

Seven Stars Legal - £50M - £500M UK Litigation Funding Opportunity Minimum 14% Fixed Returns



Investment Proposition

Seven Stars Legal Limited provides access to our established UK litigation funding platform, which has successfully deployed funding across 40,000+ cases with a 36% average ROI.

Our team has extensive experience in litigation funding with over 100 years collective professional experience in private credit, fund management and litigation funding sectors, having overseen in excess of £1 billion of claim values in the past decade.

This represents an uncorrelated asset class with fixed returns significantly above traditional bonds, backed by the UK's world-renowned legal system.

Key Investment Highlights

- Minimum 14% Annual Fixed Yield
- 3 Year Term With Structured Payments
- Typical Ticket Size £50m Bond/Loan Note Facility
- Full Recourse Lending With 1.5X + asset Coverage
- Asset Backed Security

Track Record & Competitive Advantages

Management team with 100+ years collective professional experience

£1 billion+ in funded claim values managed

Current security ratios: 2.15x on loans, 1.53x on total debt

Proprietary Capital Preservation Reserve (20% settlement escrow)

Real-time case monitoring with third-party auditing (Insyte IQ)

Diversified relationships across 9+ SRA-regulated law firm partnerships

Extensive pipeline capabilities

Risk Mitigation Framework

Senior secured position in all borrower assets with minimum 1.5x coverage

Professional indemnity insurance on all law firm borrowers

After the event insurance cover for legal claims

Geographic and temporal diversification across 240,000+ individual claims

Fixed and floating charge registration creating protective security

UK Litigation Funding Market

The UK third part litigation funding (TPLF) market is now the second largest TPLF market in the world with further significant growth expected (1).

In 2022 PwC UK predicted assets under management would grow by 8.7% per annum from £2.2bn in 2023 to £3.7bn by 2028.

The UK continues to see the fastest growth in Europe with cumulative claimed quantum in the region of Eur 145 billion by the end of 2023, growing by a factor of 10X from 2016 (2).

Banks and many institutional financiers will not provide funding as they may be limited from doing so through maintenance and champerty laws.

Almost 93% of UK Consumers Cannot Afford Access to Justice or Recourse for Severe Breaches of Trust (Jackson Report)

Seven Stars Legal

Seven Stars operates exclusively within established regulatory frameworks, providing funding to SRA-regulated law firms and FCA-regulated claims management companies enabling "no win, no fee" representation for individual claimants who cannot afford legal costs

www.7stars.legal

Investment Proposal

Investment Offer 1

3Yr Fixed Term Bond - Annual Coupon 14%

Access to our existing diversified portfolio of small consumer claims spanning housing disrepair, pension mis-selling, and business energy claims with precedent-based outcomes and portfolio risk mitigation.

Investment Offer 2

SPV – Joint Venture with Profit Share – Target Return 20% pa

Targeting PCP Claims Portfolio £9 billion UK car finance market opportunity with FCA regulatory tailwinds driving compensation. Recent Supreme Court precedent (Johnson case) has established certainty of outcome for undisclosed commission claims. Average £1,500 per claim with 90%+ success rate and 6-18 month resolution timeline.

Secondary Market Acquisitions Massive turbulence in the sector creates unprecedented opportunities for opportunistic trades with the potential purchase of existing litigation positions

Financial Projections

The £50 million deployment targets 240,000+ individual claims with £360 million+ face value, expecting £90 million+ gross recovery at 90% success rate, generating £22.5 million net fee income to service the 14% fixed investor returns with substantial equity protection buffer.

We would welcome the opportunity to present this proposition in detail and discuss how it might complement your alternative investment strategy. The full information memorandum and detailed case studies are available upon request. Please let us know if you would be interested in arranging a meeting to explore this opportunity further.

1. Latham S & Rees G “Third Party Litigation Funding Review 2022
2. Chartered Insurance Institute “Litigation Funding” 2024

Management Team Leadership



Kevin Prior (Co-Founder & CCO): 30 years investment structuring, co architect of one of largest GLO claims in the country (350,000 clients, £450mn value)



Louis Doyle KC (Legal Director): Commercial silk with extensive litigation expertise



Duncan Webster (Co-Founder & Director): \$200mn+ fundraised across medical research and media investments



Leon Clarence (CSO): Former head of litigation funding at Bloomberg quoted £300mn fund, £1bn+ claims financed