OFFICE OF LEGAL SERVICES INNOVATION

An Office of the Utah Supreme Court

SANDBOX AUTHORIZATION PACKET

OFF THE RECORD

DECEMBER 9, 2020

Contents

DOCUMENT 1

COURT ORDER

In the Supreme Court of the State of Utah

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In re: Application of Law on Call, LLC

ORDER FOR AUTHORIZATION TO PRACTICE LAW

Based upon the Utah Supreme Court's plenary and constitutionally granted authority to regulate the practice of law in Utah, and the tenets of Standing Order 15, the Utah Supreme Court orders that Law on Call, LLC "Law on Call") is authorized to practice law within the regulatory sandbox and subject to the restrictions outlined below.

The Court has reviewed the recommendation of the Office of Legal Services Innovation ("Innovation Office") dated December 7, 2020 for Law on Call, LLC to be authorized to practice law.

Law on Call proposes to be a for-profit entity offering legal services by lawyer employees, paraprofessionals, and nonlawyer customer service representatives ("CSRs"). The proposed entity will be owned by Northwest Registered Agent, LLC, an already established company offering registered agent and other corporate incorporation services.

The lawyer employees of Law on Call will be Utah-licensed lawyers and will provide the legal practice services (legal advice and guidance). The paraprofessionals and CSRs will provide legal information and legal process assistance; they will undergo training and job-shadowing before initiating services and will be supervised by Utah-licensed lawyers via regular, random review of a sample of work product. They will also be required to complete regular continuing legal education and training.

Law on Call proposes offering legal services in the following areas:

- business,
- end of life planning,
- consumer financial issues,

- housing (rental), and
- and real estate.

The Innovation Office has assessed the risk of harm to Law on Call's targeted consumers relative to the risk of harm they currently face and has determined that the risk of harm presented by Law on Call's services is MODERATE.

In light of the Court's responsibility to the public to effectively regulate the practice of law in Utah and in keeping with the tenets of Standing Order 15, the Court now orders as follows:

1. Law on Call is authorized to offer legal services through the following models only:
    a. Nonlawyer-owned entity (more than 50% nonlawyer ownership);
    b. Lawyers employed or managed by a nonlawyer; and
    c. Nonlawyer provider with lawyer involvement.
        i) Nonlawyers providers shall not offer independent legal advice. Nonlawyer providers shall offer only:
            (1) Legal information; and
            (2) Legal process assistance (e.g. providing general information about rules, procedures, and practices).
        ii) Lawyer involvement shall include:
            (1) Nonlawyer providers completing training and job-shadowing period before offering legal services and continuing education and training throughout tenure; and
            (2) Utah-licensed lawyers conducting regular, random reviews of a sample of work product.

2. Law on Call is authorized to provide legal services across the following legal service areas only:
    a. Business,
    b. End of life planning,
    c. Consumer financial issues,
    d. Housing (rental), and
    e. Real estate.

3. Law on Call shall conform to the MODERATE risk reporting requirements imposed by the Innovation Office.

4. Law on Call will prominently display the following disclosure requirements:

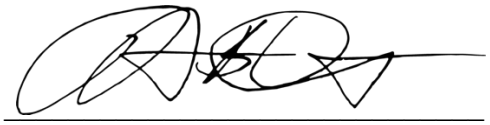
a. Innovation Office Badge,
b. Nonlawyer ownership disclosure, and
c. Nonlawyer provider disclosure.

5. Utah lawyers partnering with Law on Call remain otherwise subject to the Utah Rules of Professional Conduct. However, to the extent that Law on Call's business model could be found to implicate Utah Rule of Professional Conduct 5.3, the Court waives application of that rule as to lawyers practicing as employees of Law on Call.

If Law on Call wishes to alter these conditions or requirements, it must submit any such change to the Innovation Office for further assessment. The Innovation Office will assess the proposed change and may permit the change if it deems the change does not materially increase the risks to consumers. If the Innovation Office finds a material increase in risk then it will present the issue to the Court for further consideration.

This authority is granted for an initial period of 24 months with the possibility of extension or permanent authorization. This authority and any such extension or permanent authorization is subject to Law on Call's compliance with the conditions and requirements set forth in the Innovation Office Manual and the Innovation Office Recommendation to the Court and also to a verification by the Innovation Office that Law on Call has a record of compliance with all requirements and the company's services are not causing harm to consumers.

DATED this 9th day of December, 2020.



Matthew B. Durrant
Chief Justice

DOCUMENT 2

OFFICE OF LEGAL SERVICES INNOVATION

An Office of the Utah Supreme Court

Recommendation to the Court

App 0023 - Off the Record

November 24, 2020

Contents

EXECUTIVE SUMMARY

Recommendation:	Authorize
Applicant:	Off the Record
Proposed Services:	Off the Record is a for-profit company currently operating in Utah. The company facilitates consumer resolution of traffic citations by connecting consumers to attorneys via software and mobile-based applications. Lawyers pay Off the Record a marketing fee. In Off the Record's current model, Off the Record facilitates payment of the lawyer's compensation through the software in advance of the legal service provision. Off the Record provides consumers a money-back guarantee. Off the Record proposes a new payment structure in which the company advances the lawyer 50% of the agreed-upon compensation but retains 50% until the lawyer has satisfactorily completed the work. The company explains that lawyers absconding with the advanced compensation without performing the work has presented a significant challenge to their business model. By retaining 50% until the lawyer completes the work, the company is better able to incentivize good behavior on the part of the lawyer and increase protection for the consumer. The company's money-back guarantee for consumers remains in place. The company notes that the proposed arrangement could violate some interpretations of Utah Rule of Professional Conduct 1.15: Safekeeping Client Property. Proposed legal subject areas: ● Traffic - Civil Actions / Citations
Target Consumer Market	Consumers not likely to otherwise engage a lawyer.
Sandbox Qualifiers:	This business model/service qualifies for the Sandbox because it would feature the following characteristics: ● 50% or more nonlawyer ownership ● Software provider with lawyer involvement

Regulatory Objective Qualifier:[1]	The proposed service potentially increases consumers access to legal services through marketing and software engagement and potentially reduced cost. The proposed service also potentially increases the likelihood that consumers receive the service they purchase by disincentivizing lawyer malfeasance.
Utah Qualifier:	Adapted for Utah requirements
Implementation Qualifier:	Services ready for market now

Risk Assessment

Target Market: Consumers not accessing legal help.

General Assessment: MODERATE RISK

Specific Risks:
1. Nonlawyer service provision
2. Client communications

Sandbox Recommendation

We recommend the Court **authorize** Off the Record to practice law in the state of Utah, subject to such requirements as the Innovation Office may impose.

We recommend the following scope of authorization:

1. The Innovation Office recommends that the authority be granted for an initial period of 24 months with the possibility of extension or permanent authorization. Any such extension or permanent authorization would be subject to the applicant complying with the conditions and requirements set forth below and also to a verification by the Innovation Office that Off the Record has a record of compliance with all requirements and the company's services are not causing harm to consumers.

2. The Innovation Office recommends authorizing Off the Record to practice law only across the following categories of legal service:

    a. Service Models:
        - 50% or more nonlawyer ownership
        - Software provider with lawyer involvement

The Innovation Office does not believe that the proposed service should be considered to implicate Utah Rule of Professional Conduct 1.15. The Office notes that Off the Record consumers are purchasing a service at a flat

[1] Regulatory Objective: To ensure consumers have access to a well-developed, high-quality, innovative, affordable, and competitive market for legal services. (Standing Order No. 15)

fee. Once they purchase that service, the company guarantees them full reimbursement if they are not satisfied with the service. The consumer either gets the service or gets their money back. The model proposed by Off the Record is a back-end business arrangement between the company and the lawyer; it has no financial impact on the consumer and, in fact, serves to increase the consumer's protection from the lawyer's bad acts. The Office does not find the model to present a risk of increased consumer harm. However, the Office notes that it may be advisable for the Court to state in the Order that to the extent Off the Record's model could be found to implicate Rule 1.15, the rule is waived as to lawyers partnerships with Off the Record.

The Innovation Office also does not believe that the proposed service is a fee-sharing arrangement. Off the Record does not keep 50% of the compensation permanently as a payment for referral. It simply holds 50% of the compensation until the lawyer satisfactorily completes the work. If the lawyer fails to complete the work, the money is used to help make the consumer financially whole.

3. Relevant requirements:

   a. **Qualitative Requirements:**

      - Standardized disclosure statements on website and in mobile applications:
        1. Badge
        2. Nonlawyer service provider disclosure statement

   b. **Data Reporting Requirements:**

      - MODERATE risk data reporting requirements.

Document 3

OFFICE OF LEGAL SERVICES INNOVATION

An Office of the Utah Supreme Court

Innovation Office Manual

Contents

I. Introduction

This manual seeks to establish the policies and processes by which the Office of Legal Services Innovation ("Innovation Office") will execute the mandate of the Utah Supreme Court Standing Order 15: to oversee the nontraditional model of legal services, subject to the ultimate authority and control of the Utah Supreme Court. This manual will guide the Innovation Office, the Utah Supreme Court, Sandbox applicants and participants, and the public on the work of the Office.

This manual is a working document and will be regularly updated or revised according to need. Any decisions or actions by either the Innovation Office or the Utah Supreme Court, while informed by this document, are ultimately based on discretion guided by the Regulatory Objective and Regulatory Principles outlined in Standing Order 15.

II. Applying to the Sandbox

Qualification for the Sandbox is guided by Rule 5.4 and Standing Order No. 15, Section 3.3.2. The Sandbox is the mechanism by which business models or services that have not traditionally been permitted in the Utah legal system may provide legal services.

Such practices may include:

- traditional law firms taking on nonlawyer investment or ownership;
- traditional law firms and lawyers entering into fee sharing relationships with nonlawyers;
- nonlawyer-owned or corporate entities employing Utah-licensed lawyers to practice law;
- firms or companies using technology platforms or nonlawyer service providers to practice law; or
- lawyers or firms entering joint ventures or other forms of business partnerships with nonlawyer entities or individuals to practice law.

There may be many other innovative models or services not permitted under the traditional rules that will apply to the Sandbox.

Any entity wishing to apply to the Sandbox must complete:

1. The Application Form
2. Disclosures around ownership, management, and significant financial investors / partners, including whether any of those controlling individuals are disbarred or have a felony criminal history;
3. Disclosure on whether the entity plans to share or sell consumer data to third parties;

4. GRAMA confidentiality claim for information that is identified as trade secrets or confidential business information.

Applicants may also submit any other relevant supplemental materials.

The Innovation Office will review the application for completeness. The Office does not consider applications submitted until the Office determines the submission is sufficiently complete.

III. Innovation Office Review Process

Once the application is determined complete, the Innovation Office will begin its review. The first level of review is performed by the Executive Committee. The second level of review is performed by the entire Office.

The review process is iterative and applicants are expected to be responsive and engaged with the Office. The Innovation Office will seek to understand the applicant's business model and potential consumer risks therein.

This section includes:

- Outlines the qualifiers the Office must confirm for each applicant
- Articulates common risk assessments
- Sets out and explains the core categories of:
    - Service model
    - Service area
    - Disclosure requirements
    - Data reporting requirements

A. Qualifiers

The Innovation Office must confirm that each applicant meets the following qualifiers:

Sandbox Qualifier(s): What aspects of the proposed entity / service qualify for participation in the sandbox.

Utah Qualifier: Each entity must affirm that its service conforms to any applicable requirements of Utah law.

Implementation Qualifier: Each entity must affirm that it is ready or very close to ready to implement its proposed service.

Regulatory Objective Qualifier: Each entity must show that the proposed service will further the Regulatory Objective outlined in Standing Order No. 15: To ensure consumers have access to a well-developed, high-quality, innovative, affordable, and competitive market for legal services.

B. Risk Assessment

The Risk Assessment section outlines the risks of consumer harm identified by the Innovation Office. The Innovation Office has grouped consumer risk of harm from legal services into three main areas:

(1) inaccurate or inappropriate legal result,

(2) failure to exercise legal rights through ignorance or bad advice, and

(3) purchase of an unnecessary or inappropriate legal service.

It is the goal of the Office to work toward being able to both assess and measure consumer risk relative to the risk of harm the target consumer population currently faces. For example, suppose an entity is targeting consumers who do not generally access legal help from lawyers. In that case, the Risk Assessment of the proposed services should be against receiving no legal advice or using do-it-yourself tools on the market or from court websites.

Service Model Risk Category

The Office has developed a model of risk categorization based on the service model(s) proposed by the entity:

Service Model	Risk
Lawyer employed or managed by a nonlawyer	Low
Less than 50% nonlawyer ownership	Low
Software provider[1] with lawyer involvement[2] – legal document completion	Low
50% or more nonlawyer ownership	Low / Moderate
Lawyers sharing fees with nonlawyers	Moderate
Nonlawyer provider with lawyer involvement	Moderate
Software provider with lawyer involvement	Moderate
Nonlawyer provider without lawyer involvement[3]	High
Software provider without lawyer involvement	High

We have categorized the risk across these service models according to the lawyers' involvement in developing and overseeing the nonlawyer model. Essentially, as we get further from our historical norms, the risk level increases because we do not know much about how these models will work. We are relying on the assumption that lawyer involvement should mitigate some of the risks around poor advice or failure to identify issues. However, both moderate and high risk models are subject to robust data requirements giving us the ability to learn more about actual level, scope, and type of risks as we move forward. In the future, as we learn more about the kinds of services offered and the potential risk of consumer harm, we hope to develop more finely tuned categories of risk according to the simplicity / complexity of more specific service offerings (e.g., completing legal documents, advising on process only, representing a consumer in negotiations with an opposing party, representing a consumer in court).

Once an entity is authorized, reported data will be our primary tool to facilitate our regulatory objective while also focusing on consumer protection. As the risk of any proposed service increases, the frequency and scope of reporting increases.

[1] Provider means legal practitioner: a provider who or which is practicing law, including offering legal advice.

[2] "Lawyer involvement" means a Utah-licensed lawyer both (1) provides guidance and oversight of the provider at the front end, i.e. through developing training materials and overseeing training of providers and developing scripts and/or algorithms, and (2) performs regular spot checks of providers services for quality and accuracy.

[3] "Without lawyer involvement" means either (1) a Utah-licensed lawyer provides guidance and oversight at the front end of the development of the service model only but has no ongoing oversight, or (2) no Utah-licensed lawyer is involved in the development or provision of legal service at all.

Additional Risk Detail

The Innovation Office has identified some risks that repeat across entities. Those risks are discussed in detail in this manual but referred to by a shorthand designation in the recommendation to the Court. As we identify new repeating risks, we will add them to this manual. The Office may also identify risks outside or ancillary to the proposed service model. Applicants are encouraged to interrogate their own models for additional risks and discuss those with the Office.

The following repeating risks are described in detail below:

(1) nonlawyer investment / ownership,

(2) lawyers sharing fees with nonlawyers,

(3) technology and nonlawyer providers,

(4) user communication, and

(4) ownership, investment, or management by disbarred lawyers or individuals with felony criminal histories.

1. Nonlawyer investment / ownership

Entities may propose taking on nonlawyer investment / ownership or lawyer employees.

Nonlawyer investment / ownership presents the potential risk that nonlawyer owners / investors, unfamiliar with and unlimited by the legal Rules of Professional Conduct, could undermine the legal services model to the consumer's detriment. It potentially increases the likelihood of implementing business practices that increase the consumer harm risk across all three risk areas. The potential negative impacts of nonlawyer investment / ownership are significantly lower if the nonlawyers have less than majority ownership.

While concern about this risk runs high among lawyers and others unsure about the impact of regulatory reform, data on this risk is relatively limited. Studies from the UK and Australia, each of which have allowed nonlawyer investment / ownership for some time, show no adverse impacts on consumers by legal service businesses with nonlawyer investment / ownership. Given that, we have assigned the following these models to the following risk categories:

Service Model	Risk
Lawyers employed or managed by a nonlawyer	Low
Less than 50% nonlawyer ownership	Low
50% or more nonlawyer ownership	Low / Moderate

There are several ways to address this risk:

- **Rules of Professional Conduct:** All lawyers participating in the sandbox, whether as owners, employees, independent contractors, or business partners, are required to maintain their professional duties, including loyalty to the client and confidentiality. Rule 5.4 both clearly states the lawyer's responsibilities.

- **Identification and Confirmation:** During the assessment process, the Innovation Office notes the lawyers' continuing duties of professional responsibility and independence and may ask the applicant to briefly describe the policies and procedures the applicant will put in place to ensure those duties are maintained.

- **Disclosure Requirements:** The Innovation Office has developed the following disclosure requirements for nonlawyer owned entities:
    - For nonlawyer-owned companie or firms with nonlawyer ownership or investment:
        - **This is not a law firm. / This law firm is owned by nonlawyers.** Some of the people who own / manage this entity are not lawyers. This means that some services / protections, like attorney-client privilege, may be different from those you could get from a traditional law firm.

          If you have questions, please contact us at _____.

- **Data Reporting:**
    - For less than 50% nonlawyer investment / ownership (low risk), without other risk factors, entities will have minimal reporting requirements. Those requirements include customer complaint data.
    - For more than 50% nonlawyer investment / ownership (low/moderate risk), entities will have more fulsome reporting requirements at the outset, to be reduced when [x happens].

2. Lawyers sharing fees with nonlawyers

Under revised Rule 5.4, lawyers proposing to share fees with nonlawyers, whether through basic arms length referral fee transactions or some other model, must enter the Sandbox. The potential risks presented by fee sharing could include compromised lawyer independence and loyalty, conflicts issues, and increased likelihood of the lawyer advancing nonmeritorious claims. There are several mechanisms to address these risks of consumer harm:

- **Rules of Professional Conduct:** All lawyers engaging in fee sharing relationships with nonlawyers are required to maintain their professional duties to their clients and to the court.
- **Disclosure Requirements:** Rule 5.4 requires all lawyers engaging in fee sharing relationships with nonlawyers to disclose the fact of the fee sharing relationship to the affected client. Depending on the model proposed, the Innovation Office may supplement those disclosure requirements or impose timing requirements.
- **Data Reporting:** The Innovation Office has categorized fee sharing models as MODERATE risk but created distinct reporting requirements focused on the particular harms presenting in these arrangements. Entities will be required to submit the following categories of case level data for those clients coming to the entity through a referral fee arrangement:
    - Number of consumers
    - Revenue / receipt
    - Geographic data (requested)
    - Consumer complaints
    - Nonfinancial (legal) outcome
    - Financial outcome

The Innovation Office has the discretion to require an external review of anonymized client files.

3. Legal practice through technology and nonlawyer providers

There are several mechanisms through which entities may propose to offer legal services through technology or nonlawyer human providers. We have identified the following models and risk risk categories:

Service Model	Risk
Software provider with lawyer involvement - legal document completion	Low
Nonlawyer provider with lawyer involvement	Moderate
Software provider with lawyer involvement	Moderate
Nonlawyer provider without lawyer involvement	High
Software provider without lawyer involvement	High

Basic automated form completion (software provision of legal forms and information) is already widely available on the market and has been categorized as providing legal information. The Utah Courts offer such a service through OPAC. Such services reach consumers who otherwise would not likely engage with legal rights or services and the relative risk of consumer harm appears low. These include consumers who cannot access lawyers or visit court-based, self-help services due to time or travel limitations (distance), as well as those who cannot afford a lawyer.

We foresee multiple applicants proposing to expand on this model by using tech platforms to provide legal advice and guidance to consumers (e.g., providing basic legal advice through a chatbot and enhancing the platform's ability to actively guide consumers to complete forms and other legal documents). We also foresee multiple applicants proposing to use nonlawyer providers (whether as advisors on legal processes

and / or as subject matter experts) to provide basic legal advice and assistance to consumers.

These services will be new legal service models and potentially present risk of harm if the quality of the legal advice and guidance is poor. Potential concerns include failure to identify material factual or legal issues, mischaracterization of material factual or legal issues, inaccurate legal advice, etc. For this reason, we have categorized the risk of thes services based on the extent of lawyer involvement in developing and managing the software or nonlawyer providers. Where lawyers are involved in the development and oversight of the service, the risk category will be lower.

We have developed data reporting requirements focused on surfacing data around the three consumer harms to enable the Office to identify, assess, and address evidence of harm.

These models also may present other risks to consumers based on the fact that these are not traditional lawyer/client engagements. To address that aspect of the risk, the Office will require providers with these service models to make the following consumer disclosure:

- **This service is not a lawyer.** The product / service you have selected is not a lawyer. This means:
    - Someone involved with you or with your legal issue, including people on the other side of this case, could be using this service as well.
    - We could be required to disclose your communications (such as questions and information submissions) to third parties.

  If you have questions, please contact us at _____.

4. User communications

We are developing a system of entity regulation in which the entity itself is given the authorization to practice law. This development may cause some tension with the traditional rules governing aspects of legal practice. In particular, communications between a user and licensed entities may present novel issues. As it stands, the attorney / client privilege applies only to communications between lawyers and their clients "for the purpose or in the course of obtaining or facilitating the rendition of legal services to the client." This potential consumer vulnerability raises concerns about consumer harm from communication of sensitive information that is not protected from later discovery because the consumer did not make the disclosure to a lawyer within the definition of Rule 504. For example, a consumer communicating with a chatbot or with a nonlawyer legal advisor may believe their communications are protected because they assume they are getting legal help and find that sensitive information is now subject to disclosure. This concern also potentially applies to communications between consumers and nonlawyer service providers with referral fee relationships to lawyers.

There are currently many legal service options on the market which provide automated legal document completion on matters that do not reach attorney / client privilege. There are good reasons to think that consumers may not need or care about the application of the privilege to many types of legal services. Completing estate planning documents or drafting an employment contract template, for example, may not trigger consumer interest in the privilege. However, most consumers are not knowledgeable enough to draw distinctions around what is, essentially, a rule of evidence and this presents a potentially significant risk.

Further, lawyers practicing law as employees of a nonlawyer-owned entity raise novel issues around the nature of the client engagement, the status of the relationship between the lawyer and the entity, and protection of communications.

To address these issues and the resulting risk of consumer harm, we developed the following disclosure for authorized entities to place on their website, in their terms of service, and at the start of a consumer interaction / engagement:

- **This is not a law firm. / This law firm is owned by nonlawyers.** Some of the people who own / manage this entity are not lawyers. This means that some services / protections, like the attorney-client privilege, may be different from those you could get from a traditional law firm.

  If you have questions, please contact us at _____.

- **This service is not a lawyer.** The product / service you have selected is not a lawyer. This means:
  - Someone involved with you or with your legal issue, including people on the other side of this case, could be using this service as well.
  - We could be required to disclose your communications (such as questions and information submissions) to third parties.

  If you have questions, please contact us at _____.

The Innovation Office also notes that lawyers involved in fee sharing ventures or working with or for nonlawyer-owned entities have distinct disclosure requirements under Rule 5.4.

5. Ownership, Investment, or Management by Disbarred Lawyers or Individuals with Felony Criminal Histories.

In Standing Order No. 15, the court determined disbarred lawyers present a high risk of consumer harm and, therefore, found that disbarred lawyers may not own or have a financial interest of greater than 10% in any entity participating in the Sandbox. The court also found that individuals with felony criminal histories may present an elevated risk of consumer harm, depending on the nature of that criminal history and their position within the participating entity.

Applicants to the Sandbox must:

- Confirm that no disbarred lawyers owners or controls more than 10% interest in the entity.
- Disclose all persons or entities who wholly or partially direct the management or policies of the proposed entity, whether through ownership of securities, by contract, or otherwise ("controlling persons").
- List all persons or entities who will wholly or partially (>10%) finance the business of the proposed entity ("financing persons").
- List any of those controlling or financing persons with felony criminal histories.
- List any persons in a managerial role over the direct provision of legal services who is disbarred or who has a felony criminal history.
- Disclose whether the entity material corporate relationship and / or business partnership with either a disbarred lawyer or individual with a felony criminal history.

The Office will develop a list of specific criminal felonies that could impact its risk assessment of the entity and follow up on any relevant disclosures with a more detailed inquiry. The Office will also incorporate relevant information into its risk assessment and include it in its recommendation to the Court.

C. Authorization Parameters

After conducting the risk assessment, the Innovation Office will develop the outline for its authorization recommendation, including risk category, service area(s), and any additional requirements.

1. Service Models

The Office will determine which service models it will recommend for Court review and approval. Even after authorization, if an applicant's model changes to include a new model, the applicant must request additional assessment and authorization from the Innovation Office.

Service Model	Risk
Lawyer employed or managed by a nonlawyer	Low
Less than 50% nonlawyer ownership	Low
Software provider with lawyer involvement - legal document completion	Low
50% or more nonlawyer ownership	Low / Moderate
Fee sharing with nonlawyers	Moderate
Nonlawyer provider with lawyer involvement	Moderate
Software provider with lawyer involvement	Moderate
Nonlawyer provider without lawyer involvement	High
Software provider without lawyer involvement	High

2. Service Categories

The applicant identifies the service areas in which they will be working. Even after authorization, if an applicant's model changes to include a new model, the applicant must request additional assessment and authorization from the Innovation Office.

- Accident / Injury
- Adult Care
- Business
- Criminal Expungement
- Discrimination
- Domestic Violence
- Education
- Employment
- End of Life Planning
- Financial Issues
- Healthcare
- Housing (Rental)
- Immigration
- Marriage and Family
- Military
- Native American / Tribal Issues
- Public Benefits
- Real Estate
- Traffic - Civil Actions / Citations

3. Consumer Disclosure Requirements

Required for All Authorized Entities

The Innovation Office "badge" is required for all authorized entities to display on their websites as well as brick-and-mortar offices. This will facilitate consumer knowledge and confidence and will provide question / complaint information. Regulators in the UK have developed a similar "badge" for regulated legal service entities.

Required as Applicable[4]

- **This is not a law firm. / This law firm is owned by nonlawyers.** Some of the people who own / manage this company are not lawyers. This means that some services / protections, like the attorney-client privilege, may be different from those you could get from a law firm.
    - If you have questions, please contact us at _____.
- **This service is not a lawyer.** The product / service you have selected is not a lawyer. This means:
    - Someone involved with you or with your legal issue, including people on the other side of this case, could be using this service as well.
    - We could be required to disclose your communications (such as questions and information submissions) to third parties.

  If you have questions, please contact us at _____.

4. Annual Entity Reporting

Authorized entities will have certain limited annual reporting / certification requirements, confirming the status of their controlling and financing persons and confirming that no disbarred lawyer owns or controls more than 10% financial stake.

[4] The Innovation Office notes that Rule 5.4 contains its own disclosure requirements applicable to lawyers in fee sharing arrangements and nonlawyer owned entities.

Data reporting requirements

For each approved service area, the entity will submit case level data as follows. The Innovation Office will provide the entity with a .csv template with specific data fields and corresponding operational and technical definitions.

Nonlawyer investment / ownership: Less than 50% - Low Risk

Consumer Service	Criteria of Assessment	Provider	Measure	Reporting
General	General	All services	Number of people served	Quarterly
			Geographic info (requested)	Quarterly
			Revenue / receipt info	Quarterly
			All consumer complaints	Quarterly

Software Provider with Lawyer Involvement - Legal document completion - Low Risk

Consumer Service	Criteria of Assessment	Provider	Measure	Reporting
General	General	All services	Number of people served	Quarterly
			Geographic info (requested)	Quarterly
			Revenue / receipt info	Quarterly
			All consumer complaints	Quarterly

Nonlawyer investment / ownership: More than 50% - Low to Moderate Risk

Consumer Service	Criteria of Assessment	Provider	Measure	Reporting
General	General	All services	Number of people served	Monthly
			Geographic info (requested)	Monthly
			Revenue / receipt info	Monthly
			All consumer complaints	Monthly

Fee sharing with nonlawyers - Moderate Risk

Consumer Service	Criteria of Assessment	Provider	Measure	Reporting
General	General	All services under the fee sharing model	Number of people served	Monthly
			Geographic info (requested)	Monthly
			Revenue / receipt info	Monthly
			All consumer complaints	Monthly
Specific consumer service	Consumer achieves an inaccurate or inappropriate legal result. Consumer fails to exercise legal rights through ignorance or bad advice. Consumer purchases an unnecessary or inappropriate legal service.	All services under the fee sharing model	Nonfinancial (legal) outcomes data (% customers that did / did not get the outcome they sought)	Monthly
			Financial outcome data (benefit obtained / loss prevented) broken down by outcome (verdict, settlement, etc.)	Monthly
			(Potential) Expert review of redacted case file	As determined

Nonlawyer provider with lawyer involvement, software provider with lawyer involvement - Moderate Risk

Consumer Service	Criteria of Assessment	Provider	Measure	Reporting
General	General	All services	Number of people served	Monthly
			Geographic info	Monthly
			Revenue / receipt info	Monthly
			All consumer complaints	Monthly
Specific consumer service	Consumer achieves an inaccurate or inappropriate legal result. Consumer fails to exercise legal rights through ignorance or bad advice. Consumer purchases an unnecessary or inappropriate legal service.	Nonlawyer	Satisfactory legal expert review of representative selection of work product for accuracy and quality.	Nontraditional products / services: submit legal expert review of first 20 consumer interactions. Office may require additional reporting on review of n interactions selected at random.
		Nonlawyer	Nonfinancial (legal) outcomes data (% customers that did / did not get the outcome they sought)	Monthly
		Nonlawyer	Track relevant outcomes across cases assisted by the new services and those not (e.g.,was divorce achieved)	Monthly
		Nonlawyer	Track services provided across events with similar outcomes (e.g. what services were provided in this divorce)	Monthly
		Nonlawyer	Financial outcome (benefit obtained or loss prevented) data broken down by outcome (divorce, custody).	Monthly

Nonlawyer provider without lawyer involvement & Software provider without lawyer involvement - High Risk

Consumer Service	Criteria of Assessment	Provider	Measure	Reporting
General	General	All services	Number of people served	Monthly
			Geographic info	Monthly
			Revenue / receipt info	Monthly
			All consumer complaints	Monthly
Specific consumer service	Consumer achieves an inaccurate or inappropriate legal result. Consumer fails to exercise legal rights through ignorance or bad advice. Consumer purchases an unnecessary or inappropriate legal service.	Nonlawyer	Satisfactory legal expert review of representative selection of work product for accuracy and quality.	Nontraditional products / services: first 20 consumer interactions to be reviewed by legal experts for accuracy and quality. Additional monthly reporting on *n* consumer interactions (to be determined by Office).
		Nonlawyer	Nonfinancial outcomes data (% customers that did / did not get the outcome they sought)	Monthly
		Nonlawyer	Track relevant outcomes across cases assisted by the new services and those not (e.g.,was divorce achieved)	Monthly
		Nonlawyer	Data on returns for error fixes.	Monthly
		Nonlawyer	Track services provided across events with similar outcomes (e.g. what services were provided in this divorce)	Monthly
		Nonlawyer	Financial outcome (benefit obtained or loss prevented) data broken down by outcome (divorce, custody).	Monthly

IV. Recommendation to the Court

The Court retains complete discretion to review and assess any recommended entity. The Office has developed a recommendation to the court focused identifying potential risks, assigning a general risk level to the entity, and recommending relevant requirements for authorization. The Innovation Office strives to avoid unnecessary verbiage and repetition so as to make the recommendations, application review, and authorization processes as efficient as possible. The individual recommendation documents and Proposed Orders submitted to the court will refer to this manual for the full discussion of risks unless the model proposed presents a unique and novel issue.

Should the court vote to approve the recommended entity, it will enter the Proposed Order, subject to any changes requested by the court. The Proposed Order authorizes the entity as outlined and limited by the scope of the recommendation and the Innovation Office Manual. Once the Order is entered, the Innovation Office will make the application, recommendation, and Order public on its website. Any confidential information will be redacted before these materials are released publicly.

V. Data Reporting and Monitoring

In addition to providing initial quality review reports and annual confirmation, the Innovation Office will receive regular reporting from participating entities as outlined above. This reporting includes the following fields (subject to updating):

- ❑ Sandbox Participant Code
- ❑ Customer Number
- ❑ Service Provider
- ❑ Consumer Service Category
- ❑ Legal Problem / Matter
- ❑ Start Date
- ❑ Scope of Service Sought
- ❑ Scope of Service Received
- ❑ End Date
- ❑ Legal Outcomes(s)
- ❑ Amount Customer Paid
- ❑ Customer Complaint
- ❑ Customer Geographical Data