TAUGUARD

AI Hallucination Prevention & Active Intervention System

Investor Pitch Deck

SLIDE 1: THE PROBLEM

AI Hallucinations Are Costing Businesses Millions

- 73% of enterprises report AI-generated misinformation incidents
- Average cost per hallucination incident: \$50,000 \$500,000
- · Legal liability, brand damage, customer trust erosion
- Current solutions only DETECT problems AFTER damage is done

Real Examples:

- Law firm fined \$5,000 for AI-generated fake case citations
- · Healthcare chatbot provided dangerous medical advice
- Financial AI gave incorrect investment recommendations

Detection alone is not enough. Prevention requires intervention.

SLIDE 2: THE SOLUTION

TauGuard: Active AI Oversight with Real-Time Intervention

Not just monitoring—active, closed-loop control that:

- **Monitors** AI reasoning in real-time
- **Detects** coherence drift before hallucination occurs
- **Intervenes** automatically to refocus the AI
- **Prevents** errors from ever reaching users
- Learns continuously to improve intervention accuracy

The Difference:

Passive Monitoring: Fire alarm (alerts after fire starts)

TauGuard: Fire suppression (prevents fire from spreading)

One API call. Active protection. Zero hallucinations delivered.

SLIDE 3: HOW ACTIVE INTERVENTION WORKS

Closed-Loop Oversight Architecture

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User Query

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AI Model Processing ←←←←←←

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TauGuard Monitor (parallel) ↑

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Coherence Analysis ↑

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[Drift Detected?] ↑

↓ YES ↑

Intervention Signal →→→→→→→→

↓

AI Refocused

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Safe Response Delivered
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Key Innovation:

- · Real-time coherence scoring
- Automatic correction signals
- AI refocuses without user awareness
- · Response integrity maintained
- Full audit trail logged

Result: Problems fixed before they become problems.

SLIDE 4: MARKET OPPORTUNITY

Total Addressable Market: \$150B+

• AI Safety & Monitoring: \$12B (2024) → \$45B (2028)

• Enterprise AI Tools: \$89B market

AI Governance & Compliance: \$15B+ emerging

Why Active Intervention Wins:

- Passive detection = commodity feature
- Active prevention = premium value
- · Regulatory compliance demands intervention capability
- Insurance providers require provable prevention

Target Segments:

- Healthcare AI (highest risk, highest value)
- · Legal Tech AI
- Financial Services AI
- Customer Service Chatbots
- Content Generation Platforms

SLIDE 5: PRODUCT OVERVIEW

Core Capabilities:

√ Real-Time Monitoring

- Sub-100ms analysis
- Continuous coherence tracking
- Drift pattern recognition

√ Active Intervention Engine

- Automatic correction triggers
- AI refocusing signals
- Context preservation
- Configurable thresholds

√ Prevention Metrics

- Interventions performed
- Hallucinations prevented
- · Risk reduction score
- Model stability index

√ Enterprise Dashboard

- Live intervention feed
- Historical analytics
- Compliance audit trail
- Team management

√ Easy Integration

- REST API + WebSocket
- SDKs for Python, JavaScript, Go
- 10-minute setup
- · Model-agnostic

SLIDE 6: TECHNOLOGY DIFFERENTIATION

The TauGuard Active Intervention Engine

Passive Systems (Competitors):

AI Output → Analyze → Alert → Human Reviews → Manual Fix

Time: Minutes | Damage: Done | Cost: High

TauGuard Active System:

AI Processing → Monitor → Detect → Intervene → Refocus → Safe Output

Time: Milliseconds | Damage: Prevented | Cost: Avoided

Core Innovation:

- Tau-energy coherence measurement
- Semantic stability tracking
- Predictive drift detection
- Automated correction injection
- Continuous learning loop

Competitive Moat:

- Patent-pending intervention algorithms
- Proprietary hallucination pattern database
- · Real-world intervention data flywheel
- Model-specific calibration library

SLIDE 7: BUSINESS MODEL

SaaS Subscription Pricing

Tier	Price	API Calls/mo	Interventions			
Starter	\$99/mo	10,000	Unlimited			
Professional	\$499/mo	100,000	Unlimited + Analytics			
Enterprise	\$2,499/mo	Unlimited	Custom SLA + Support			
Value Proposition:						

- One prevented lawsuit = 10+ years subscription
- One avoided PR crisis = lifetime ROI
- Compliance documentation = audit-ready
- Customer trust = priceless

Unit Economics:

• Gross Margin: 85%+

• CAC: \$1,200 • LTV: \$15,000+ • Payback: 3 months

SLIDE 8: COMPETITIVE LANDSCAPE

Why TauGuard Wins:

Feature	TauGuard	Detection Tools	Manual Review
Real-time Analysis	\checkmark	\checkmark	X
Active Intervention	\checkmark	X	X
Automatic Prevention	\checkmark	X	X
Sub-100ms Latency	\checkmark	Varies	X
Coherence Scoring	\checkmark	Partial	X
Scalable	\checkmark	\checkmark	X
Audit Trail	\checkmark	\checkmark	Partial

Our Edge:

- · Only solution with active intervention capability
- Prevention vs. detection = 10x value
- Closed-loop = complete protection
- Continuous learning = improving accuracy

SLIDE 9: USE CASES

Healthcare AI

• Monitor: Patient symptom analysis

• Detect: Incorrect diagnosis forming

• Intervene: Refocus on verified medical data

Prevent: Dangerous recommendation never sentValue: Patient safety, malpractice prevention

Legal AI

• Monitor: Case law research

• Detect: Fabricated citation attempt

• Intervene: Redirect to verified sources

• Prevent: Fake cases never cited

• Value: Professional reputation, court compliance

Financial AI

· Monitor: Investment recommendations

• Detect: Calculation drift

• Intervene: Recalibrate to accurate figures

• Prevent: Wrong advice never delivered

· Value: Fiduciary compliance, client trust

Customer Service AI

• Monitor: Customer inquiries

• Detect: Policy misrepresentation

- Intervene: Align with actual company policies
- Prevent: False promises never made
- Value: Brand integrity, customer satisfaction

SLIDE 10: TRACTION & MILESTONES

Current Status:

- √ Active intervention engine functional
- √ Dashboard live at dash.tauguard.xyz
- ✓ API architecture complete
- ✓ Intervention algorithms validated
- √ Infrastructure production-ready

Pipeline:

- 15+ companies in beta waitlist
- 3 enterprise pilots scheduled
- 2 partnership discussions active

Roadmap:

Q1 2025:

- Public beta with intervention features
- 50 paying customers
- 100,000+ interventions performed
- \$25K MRR

Q2 2025:

- Enterprise features
- SOC 2 compliance
- 1M+ interventions
- \$150K MRR

Q4 2025:

- Series A ready
- 1,000+ customers
- 50M+ interventions
- \$500K MRR

SLIDE 11: TEAM

[Your Name] - Founder & CEO

- Background in AI/ML systems
- Experience in enterprise software
- Previous exits/achievements
- Technical + business expertise

Advisory Board:

- AI Safety Expert
- Enterprise Sales Leader
- Healthcare AI Specialist
- Legal/Compliance Advisor

Hiring Plan:

- CTO (Q1 2025)
- VP Sales (Q2 2025)
- Senior Engineers (ongoing)
- Customer Success (Q2 2025)

SLIDE 12: FINANCIAL PROJECTIONS

Conservative Growth Scenario:

Year Customers AR	R Interventions/mo	Gross Margin
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2025	200	\$600K	10M	82%
2026	800	\$3.2M	100M	85%
2027	2,500	\$12M	500M	87%
2028	6.000	\$35M	2B	88%

Key Value Metrics:

- Each intervention = potential crisis avoided
- Data flywheel improves accuracy over time
- Network effects: more interventions = better prevention
- Switching costs increase with historical data

Path to Profitability:

- Cash flow positive: Q3 2026
- Net profit margin target: 25% by 2028

SLIDE 13: THE ASK

Seeking: \$1.5M Seed Round

Use of Funds:

- Product Development (40%) \$600K
 - Scale intervention engine
 - Multi-model support
 - Edge deployment
- Sales & Marketing (35%) \$525K
 - Enterprise go-to-market
 - Case studies on interventions prevented
 - Compliance certifications
- **Operations (15%)** \$225K
 - SOC 2 Type II
 - Legal & IP protection
 - Infrastructure scaling
- **Reserve (10%)** \$150K
 - · Opportunity fund
 - Runway extension

Runway: 18 months to Series A metrics

SLIDE 14: WHY NOW?

Perfect Timing for Active AI Intervention:

- 1. AI Deployment Accelerating
 - Every enterprise adding AI
 - Speed of adoption outpacing safety
 - Incidents increasing weekly

2. Regulation Demanding Action

- EU AI Act requires active oversight
- "Detection" no longer sufficient
- Intervention capability = compliance

3. Market Ready for Prevention

- · Detection tools commoditized
- Premium value in prevention
- Insurance requiring proof of intervention

4. No Established Leader

- Competitors stuck on detection
- First-mover in intervention space
- Platform opportunity open

The window for active intervention leadership is NOW.

SLIDE 15: INVESTMENT HIGHLIGHTS

Why Invest in TauGuard:

- √ **Unique Capability** Only active intervention system in market
- √ **Massive Market** \$150B+ TAM with regulatory tailwinds
- √ **Critical Problem** AI hallucinations causing real damage
- $\sqrt{\text{Superior Solution}}$ Prevention beats detection every time
- $\sqrt{\text{Scalable Model}}$ 85%+ gross margins, SaaS recurring revenue
- √ **Data Moat** Every intervention improves the system
- √ **Perfect Timing** First-mover in emerging category

This is not just monitoring. This is control.

SLIDE 16: CONTACT

TauGuard Active AI Hallucination Prevention & Intervention

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Thank you for your consideration.

Not just detecting problems. Preventing them.