

CONFIDENTIAL INVESTMENT TEASER

Litigation Finance Opportunity – Trademark Nullity, Infringement & Damages (Mexico)

Sector: Education / Intellectual Property

Jurisdiction: Mexico

Stage: Advanced multi-front litigation (7+ years active)

Funding Type: Non-recourse litigation finance

Target Return: 35% Preferred IRR on deployed capital

Estimated Remaining Duration: 24–36 months

1. Executive Summary

A long-established educational institution (the 'Claimant') is pursuing multi-front litigation against a nationally recognized educational entity (the 'Defendant Institution') and a federal administrative authority (the 'Authority'). The dispute centers on superior prior use of a distinctive trademark in Class 41 (education), improper registration, and unlawful precautionary measures imposed by the Authority.

Relief sought includes:

- Nullity of improperly obtained registrations
- Recognition of superior prior use
- Patrimonial, moral, and punitive damages
- State patrimonial liability
- Consolidation and registration of the trademark in Claimant's favor

2. Probability of Success (Counsel Assessment)

- Trademark registration in Claimant's favor: ~75%
- Recognition of prior use: ~75%
- Denial of infringement actions: ~75%
- Success in state patrimonial action: ~90%
- Recovery of damages: ~75%

Two related enforcement proceedings have already been definitively dismissed.

3. Quantum & Economic Upside

Conservative Direct Recovery Floor:

- State liability claim: ≥ US\$2,000,000
- Damages against Defendant: ≥ US\$3,000,000
- Minimum direct recovery estimate: ≥ US\$5,000,000

Strategic IP Asset Component:

- Estimated brand value: \geq US\$25,000,000
- Potential monetization range: US\$25M – US\$50M+

4. Investment Structure

- Non-recourse capital
- Remaining litigation budget: ~US\$250,000
- Capital deployed against defined procedural milestones
- Investor receives a 35% Preferred IRR on deployed capital, payable upon recovery prior to residual distributions
- Upside participation negotiable beyond preferred return

5. Sources of Payment

- Federal Government (state patrimonial liability budget)
- Financially solvent Defendant Institution
- Potential settlement or IP monetization event

6. Key Risk Considerations

- Judicial interpretation of 'first use'
- Damages quantification discretion
- Procedural timelines
- Multi-front litigation complexity

Favorable constitutional rulings have materially strengthened the Claimant's position.

7. Investment Thesis

This opportunity combines advanced-stage litigation, strong evidentiary support, credible payment sources, conservative recovery floor, significant IP upside, and a targeted 35% Preferred IRR on deployed capital.

Confidentiality Notice

This teaser is provided for preliminary discussion purposes only. Names, pleadings, and supporting documentation will be shared upon execution of a confidentiality agreement.