

LegalZoom Launches Legaleze to Simplify Legal Documents

Legaleze uses machine learning and mobile camera technology to help non-lawyers understand what legal documents actually mean in plain language.

GLENDALE, CA -- (BUSINESS WIRE) -- August 1, 2021 -- Today, LegalZoom announces the launch of Legaleze, a new application focused on simplifying the complex language in legal documents. Through machine learning and use of a camera-enabled phone, Legaleze will allow customers to feel more confident in their ability to understand legal documents and have peace of mind in what they are agreeing to. This is one more important component to LegalZoom's mission to make legal help accessible to average people.

Legal documents, generally drafted by lawyers with specialized knowledge, contain complicated structures and unusual words that are confusing to the average person. With the help of your built-in phone camera, Legaleze will take unfamiliar legal words and substitute them with easily understandable language so that you can quickly comprehend once-obscure terms. In the future, LegalZoom will build on this technology to replace full paragraphs and pages with simple human-friendly summaries, and even mark areas that deserve further consideration to help you avoid potential legal exposure.

"By necessity, legal language is incredibly particular to protect the parties involved from ambiguity, but that also makes it difficult for those without law degrees to fully understand what they're signing. In fact, according to a recent survey, only 1 out of 10 people think that contracts are 'easy to understand'," says Stephanie Moriarty, General Counsel at LegalZoom. "We're excited to release Legaleze as an alternative to flipping between a legal document and a dictionary, forgetting how to spell the word and having to flip back, and so on. Just hover your phone camera over your document or even your computer screen, and let Legaleze do the rest."

After using the app for the first time, customer Duncan Fritz said, "I only had 24 hours to sign my rental agreement, so I used this app to translate my lease and felt confident knowing what I was getting into before signing the document. In a fraction of a second it highlighted the words I wouldn't have understood and gave me a simple definition. I've signed too many documents without knowing what 'indemnify' means or what an 'attractive nuisance' is, but with Legaleze I'm much more confident that I understand what I'm agreeing to, especially when I have to act quickly. It's a great tool for anyone who doesn't feel comfortable with legal language and needs it translated!"

You can try it out completely free right now. Just go to your app store, download the Legaleze app, allow access to your phone's camera, and you're off to the races. No fees, no logins, just easy peace of mind.

For more information, visit LegalZoom.com/Legaleze

Frequently Asked Questions

Customer FAQs

1) Does legaleze provide legal interpretation and advice or is it a legal translation service?

Legaleze is a translation application used to help people understand what certain legal text means in a legal document. It is not a substitute for sound legal advice and it requires judgement from either a user or a lawyer.

2) What is the cost of this service?

Legaleze is free for all customers with the Legaleze application.

3) What devices/platforms can I use to access Legaleze?

Legaleze can be used on any device that uses the Android or iOS operating systems where the Legaleze application is currently available. The device must also have a rear-facing camera in order to use the application. To ensure the best experience, we recommend using your operating system's latest version.

4) Do I have to provide personal information or create an account?

Legaleze does not require users to provide personal information or create an account.

5) Will Legaleze expose my sensitive data?

Legaleze does not store any customer data.

6) What languages does Legaleze support?

The current version of the Legaleze application only supports English. Future versions may support other languages.

7) How is this different from looking up definitions/meanings online?

The Legaleze application allows customers to use their rear-facing cameras to quickly and effectively identify and translate complex legal language into simplified definitions without having to spend additional time searching for definitions online.

8) Can I store my documents in the Legaleze application to review in the future?

No, the Legaleze application currently does not allow customers to store documents for future review.

9) Can Legaleze be used to understand both personal and business documents?

Yes, Legaleze can be used to understand both personal and business documents. Common legal documents where the Legaleze application can assist are rental agreements, purchase agreements, non-disclosure agreements, and operating agreements.

10) Can Legaleze be used outside of the US?

Legaleze is currently available in the US and US territories only.

11) Will this replace the need to hire a lawyer for document review or advice?

Legaleze should be used as an aide to better understand the language in legal documents and should not be used as a replacement for a lawyer for document review or advice.

12) What if I still don't understand my document and I need more help?

If you still don't understand your document or need more help/resources, please visit the LegalZoom website <https://www.legalzoom.com/> where you can find additional legal resources or can contact one of our legal experts directly. You can also contact our Customer Care team at (800) 773-0888 for additional assistance.

13) What constitutes "human-friendly" language?

At LegalZoom, we define "human-friendly" language as language that any english-fluent adult can understand and comprehend, not just legal experts. If you discover a definition that does not easy to understand, please don't hesitate to contact our Customer Care team at (800) 773-0888 to let us know.

14) How often is the Legaleze application updated?

The Legaleze application is updated every two weeks. As part of these updates, we improve existing and add new legal definitions. For the best experience, we recommend updating the application whenever there is a new update available.

Internal FAQs

1) Customers

a) Who is our target customer?

Primarily the self-service consumer segment, those needing quick and easy legal interpretation. This would include all age groups but primarily those aged between 18-55.

b) What customer problem(s) does this product solve?

Legal documents often contain complex words that are unfamiliar to the average person. Through machine learning and use of a built-in phone camera, Legaleze simplifies these complex legal words by substituting them with easily understandable language.

c) Is there a consumer appetite for the features available at launch?

Yes, there currently exists legal definition resources such as [Merriam-Webster Law](#), [United States Courts Glossary of Legal Terms](#), and [Dictionary.Law.com](#). The existence of these and many other resources like them suggests that there is a large consumer appetite for quick legal definitions. Legaleze simply removes the steps it takes to visit and search those resources.

d) Is there a consumer appetite for the feature set envisioned for future versions?

Yes. Two potential features envisioned for the future versions of Legaleze are 1) making the product available in other languages and 2) analyzing full sentences and paragraphs in a legal document with simple user-friendly summaries. We believe that the customer

appetite for initial features as outlined above is consistent across languages, and is even greater for more robust interpretations (sentences, paragraphs, pages, etc.)

e) How will we market Legaleze to potential users?

Through LegalZoom website, social media, asking customers for reviews at app stores, getting featured on tech blogs/podcasts/app review sites, influencer endorsements, word of mouth, etc. A robust GTM strategy and ongoing marketing campaigns will be developed with the support of our Marketing Team.

f) What languages will this product support?

Currently Legaleze is available only in English. However, the future versions of the product will support other languages.

g) Will this product be available for use in all US states and territories?

Yes, Legaleze is available in all US states and territories. Note that the product is not a substitute for sound legal advice, and LegalZoom offers numerous products that do so. This is important because interpreting the law varies from state to state, however the legal words have strict definitions and meanings.

h) Will this product be available for use in non-US legal environments?

At the moment, Legaleze supports only English, and can be safely used within the US legal environment at the moment. Since Legaleze is a translation product only, it can also be utilized to translate legal documents that are developed in English outside of the US; however non-US customers must exercise caution.

As mentioned above, Legaleze plans to offer its service formally outside the US legal system in the future and form partnerships with online legal service providers in other countries (LegalZoom equivalent), first in English (for example, *www.lawyersonline.co.uk* in UK or *legal123.com.au* in Australia) and then in other languages.

i) Will Terms of Service be expressed in “easy to understand” language that is consistent with product/firm mission?

LegalZoom’s mission is: making legal help accessible to average people. Our company has been dedicated to making quality legal care available to average Americans since 2001. Therefore, Legaleze’s Terms of Service expressed in “easy to understand” language aligns with further simplifying the day-to-day legal challenges our customers face.

j) How will we ensure accessibility for users with vision impairment or other disabilities?

One of the future versions of Legaleze will likely include a feature that converts texts into high-quality speech to provide users a fast and accurate translation of the complex legal terms.

k) What support will we provide for users who need additional legal advice or assistance?

Legaleze users in all US states and territories are encouraged to use our legal advice and assistance services through LegalZoom.com. In the future, Legaleze plans to partner with other legal advice providers to offer additional advice/assistance for the users outside of the US legal systems.

2) Financials / Competition

a) What is the size of the market for self-service legal information?

We estimate the total addressable U.S. market to be roughly 140.3 million people. This is an estimate based on the total U.S. residents between the ages of 20-55 (~141.7 million) minus the total number of lawyers in the U.S. (~1.33 million). This operates under the broad assumption that every U.S. non-lawyer adult will require legal translation assistance at some point in their life.

b) Who are the major competitors to Legaleze?

Primary competitors to LegalZoom currently include RocketLawyer, Incfile, and LegalNature, which are largely focused on self-service documentation. Potential competitors in the AI space include Ross, FastCase, and CaseText, which currently focus on legal research and document review assistance for small firms and businesses.

c) What is the projected cost to build and launch this product?

This will cost roughly \$500,000 in salary to build the first version of this product. This was calculated by estimating it will take a 10 person engineering team, making an average of \$120,000/year, five months to build V1. It will subsequently cost \$100,000 a month to continue to develop new features and maintain the product assuming the same resources.

d) What is our pricing strategy?

This product will be free to users and will be a loss-leader for LegalZoom's other products and services.

e) Will this cannibalize demand and usage of our other product offerings?

Likely not. This is a complementary but not a substitutionary product. The service will likely never be powerful enough, regardless of how far this product is developed, to fully replace human review of legal documents. In fact, we will explicitly tell users that this is not a replacement for legal advice and review, and in order to ensure they are properly covered legally, they should enlist the services of one of LegalZoom's attorney's.

f) Do we expect increased usage of other revenue-generating LegalZoom products as a result of Legaleze?

This is the entire purpose of this product. We see it as a low-barrier way to engage with LegalZoom as a company, build trust, and then purchase further services. Currently there is not as valuable a way to engage with LegalZoom for free, so we anticipate this being a very sticky funnel for potential customers.

3) Risk / Liability

a) How will we ensure users are aware of the limitations inherent in the product, and of the fact that Legaleze does not provide legal advice?

Users must agree to LegalZoom's [Terms of Use](#) (TOU) through an on-screen prompt. Because a user account is not required, this must be repeated for each session of user engagement. Because Legaleze may attract new users or more casual users, we recommend that this prompt include not only a link to the full TOU language, but to a shorter statement clarifying the purpose of the Legaleze product. For instance, an excerpt from the TOU such as: "At no time do we review your [documents] for legal sufficiency, draw legal conclusions, provide legal advice, opinions or recommendations about your legal rights, remedies, defenses, options, selection of forms, or strategies, or apply the law to the facts of your particular situation. LegalZoom is not a law firm and may not perform services performed by an attorney. LegalZoom, its Services, and its [Products] are not a substitute for the advice or services of an attorney."

b) Does this product expose LegalZoom to additional liability/malpractice concerns?

No – we do not anticipate increased risk or liability due to addition of Legaleze to the LegalZoom suite of services. This product will be offered under the same Terms of Use, and with the same limitations of liability and indemnification, as its existing services. LegalZoom has been operating in the legal self-service space for 20+ years, and existing TOU and disclaimers to clearly express the limitations of the company's services and the understanding customers should have regarding LegalZoom's inability to draw legal conclusions or provide formal legal advice. Legaleze also represents a far lower risk due to its on-screen-only nature, compared with LegalZoom's existing set of legal documentation products that can reasonably be expected to be employed by customers outside of the environment of LegalZoom's website and filed formally within users' home jurisdictions.

c) How might our exposure to legal risk change with the advanced features expected in future versions?

The earliest version of Legaleze can be seen as a dictionary or translation service, whereas potential later versions may be more reasonably (but incorrectly) construed by users as legal advice – for instance, if the product interprets lengthier document segments or points out potential "red flag" language. Despite LegalZoom's existing Terms of Use, advanced versions of the LegalEze product may present greater opportunities for customer misunderstanding, and LegalZoom's organizational TOU, as well as Legaleze on-screen prompts and disclaimers, should be reassessed with each version and adjusted as needed to ensure clarity for consumers.

d) How do state to state differences in the legal landscape affect our risk?

Legaleze should carry no additional exposure to risk based on jurisdiction, as many legal definitions within the US system tend to be uniform, and known differences can be presented as multiple possible definitions for a given term. LegalZoom's current TOU does address potential differences across various states and jurisdictions, stating that: "The law is different from jurisdiction to jurisdiction, and may be subject to interpretation by different courts. The law is a personal matter, and no general

information or legal tool like the kind LegalZoom provides can fit every circumstance.” It further directs users to seek advice from a licensed attorney in their area as needed.

e) What data and user information will we collect and/or retain? Will LegalZoom use this data to train ML models?

Unlike account-based services covered by LegalZoom’s existing [Privacy Policy](#), use of Legaleze will not result in collection of any personal or identifiable user information. Fully anonymized information may be captured regarding product diagnostics and performance (e.g. answers to user-prompts regarding whether a definition provided was helpful) as well as customer needs (e.g. most frequently searched words or document types). Data will be fully anonymized and employed toward improvements in the product and the performance of its machine vision / machine learning base.

4) Roadmap / Timeline

a) When will we launch v1, and what features will be included?

Legaleze v1 will be launched August 1st, 2021. It will include only the following functionality:

- A downloadable application (no login)
- The ability to point your phone’s rear-facing camera at a single page of document (any format, and any type), where it will recognize single legal words.
- Upon recognition the app will highlight the word and show a caret at its upper-right corner. When pressed, the caret will display an in-app text box with a dictionary definition of the word.

b) What additional capabilities/features are envisioned for future product versions?

Over the next few years major feature additions could include:

- Auto-populated links to LegalZoom lawyers that specialize in the type of legal document you are reviewing
- The analysis of phrases, whole sentences, paragraphs, pages, etc. replaced with human-readable alternatives
- Support for additional languages
- Non-camera-based analysis of entire documents to identify undue legal exposure of the user (“red flags”), with auto-populated suggestions for more suitable alternatives
- Expansion beyond the US legal system and partnering with online legal advice providers in other countries.

c) What timing is expected for future version releases?

Future product versions will be released on a regular 2-week cadence. These releases will contain a variety of work from new features to stability improvements, depending on what will deliver the highest value to the customer at that time. Every release will be an incremental improvement to the product and its value to the customer.

d) How does Legaleze fit in with LegalZoom’s overall strategy?

Legaleze will serve as a loss-leader for LegalZoom's other services. It will be a way for customers who are unsure or unaware of the value of LegalZoom's services to engage with the company in a free, easy to use, and high value way with a direct call to action.

5) Resources and Technology

a) What internal technology capabilities will this product leverage?

LegalZoom will leverage its existing technology stack used to develop its mobile and web applications. At its core, the stack includes MongoDB (NoSQL database), Express.js (backend web framework), Angular.js (front-end framework), and Node.js (open source cross-platform server).

b) What new capabilities will we have to build internally?

Our mobile and web team will need to develop the capabilities to integrate optical character recognition or optical character reader (OCR) into a new mobile application built on the existing technology stack mentioned in the previous question.

c) What internal or external resources will be used as the source of term definitions?

For internal resources, we will work with our customer service and legal team to develop a database of terms and definitions found in the most requested legal documents by our customers. We will utilize external resources such as Black's Law Dictionary, the most widely used legal dictionary in the United States, and the [Merriam-Webster legal dictionary in plain english](#) as tools to finalize our database of terms and definitions.

d) What internal or external resources will be used to generate more sophisticated, explanatory summaries in future versions?

We will analyze non-identifiable user data, as mentioned previously, to determine the most frequently searched phrases or document types. That data will guide the development roadmap for explanatory summaries that will allow customers to more easily interpret entire sections of legal documents. Machine Learning will be trained using open-source legal documents and templates.

e) Will this product fall under the domain of an existing department, or require its own?

This product will be owned by a net-new team within the existing Engineering > Mobile department.

f) What headcount will be necessary to build and support this product, and how will that shift as we move along the product roadmap?

At origin, and to meet the forecasted five month timeline, it will require a 10 person cross-functional engineering team consisting of (4) developers, (3) testers, (1) architect, (1) Product Manager, and (1) designer. This team could sustain steady growth and maintenance on the product, however product success will ultimately dictate resourcing requirements.

g) What customer support resources will this product require us to build/expand?

The existing Customer Care team will need training on Legaleze's operation and troubleshooting, but the simplicity of the initial product suggests a very shallow learning curve. We will, however, likely need to grow this team given the anticipated popularity of this product. Many existing FAQs and Help Articles can be leveraged to support customer self-service and troubleshooting as well.

h) How do we handle various file types (i.e. the difficulty of extracting data from PDF)?

Legaleze will utilize the camera on your phone which is agnostic to the file type. The plain-speak interpretation of the legal jargon will be viewed on your phone's screen.

6) Content / Scope

a) Will this product cover all potential content areas of legal documentation, or only a subset? (e.g. Leases, wills and trusts, LLC creation, NDAs, etc.?)

While legal documents themselves are inherently different, the words, content, and phrases are universally applied throughout the profession. This product will cover all types of legal documents in its first single-word-only iteration. As functionality is expanded to phrases, sentences, pages, etc. constraints may need to be placed depending on the specificity of certain documents.

b) Will content vary based on legal jurisdiction - i.e. in various states?

Legaleze can be thought of as a translation service to help people understand what text means in a legal document. It is not a substitute for sound legal advice and LegalZoom offers numerous products that do so. This is important because interpreting the law varies from state to state, however the legal words have strict definitions and meanings.

c) Will international legal systems be supported?

At the moment, Legaleze supports only English, and can be safely used within the US legal environment at the moment. Since Legaleze is a translation product only, it can also be utilized to translate legal documents that are developed in English outside of the US; however non-US customers must exercise caution.

d) Will future changes in the legal landscape be reflected in a timely fashion?

Legaleze is only a translation service, and it relies on the Black's Law Dictionary, which is the most frequently used dictionary according to the [Yale School of Law](#). We will update the Legaleze according to changes in this document.