

# Magnitude<sup>SM</sup> The Power of Artificial Intelligence in Claims Valuation

## Your Million-Dollar Problem

High-stakes legal claims are knocking at the door, and you're wondering how serious the exposure could be, for you or your opponents.

Valuing these claims is hard, because claims valuation is as much about math as it is about law. Lawyers can effectively analyze a party's likelihood of success, the types of damages at stake, and the intangibles. But often counsel are further asked to assign a bottom-line "value" to a complex claim. For any serious claim, this is almost impossible to do without help. Internal stakeholders and financial departments in turn expect explanations for why certain claims are valued higher than others. When the facts of a case change, these same departments expect that change to be quantifiable.

Here's the problem: even cases of moderate complexity can present over a million potential outcomes. No human being can effectively account for all those possibilities without computer assistance, and assessments based on "judgment" are extremely risky. With millions of potential outcomes in play, it is easy to make a million-dollar mistake.

## Our Solution

Take control with Magnitude<sup>SM</sup>, our artificial intelligence tool designed to make your value analyses better. We work with clients and their preferred counsel to evaluate exposure, decrease biases, minimize guessing, and maximize the value of their counsel's advice.

We combine trial lawyer insight with Monte Carlo simulation to produce meaningful estimates: average exposure, average verdict when the plaintiff prevails, different percentile outcomes, and more. Each claim receives its own unique simulation, and a Schiff Hardin trial lawyer checks the simulation code for accuracy. We take your lawyers' views of the case, and show you the verdict combinations that those views would support.

Magnitude<sup>SM</sup> offers not only consistency, but flexibility. As the facts of a claim change, we can update a claim's individual simulation to quantify that change, either on a regular schedule or as needed. If theories get added or subtracted — contributory fault, willfulness, or exemplary damages — the simulation can be adjusted accordingly, reflecting how small changes can sometimes have a big effect, but also vice versa.

- Punitive damages now a part of the case? No problem.
- Comparative fault no longer in play? We can adjust for that.
- A strong day of trial? It's a simple adjustment to see how the value has changed.
- Reports comparing the exposure presented by different claims in your exposure, or their change over time? We can do that, too.

No one can predict the future, but with Magnitude<sup>SM</sup>, you can better understand the risks all parties are facing. Whether you are prosecuting a claim, defending a claim, insuring a claim, or financing a claim, Magnitude<sup>SM</sup> offers a strategic edge to your claims valuation.

*This analysis is not intended to predict or guarantee the exact outcome of any individual case.*

