

# LEXICORE<sup>TM</sup>

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**Adopt AI without getting sanctioned, sued, or  
suspended.**

THE TRUST LAYER  
FOR LEGAL AI

PART I / THE TRUST CRISIS

**Lawyers must  
adopt AI.**  
The fear is rational.

# The court record is loud and getting louder.

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**1,227+**

AI HALLUCINATION  
SANCTIONS CASES  
WORLDWIDE

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**~90%**

OF THOSE CASES  
LANDED IN 2025 ALONE

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**\$30K<sup>+</sup>**

SANCTIONS REACHED  
IN 2026 (SIXTH  
CIRCUIT)

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**35+**

STATE BARS WITH  
FORMAL AI GUIDANCE

Sources: Charlotin global AI hallucination database (early 2026 snapshot); Sixth Circuit, Whiting v. City of Athens (March 2026); Lacey v. State Farm (~\$31K sanctions). Sanctions are escalating from \$500 admonishments to routine five figures. Bar suspensions and pro hac vice revocations are now in the mix.

# The arms race already raised roughly **\$2B in 2026.**

| VENDOR                             | VALUATION            | RECENT MOVE                                          | THEIR STRENGTH                           |
|------------------------------------|----------------------|------------------------------------------------------|------------------------------------------|
| <b>Harvey</b>                      | \$11B (Mar 2026)     | GIC + Sequoia, \$200M; pivoting copilot to AI agents | Am Law 100 distribution. 100K+ lawyers.  |
| <b>Legora</b>                      | \$5.55B (Mar 2026)   | \$550M Series D; expanding US from Europe            | Agentic workflow depth.                  |
| <b>Clio</b>                        | \$5B (Nov 2025)      | \$500M + \$350M debt; acquired vLex for \$1B         | Distribution: 200K+ legal professionals. |
| <b>Thomson Reuters / CoCounsel</b> | Public (\$60B+ mcap) | Claude integration via MCP (May 2026)                | Westlaw + Practical Law content.         |
| <b>LexisNexis / Lexis+ AI</b>      | Public (RELX)        | Protégé, 300+ prebuilt workflows                     | Shepard's, billion-document corpus.      |

Sources: GIC + Sequoia Mar 2026 Harvey announcement; Legora Series D Mar 2026; Clio Series G NEA Nov 2025; Clio / vLex M&A announcement (largest legal-tech deal in history); Thomson Reuters May 2026 Anthropic MCP release.

# Reasoning is commoditized. Trust is not.

Frontier reasoning models have removed "the AI is smart at law" as a defensible position. The funded giants compete on distribution, proprietary content, and workflow depth. A focused new entrant cannot beat them on any of those. Trust and verifiability is the seam they leave open, and it is the one moat a focused team can still build without a billion dollars or a century of case law.

**Sanctioned filings in the Charlotin database have included briefs produced through CoCounsel and Westlaw.**

**Capability alone does not solve trust.**

CHARLOTIN AI HALLUCINATION DATABASE, 2026

# **The trust-first legal** operating system.

# Five rules the product enforces. Defaults, not marketing.

- 01 **Observe first. Never act first.**
- 02 **No action without explicit human confirmation.**
- 03 **All outputs are attributable, reviewable, and reversible.**
- 04 **No silent automation. Ever.**
- 05 **Failure states are visible, not hidden.**

# Trust architecture, built in, not bolted on.

## 01 / VERIFIABLE

### By construction.

Every AI assertion links to a real, checkable source. Documents the firm owns, public records, or licensed corpora. No claim surfaces without a traceable citation.

## 02 / HUMAN-CONTROLLED

### By design.

Approval gates on anything that leaves the building. The attorney is always in the loop, always on the record, always the responsible party.

## 03 / AUDITABLE

### End to end.

Every action, source, edit, and approval is logged in a tamper-evident trail an attorney can produce for a judge, a bar inquiry, or a malpractice carrier.

## 04 / CONFIDENTIAL

### And private.

Privilege preserved by default. Private cloud and on-prem deployments for firms that will not put privileged data on a shared tenant. SOC2 in the use of funds.

# Real product.

## Not a deck-only company.

- **Alex agent on claude-fable-5** with ROUTEXOR smart routing, agentic tool loop, firm-scoped and rate-limited.
- **13-document practitioner knowledge base** injected per Alex module, plus CORTEX memory tools wired into every response.
- **Live legal data integrations:** CourtListener v4, eCFR, Federal Register, GovInfo, Congress.gov. Honest degradation when keys are absent.
- **Server-side paywall and ownership gates:** subscription tiers enforced, every IDOR route returns 401 anonymous.
- **Tamper-evident audit log + approval gates by default.** Citation treatment never claims good-law without verification.
- **Paddle billing wired end-to-end** with raw-body HMAC webhook validation. Stripe-free by mandate.

Status verified 2026-06-10 against repository Rezzyman/LEXICORE. tsc --noEmit clean, all six adversarial-verification claims hold, production live at lexicore-aterna-ai.vercel.app.

# CORTEX is the auditable memory substrate.

The incumbents bolt AI onto existing platforms. Lexicore is built on CORTEX, ATERNA's auditable memory engine, as the verifiability substrate. Per-firm institutional memory of matters, documents, and decisions. Retrieval is source-grounded. Every output traces back to a real record. The firm's knowledge compounds. Nothing is generated from nowhere.

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This is the one place Lexicore has a defensible technical story the giants do not. Pgvector embeddings live in the firm's own database, the migration is reproducible, and the retrieval is source-attributable end to end.

**Solo and small  
firms,**  
one to twenty  
attorneys.

# The firms most personally exposed to sanctions.

## PAIN

### Personally exposed.

A sanctioned brief at a five-attorney firm is a partner's personal letterhead and personal license. No general counsel insulates the founder. The trust pain is felt as personal liability.

## GAP

### Priced out of Harvey.

Harvey, Legora, Lexis+ are priced for Am Law 100 procurement. Clio's AI tier reads as generic. The 1-to-20 attorney firm is buying around the funded giants by default.

## REACH

### Attorney to attorney.

Solo and small firms move through bar associations, local CLEs, and lateral hires. Word-of-mouth motion, no enterprise procurement cycle.

# Not a Clio killer.

## The seam they leave open.

|                             | THE FUNDED INCUMBENTS                | LEXICORE                                        |
|-----------------------------|--------------------------------------|-------------------------------------------------|
| <b>Who they pitch</b>       | Am Law 100 + global enterprise       | Solo and small firms (1 to 20 attorneys)        |
| <b>Cost per attorney</b>    | \$10K to \$30K+ annually             | Per-seat priced so a 5-attorney firm can buy it |
| <b>What the buyer fears</b> | Falling behind their peer firms      | A sanctioned brief in the next filing           |
| <b>Verification surface</b> | Available, often disabled for speed  | On by default. Product breaks if it is off.     |
| <b>Audit trail</b>          | Some logging, vendor-controlled      | Tamper-evident, firm-owned, bar-inquiry-ready   |
| <b>On-prem option</b>       | Rare, enterprise-only, custom-priced | Productized tier in the price list              |

# Priced for the firm that buys it.

## FOUNDATION

**\$249** / seat /

mo

### Practice Seat

Per-attorney access.  
Source-linked research,  
case management,  
document intake,  
approval-gated drafting.  
Audit-log retention and  
verification catch-rate  
dashboards.

## VERIFIABLE

**\$99** / matter

### Matter Workflow

Per-matter charge for  
heavy workflows:  
discovery, deposition prep,  
expert vulnerability,  
motion drafting with full  
chain-of-citation.

## PRIVILEGED

**Quoted**

per firm

### On-Prem Deployment

Private or on-prem install.  
Dedicated CORTEX  
instance, SOC2-aligned  
controls, firm-owned audit  
trail. The differentiator the  
giants do not productize.

# Attorney to attorney. Not enterprise procurement.

- **Design-partner firms.** Five named small firms first. Real workflows, real catch-rate metrics, real testimonials.
- **State bar association partnerships.** Trust-first AI is a bar-compliance story. Bar CLEs and ethics opinions become our distribution.
- **Practice-area communities.** Litigation forums, solo-practitioner Slack, bar listservs. Where small-firm attorneys actually live.
- **Catch-rate as content.** Publish the verification catch rate as a quarterly public metric. Founders move on hard data.
- **Trust certification white-label.** "This firm uses verified-AI workflows." Bar-recognized or insurer-recognized. Sales-cycle accelerant.
- **No outbound sales until product-led works.** Founders run it. Sales hires come after product-led demand is documented.

# The round is anchored, not cold.



**Already committed by a sovereign-aligned private backer.** Patient capital, not venture. The backer's identity is confidential at their request.

The \$12M pre-money is supported by a real check, not optimism. New investors join a round that already has a million dollars of conviction behind it. The signal we share with serious partners on a call: someone with deep pockets and a long horizon read this thesis and wrote the check first.

# **\$2.5M at \$12M pre-money.** **Pure equity. SAFE or priced.**

## ROUND SHAPE

# **\$2.5M**

\$12M pre-money. Approximately 17% post-money equity. SAFE or priced. Single lead writing \$1M to \$1.5M plus a syndicate for the remainder. Pro rata rights for the lead. No board seat at this round size.

## 12-MONTH PLAN

# **60+**

Sixty-plus paying small firms by month 12. ~\$100K-plus MRR. SOC2 Type 1 attestation. On-prem GA. Verification catch-rate published as hard public data. Ready for Series A at a \$40M to \$60M step-up on real metrics, not vibes.

# Every dollar mapped to a deliverable.

|                                                   |                                           |        |
|---------------------------------------------------|-------------------------------------------|--------|
| <b>Founder runway (18 mo)</b>                     | Modest draw. Skin in the game.            | \$150K |
| <b>Engineering (2 senior, 12 mo loaded)</b>       | Trust runtime + on-prem build             | \$600K |
| <b>Design-partner GM + bar liaison</b>            | 12-month loaded. Carries the beachhead.   | \$200K |
| <b>Legal counsel</b>                              | UPL + bar-compliance framework            | \$80K  |
| <b>Trademark clearance + brand-collision</b>      | Lexis proximity + lexicore.com contractor | \$40K  |
| <b>Security + SOC2 Type 1</b>                     | Privilege preservation is table stakes.   | \$200K |
| <b>On-prem deployment build</b>                   | The actual differentiator, productized.   | \$250K |
| <b>Design-partner acquisition + ATL marketing</b> | Attorney-to-attorney channels.            | \$250K |
| <b>CORTEX integration depth</b>                   | Auditable firm memory, productized.       | \$150K |
| <b>Cloud + content licensing</b>                  | CourtListener, Justia, premium feeds.     | \$150K |
| <b>Insurance + accounting</b>                     | E&O + bookkeeping for the entity.         | \$80K  |

# The plan, quarter by quarter.

| QUARTER    | DELIVERABLE                                                                                                                 | HARD METRIC               |
|------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------|
| <b>M3</b>  | Beachhead selection finalized. Five design-partner firms signed. Verification catch-rate instrumented across all workflows. | 5 firms / catch-rate live |
| <b>M6</b>  | Fifteen design partners. First paid pilots. SOC2 Type 1 audit in progress. On-prem alpha to one design partner.             | 15 firms / paid pilots    |
| <b>M9</b>  | Thirty firms with paid pilots. SOC2 Type 1 attestation. On-prem GA.                                                         | 30 firms / \$25-50K MRR   |
| <b>M12</b> | Sixty-plus paying firms. Verification catch-rate published as hard public data. Series A ready at \$40-60M step-up.         | 60+ firms / \$100K+ MRR   |

# Three forces converged in 2025 and 2026.

## 01 / REASONING COMMODITIZED

### Smart is table stakes.

Every vendor runs the same frontier models. "Better legal reasoning" is no longer a defensible position. Distribution, content, workflow, and trust are what remain.

## 02 / SANCTIONS CURVE VERTICALIZED

### The data is public.

1,227+ documented cases and counting. From \$500 admonishments to \$30K-plus fines and bar suspensions in 24 months. Buyers can read this in any law journal.

## 03 / BAR GUIDANCE SHIPPED

### 35+ bars, varying rules.

Multi-jurisdiction compliance is now a real product surface, not a future feature. A trust-first platform that manages bar-rule deltas is genuinely useful from day one.

# Honest framing matters in this market.

- **One hallucination in production is catastrophic.** A trust-branded product cannot afford a single sanctioned filing traceable to Lexicore. We mitigate with verification gates on by default, audit logging, and the human-confirmation runtime. We do not market "never hallucinate." We market verifiable.
- **UPL exposure is real.** Lexicore assists licensed attorneys and does not practice law. We never target pro se consumers. The human-control framing is partly the legal shield, and we hold it.
- **Brand collision is real.** "Lexicore" is close to Lexis and Lexis+. A separate Lexicore LLC operates lexicore.com (general contracting). lexicore-aterna-ai.vercel.app is ours today, with a final domain decision in the use of funds. Trademark clearance is in the budget. If clearance fails post-raise we rename then.
- **The giants do not stand still.** Harvey and Clio can ship verifiability features. They have not. The wedge is open today, not forever. Speed and depth in the beachhead is the answer.

THE ASK

**\$2.5M open, \$12M  
pre.  
\$1M already  
anchored.**

Single lead writing \$1M to \$1.5M plus a syndicate for the remainder.  
SAFE or priced. Pro rata rights for the lead. Investor inquiries:  
**labs@aterna.ai**

LEXICORE<sup>TM</sup>

ADOPT AI WITHOUT GETTING SANCTIONED.