who has co-founded a successful mass tort law firm
- CEO with several decades of software development experience
- Data scientist who studied statistics and data mining as a graduate student at Harvard University; Research Assistant in statistics for a prominent statistician at Harvard
- Nationally recognized medical data expert with two healthcare patents
- Medical coding professional with over 20 years of experience and four medical coding certifications
- IT expert with more than 30 years of experience
- IT executive who speaks at national conferences and has co-authored two technical books published by Microsoft Press
- AI engineer with over 20 years of experience
- Biographies of our team members are available at www.paragonanalytics.ai/our-team.

# James Mitchell

FOUNDER & CEO

- Entered the mass tort industry in 2007. Co-founder of a successful mass tort law firm. Five years of informal tutoring by his great uncle, Donald R. Wright, former Chief Justice of the California Supreme Court
- Graduate student at Harvard University in statistics and data mining. Research Assistant in statistics for a prominent statistician at Harvard
- Several decades of IT experience. Started programming computers in 10th grade, when he was 15 years old. Former Research Associate in computers and information systems at Harvard Business School
- Over 25 years of AI experience, starting with expert systems, then neural networks, then machine learning, then deep learning, then natural language processing, and now generative AI
- James has worked with Dan Stolts (our CTO) for over 20 years.

For more information about James, see www.paragonanalytics.ai/our-team/james-mitchell/.

# Daniel L. Stolts II

## CO-FOUNDER & CHIEF TECHNOLOGY OFFICER

- Founder and CEO of a successful IT consulting firm
- Chief Technology Strategist for the Northeast Region for Microsoft, generating tens of millions of dollars in revenue annually
- Microsoft Most Valuable Professional (Microsoft's highest honor for IT specialists) for Microsoft Windows Server
- Co-author of *Architecting Microsoft Azure Solutions* (published by Microsoft Press)
- Has managed over 40 software development projects
- Over 25 years of experience developing Salesforce CRM systems
- More than 20 years of AI engineering experience

For more information about Dan, see www.paragonanalytics.ai/our-team/daniel-stolts.

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