



LegalZoom Arbitration Agreement

DISPUTE RESOLUTION BY BINDING ARBITRATION.

Please read this carefully. It affects your rights.

Summary:

Most customer concerns can be resolved quickly and to the customer's satisfaction by calling our Customer Care Center at (800) 773-0888. **In the unlikely event that the LegalZoom Customer Care Center is unable to resolve your complaint to your satisfaction (or if LegalZoom has not been able to resolve a dispute it has with you after attempting to do so informally), we each agree to resolve those disputes through binding arbitration or in small claims court rather than in a court of general jurisdiction.** Arbitration is less formal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than a court does, and is subject to very limited review by courts. **Any arbitration under these Terms will take place on an individual basis; class arbitrations and class actions are not permitted.** While in some instances, upfront costs to file an arbitration claim may exceed similar costs to bring a case in court, for any non-frivolous claim that does not exceed \$75,000, LegalZoom will pay all costs of the arbitration. Moreover, in arbitration you may recover attorney's fees from LegalZoom to the same extent or more as you would in court.

Under certain circumstances (as explained below), LegalZoom will pay you more than the amount of the arbitrator's award and will pay your attorney (if any) his or her reasonable attorney's fees if the arbitrator awards you an amount greater than what LegalZoom offered you to settle the dispute.

You may speak with independent counsel before using this Site or completing any purchase.

Arbitration Agreement:

(a) LegalZoom and you agree to arbitrate **all disputes and claims** between us before a single arbitrator. The types of disputes and claims we agree to arbitrate are intended to be broadly interpreted. It applies, without limitation, to:

- claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort, statute, fraud, misrepresentation, or any other legal theory;
- claims that arose before these or any prior Terms (including, but not limited to, claims relating to advertising);
- claims that are currently the subject of purported class action litigation in which you are not a member of a certified class; and



- claims that may arise after the termination of these Terms.

For the purposes of this Arbitration Agreement, references to "LegalZoom," "you," and "us" include our respective subsidiaries, affiliates, agents, employees, predecessors in interest, successors, and assigns, as well as all authorized or unauthorized users or beneficiaries of services or products under these Terms or any prior agreements between us.

Notwithstanding the foregoing, either party may bring an individual action in small claims court. This arbitration agreement does not preclude your bringing issues to the attention of federal, state, or local agencies. Such agencies can, if the law allows, seek relief against us on your behalf. **You agree that, by entering into these Terms, you and LegalZoom are each waiving the right to a trial by jury or to participate in a class action.** These Terms evidence a transaction or website use in interstate commerce, and thus the Federal Arbitration Act ("FAA") governs the interpretation and enforcement of this provision. This arbitration provision will survive termination of these Terms.

(b) A party who intends to seek arbitration must first send, by U.S. certified mail, a written Notice of Dispute ("Notice") to the other party. A Notice to LegalZoom should be addressed to: Notice of Dispute, General Counsel, LegalZoom.com, Inc., 101 North Brand Blvd., 11th Floor, Glendale, CA 91203 (the "Notice Address"). The Notice must (a) describe the nature and basis of the claim or dispute and (b) set forth the specific relief sought ("Demand"). If LegalZoom and you do not reach an agreement to resolve the claim within 30 days after the Notice is received, you or LegalZoom may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by LegalZoom or you shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or LegalZoom is entitled.

You may download or copy a form Notice from <http://www.legalzoom.com/arbitration-forms.pdf>.

You may download or copy a form to initiate arbitration from the AAA website at http://www.adr.org/aaa/ShowPDF?doc=ADRSTG_015820. (There is a separate form for California residents, also available on the AAA's website at http://www.adr.org/aaa/ShowPDF?doc=ADRSTG_015822.)

(c) After LegalZoom receives notice at the Notice Address that you have commenced arbitration, it will promptly reimburse you for your payment of the filing fee, unless your claim is for more than \$75,000. (Currently, the filing fee for consumer-initiated arbitrations is \$200, but this is subject to change by the arbitration provider. If you are unable to pay this fee, LegalZoom will pay it directly after receiving a written request at the Notice Address.) The arbitration will be governed by the Consumer Arbitration Rules (the "AAA Rules") of the American Arbitration Association (the "AAA"), as modified by these Terms, and will be administered by the AAA. The AAA Rules are available online at www.adr.org or by calling the AAA at 1-800-778-7879. (You may obtain information about the arbitration process directed to non-lawyers, including information about



providing notice to LegalZoom, at <http://www.legalzoom.com/arbitration-information.pdf>.) The arbitrator is bound by these Terms. All issues are for the arbitrator to decide, except that issues relating to the scope, enforceability, and interpretation of the arbitration provision and the scope, enforceability, and interpretation of paragraph (f) are for the court to decide. Unless LegalZoom and you agree otherwise, any arbitration hearings will take place in the county (or parish) of your contact address. If your claim is for \$10,000 or less, you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, by a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If you choose to proceed either in person or by telephone, we may choose to respond only by telephone or submission. If your claim exceeds \$10,000, the AAA Rules will determine whether you have a right to a hearing. The parties agree that in any arbitration of a dispute or claim, neither party will rely for preclusive effect on any award or finding of fact or conclusion of law made in any other arbitration of any dispute or claim to which LegalZoom was a party. Except as otherwise provided for herein, LegalZoom will pay all AAA filing, administration, and arbitrator fees for any arbitration initiated in accordance with the notice requirements above. If, however, the arbitrator finds that either the substance of your claim or the relief sought in the Demand is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the payment of all such fees will be governed by the AAA Rules. In such case, you agree to reimburse LegalZoom for all monies previously disbursed by it that are otherwise your obligation to pay under the AAA Rules. In addition, if you initiate an arbitration in which you seek relief valued at more than \$75,000 (excluding attorney's fees and expenses), the payment of these fees will be governed by the AAA rules.

(d) If, after finding in your favor in any respect on the merits of your claim, the arbitrator issues you an award that is greater than the value of LegalZoom's last written settlement offer made before an arbitrator was selected, then LegalZoom will:

- pay you either the amount of the award or \$2,000 ("the alternative payment"), whichever is greater; and
- pay your attorney, if any, the amount of attorney's fees, and reimburse any expenses (including expert witness fees and costs), that your attorney reasonably accrues for investigating, preparing, and pursuing your claim in arbitration (the "attorney's payment").

If LegalZoom did not make a written offer to settle the dispute before an arbitrator was selected, you and your attorney will be entitled to receive the alternative payment and the attorney's fees, respectively, if the arbitrator awards you any relief on the merits. The arbitrator may make rulings and resolve disputes as to the payment and reimbursement of fees, expenses, and the alternative payment and the attorney's fees at any time during the proceeding and upon request from either party made within 14 days of the arbitrator's ruling on the merits. In assessing whether an award that includes attorney's fees or expenses is greater than the value of LegalZoom's last written settlement offer, the arbitrator shall include in his or her calculations only the value of any attorney's fees or



expenses you reasonably incurred in connection with the arbitration proceeding before LegalZoom's settlement offer.

(e) The right to attorney's fees and expenses discussed in paragraph (d) supplements any right to attorney's fees and expenses you may have under applicable law. Thus, if you would be entitled to a larger amount under applicable law, this provision does not preclude the arbitrator from awarding you that amount. However, you may not recover duplicative awards of attorney's fees or costs. Although under some laws LegalZoom may have a right to an award of attorney's fees and expenses if it prevails in an arbitration proceeding, LegalZoom will not seek such an award.

(f) The arbitrator may award injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. **YOU AND LEGALZOOM AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITIES AND NOT AS PLAINTIFFS OR CLASS MEMBERS IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING OR IN THE CAPACITY OF A PRIVATE ATTORNEY GENERAL.** Further, unless both you and LegalZoom agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding. The arbitrator may award any relief that a court could award that is individualized to the claimant and would not affect other customers. Neither you nor we may seek non-individualized relief that would affect other customers. If a court decides that applicable law precludes enforcement of any of this paragraph's limitations as to a particular claim for relief, then that claim (and only that claim) must be severed from the arbitration and may be brought in court.

(g) If the amount in dispute exceeds \$75,000 or either party seeks any form of injunctive relief, either party may appeal the award to a three-arbitrator panel administered by AAA by a written notice of appeal within thirty (30) days from the date of entry of the written arbitration award. An award of injunctive relief shall be stayed during any such appeal. The members of the three-arbitrator panel will be selected according to AAA rules. The three-arbitrator panel will issue its decision within one hundred and twenty (120) days of the date of the appealing party's notice of appeal. The decision of the three-arbitrator panel shall be final and binding, subject to any right of judicial review that exists under the FAA.

(h) Notwithstanding any provision in the applicable Terms to the contrary, we agree that if we make any future change to this arbitration provision (other than a change to any notice address, website link or telephone number provided herein), that change will not apply to any dispute of which we had written notice on the effective date of the change. Moreover, if we seek to terminate this arbitration provision, any such termination will not be effective until at least thirty (30) days after written notice of such termination is provided to you, and shall not be effective as to disputes which arose prior to the date of termination.