

IN THE UNITED STATES DISTRICT
WESTERN DISTRICT OF MISSOURI
CENTRAL DIVISION

TODD JANSON, et al.,)	
)	
Plaintiffs,)	
)	
vs.)	No. 10-04018-CV-C-NKL
)	
LEGALZOOM.COM, INC.,)	
)	
Defendant.)	
_____)	

DEPOSITION OF EDWARD R. HARTMAN

Taken on behalf of Plaintiffs

August 3, 2010

9:25 a.m.

NAOLA C. VAUGHN, CCR, RPR, CRR, CCP

MO CCR #1052

KS CCR #0895

1 address.
 2 Q. Do you maintain a record, electronic or
 3 otherwise, of the actual documents that were
 4 provided to the customer by LegalZoom?
 5 A. In general, yes.
 6 Q. Are there exceptions to that where you
 7 don't retain documents?
 8 A. Yes.
 9 Q. Can you tell me about that?
 10 A. Yes. A downloadable form would not be
 11 retained. A stock certificate, a blank stock
 12 certificate would not be retained. There are other
 13 documents of this nature.
 14 Q. But if it's a will or some other -- or a
 15 form of that nature, which is not a downloadable
 16 form, you would retain copies?
 17 A. We would retain, yes.
 18 Q. Has LegalZoom -- do they have a record
 19 of all their customers' names and addresses that
 20 have purchased products from LegalZoom? Have they
 21 maintained that record from LegalZoom's inception?
 22 A. They have.
 23 Q. Do you have any -- is there any policy
 24 that LegalZoom follows as to retention of customer
 25 information?

1 A. LegalZoom has a document retention pool
 2 in place, which is superseded by any pending legal
 3 matter?
 4 Q. Does LegalZoom have a record of -- a
 5 record of all the names and addresses of its
 6 customers in Missouri who have used LegalZoom
 7 services from December 18, 2004, to the present?
 8 A. Yes.
 9 Q. And that record would include not only
 10 the name and address but the type of product
 11 purchased through LegalZoom and the amount that that
 12 customer paid for it; is that right?
 13 A. Yes. Product or products.
 14 Q. The database that you refer to that
 15 contains the information, the name and address and
 16 the product purchased and the amount paid, are you
 17 able to search that database to determine, for
 18 example, how many customers purchased wills in the
 19 state of Missouri for a given time period, or how
 20 many people purchased a power of attorney in
 21 Missouri during a given time period? Do you
 22 understand what I'm saying?
 23 A. I think I do. In general, LegalZoom can
 24 do that.
 25 Q. So if I wanted to know how many

1 customers in Missouri obtained documents through
 2 LegalZoom for the formation of limited liability
 3 companies from December 18, 2004, through the
 4 present, I could do that, or you could do that?
 5 A. LegalZoom could do that within reason.
 6 Q. And what do you mean by that?
 7 A. Well, the customer states that they're
 8 in Missouri. You know, we are taking it on their
 9 word. You say that they're in Missouri. They may
 10 have moved. But in general, yes, sir.
 11 Q. The wills and other documents that are
 12 retained by LegalZoom. If I wanted to see someone
 13 else's will that I had no connection with, could I
 14 contact LegalZoom and review that will?
 15 A. Are you speaking as counsel here, sir,
 16 or as a general member of the public?
 17 Q. Just an ordinary Joe. I call you and I
 18 say, I heard Mary Smith from Jefferson City,
 19 Missouri, got a will, purchased a will through you,
 20 and I'd like to see that. Would you show that to
 21 me?
 22 A. LegalZoom furnishes a sample document
 23 that the customer can look at prior to purchase.
 24 But another customer's information would be
 25 safeguarded under our privacy policy.

1 Q. So you have a privacy policy?
 2 A. Yes.
 3 Q. Are you familiar with that?
 4 A. I am relatively conversant with our
 5 privacy policy.
 6 Q. Can you describe that for me?
 7 A. We hold customer information, the
 8 totality of customer data at the highest level of
 9 security and secrecy. We maintain it in our
 10 database for our internal records.
 11 Q. Why do you think it's important to keep
 12 that a secret?
 13 A. It's a pretty general question. One
 14 reason is obviously for the customer's privacy,
 15 which we believe is an inherent characteristic of
 16 coming to LegalZoom. Or really to any online
 17 merchant. Another reason is to assure the customer
 18 that what they believe, I expect, that is a
 19 reasonable expectation of privacy is respected as
 20 such.
 21 A third reason might be that they would
 22 know that no one could make use of that information
 23 for inappropriate means, just the same way that they
 24 would if they were buying, I don't know, a whole
 25 security system.

UNITED STATES DISTRICT COURT
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TODD JANSON, et al.)
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)2:10-cv-04018-NKL
LEGALZOOM, INC.,)
 Defendant.)
_____)

VIDEOTAPED DEPOSITION OF NELLY JACOBO
April 21, 2011

Reported by: Claire Andrews, CSR No. 13509

1 document --
 2 A. Yes.
 3 Q. There's nothing the customer needs to do
 4 except review it, sign it and perhaps have his
 5 spouse sign it, if applicable?
 6 A. Once in a while -- and it also varies on
 7 the state -- we'll have them fill in certain areas,
 8 like maybe their social security or areas that are
 9 missing -- or by missing sometimes areas where
 10 there -- they don't feel as comfortable entering
 11 them on the website -- some customers don't feel
 12 comfortable entering social security, for instance.
 13 But, you know, for the most part, they are complete.
 14 And if something is -- is incomplete, we usually
 15 catch it in our peace of mind review.
 16 Q. What's the peace of mind review?
 17 MR. WICKS: I need to take a call. Can
 18 we -- can take a couple minutes.
 19 MR. SIMERI: Of course we can.
 20 MR. WICKS: Okay.
 21 THE VIDEOGRAPHER: We're off the record.
 22 The time is 3:53.
 23 (Recess)
 24 THE VIDEOGRAPHER: We're back on the
 25 record. The time is 3:57.

1 BY MR. SIMERI:
 2 Q. Ms. Jacobo, we're back after a brief break.
 3 As you sit here today, you're not aware of any
 4 differences between the divorce product that
 5 LegalZoom sells now and the divorce product that
 6 would have been sold to Missouri customers back in
 7 2008, are you?
 8 A. No. No. There wouldn't be any
 9 differences.
 10 Q. Okay. And -- and the customer answers
 11 questions in the -- via the branching -- the
 12 branching intake questionnaire when they buy the
 13 product?
 14 A. Yes.
 15 Q. All right. And depending on the customer's
 16 answers to questions, are certain provisions
 17 included or not included in the forms -- in the --
 18 in the documents that -- let me start the question
 19 over.
 20 Depending on the customer's answers to
 21 various questions on the branching intake
 22 questionnaire, are different provisions included or
 23 excluded from the documents that LegalZoom delivers
 24 to the customers?
 25 A. Yeah. So the way that it works is the --

1 the form or template exists in its entirety. And so
 2 as the customer goes through the questionnaire, if
 3 they don't select certain things, it drops off --
 4 Q. Okay.
 5 A. -- is my best explanation.
 6 Q. Understood. Does the customer actually see
 7 the product that it has purchased from LegalZoom
 8 before it arrives in the mail? Or is the first time
 9 the customer sees the final document when they open
 10 up their envelope?
 11 A. They don't see their particular product,
 12 but they do see a sample.
 13 Q. Okay. So there's a -- a generic --
 14 A. If they want.
 15 Q. -- sample -- if they want, they can look at
 16 a generic sample that's on the LegalZoom website,
 17 right?
 18 A. Correct.
 19 Q. But in terms of a -- an actual picture of
 20 the document with their customer-specific
 21 information in it, that's not shown to them on the
 22 LegalZoom website?
 23 A. No.
 24 Q. So when the customer buys this product,
 25 it's not like a fillable PDF form appears on their

1 screen and they type in the information; that's not
 2 what happens, is it?
 3 A. No.
 4 Q. Okay. What does the customer need to do to
 5 the documents -- to the divorce -- when the customer
 6 receives divorce product -- the divorce product from
 7 LegalZoom, all the customer needs to do is review
 8 and sign it, right?
 9 A. I'd have ask, you know, our -- our legal
 10 team or look exactly at each packet. It -- it
 11 differs from state from types of signature,
 12 sometimes it's -- you have to serve your spouse.
 13 It -- it varies by state.
 14 Q. So there might be other steps the customer
 15 needs to take, but the -- the -- the document that
 16 LegalZoom delivers to the customer is in its final
 17 form?
 18 A. In general.
 19 Q. Okay.
 20 A. There may be times, but in general.
 21 Q. And -- and the -- the -- the thing might be
 22 missing in some cases -- the social security
 23 number -- the customer might have to add that?
 24 A. Yes, in general.
 25 Q. Anything else besides that?

1 The -- the -- when a customer purchases a living
 2 will, do they receive documents from LegalZoom?
 3 A. Yes.
 4 Q. What documents do they receive from
 5 LegalZoom when they purchase the living will?
 6 A. It's the living will document which allows
 7 the customer to state their medical wishes --
 8 Q. So that's one document that --
 9 A. -- regarding --
 10 Q. -- they get the actual living will?
 11 A. Yeah. The actual living will. And if they
 12 opt in, they will also get the health care power of
 13 attorney that goes with that, where they nominate
 14 someone to then basically follow their medical
 15 wishes.
 16 Q. So they definitely get a living will; they
 17 might get a healthcare power of attorney?
 18 A. They might get either or. Some people only
 19 want the healthcare power of attorney, so they have
 20 the opportunity to click either one.
 21 Q. Okay. So I didn't say --
 22 A. It's part of the product.
 23 Q. -- it right. They might get a living will,
 24 they might not. They might get a healthcare power
 25 of attorney, they might not. They're going to get

1 one of the two, though.
 2 A. Or they might get both.
 3 Q. Or they might get both. And when they --
 4 when they purchase this product from LegalZoom the
 5 product they receive -- first of all, they receive
 6 it in the mail, I suppose, or via e-mail?
 7 A. Mail predominantly. And on occasion we --
 8 certain packages we also e-mail it, but it
 9 doesn't -- they -- we still mail it --
 10 Q. Okay.
 11 A. -- as a follow-up.
 12 Q. So you're always going to receive this -- a
 13 hard copy of this in the mail if you buy the living
 14 trust product?
 15 A. The -- the -- the living will, yes.
 16 Q. You're right. So let me say the question
 17 again. I'm sorry, ma'am. If you buy the living
 18 will product, you're always going to get something
 19 in the mail from LegalZoom?
 20 A. Yes.
 21 Q. And the documents that you receive from
 22 LegalZoom in the mail when you purchase the living
 23 will product, they're in their final form, right?
 24 A. Yes.
 25 Q. And when the customer purchases this

1 product they're -- LegalZoom presents them with the
 2 branching intake questionnaire?
 3 A. Yes.
 4 Q. Okay. And -- and based on the answers to
 5 the branching intake questionnaire, the LegalZip
 6 software -- LegalZoom takes the information by use
 7 of the LegalZip software and then creates the form
 8 that it's eventually going to deliver to the
 9 customer?
 10 A. Yes.
 11 Q. And then the -- when LegalZoom -- and then
 12 when the -- when the customer actually receives
 13 the -- well, let me back up. Oh, does the customer
 14 see a preview of the living will product on the
 15 screen when they purchase this product, or is the
 16 first time they actually see the document in the
 17 final form it's when they open up the mail.
 18 A. Just like all of our other products, it's
 19 when they open up the mail, but we have generic
 20 samples, I guess.
 21 Q. So they could see a sample if they wanted
 22 to?
 23 A. Yes.
 24 Q. But they're not going to see a picture of
 25 the document that they actually purchased that's

1 been populated with their answers to the branching
 2 intake questionnaire?
 3 A. No.
 4 Q. All right. Okay. Next product I need to
 5 ask you about, ma'am, is -- oh, and I have one more
 6 thing on living will, which is Exhibit No. 124. Do
 7 you recognize Exhibit 124?
 8 A. Yes.
 9 (Exhibit 124 marked)
 10 BY MR. SIMERI:
 11 Q. And is it the branching intake
 12 questionnaire for Exhibit 124 -- oh, excuse me --
 13 for living will?
 14 A. Yes.
 15 Q. Is -- is Exhibit 124 the branching intake
 16 questionnaire for the living will product?
 17 A. Yes. It's a paper form, yes.
 18 Q. Are some of the -- some of the provisions
 19 on the living will product nonstatic?
 20 A. Yes.
 21 Q. What are some nonstatic provisions with
 22 respect to this product?
 23 A. Organ donation, for instance.
 24 Q. Oh, so if you want to donate an organ,
 25 they'll be a provision on your living will to donate

1 THE VIDEOGRAPHER: We're off the record.
 2 The time is 4:33.
 3 (Recess)
 4 THE VIDEOGRAPHER: And we're back on the
 5 record. The time is 4:43.
 6 MR. SIMERI: Okay. We're back after a
 7 break. It was supposed to be five minutes, probably
 8 turned into about 15. And -- but here we are again.
 9 MR. WICKS: So sue me.
 10 BY MR. SIMERI:
 11 Q. So here we are. And the next product that
 12 I'd like to ask you about, Ms. Jacobo, is
 13 LegalZoom's pet protection agreement. Are you
 14 responsible for the pet protection agreement in your
 15 division?
 16 A. Yes.
 17 Q. Okay. When a customer buys a pet
 18 protection agreement from LegalZoom, what do they
 19 get?
 20 A. They get a document.
 21 Q. Okay. What document?
 22 A. A pet agreement --
 23 Q. That stands to reason?
 24 A. -- contract.
 25 Q. So they receive a pet protection agreement?

1 A. Yes.
 2 Q. Is that the only document they receive when
 3 they buy the pet protection agreement?
 4 A. Yes.
 5 Q. All right. When they go online to buy the
 6 pet protection agreement are they confronted with
 7 the branching intake questionnaire?
 8 A. Yes, they are.
 9 Q. Okay. So when they buy the product it's
 10 not like it's a fillable pet protection agreement on
 11 the screen and they type in the answers, right?
 12 A. No.
 13 Q. All right. Instead the -- the -- the form
 14 is populated by use of the LegalZip software?
 15 A. That's correct.
 16 Q. And then the customer receives the pet --
 17 when the customer is still on the LegalZoom they
 18 don't get a preview of the pet protection agreement
 19 that they're going to be receiving, do they?
 20 A. No. They -- they -- they get a sample,
 21 a -- a general sample.
 22 Q. And that -- that has nothing to do with the
 23 answers they gave to the question?
 24 A. Not necessarily.
 25 Q. And the pet protection agreement that the

1 customers buy when they buy the product certain
 2 provisions might not be included -- certain
 3 provisions might not be included depending on the
 4 answers they gave to the questions, right?
 5 A. That's correct. Just like our other
 6 templates. Whatever they don't select drops off the
 7 main template.
 8 Q. Okay. And then the pet protection
 9 agreement that they receive in the mail from
 10 LegalZoom, it's in its final form, right?
 11 A. Yes.
 12 Q. All they have to do is sign it?
 13 A. Yes. And the other person. Yeah.
 14 Q. And -- and the -- oh, both parties need to
 15 sign it.
 16 A. Yes, it's a contract in this case.
 17 Q. Understood. Good point by you. I'm going
 18 to show you what I'll mark as Exhibit No. 126. And
 19 Ms. Jacobo, I -- what I want to ask you is -- is:
 20 Is this the branching intake questionnaire for the
 21 pet protection agreement?
 22 A. Yes, it is.
 23 (Exhibit 126 marked)
 24 BY MR. SIMERI:
 25 Q. All right. The next document that I'd like

1 to ask you about is the power of attorney. When the
 2 customer purchases LegalZoom's power of attorney
 3 product, they receive documents, right?
 4 A. Yes.
 5 Q. What documents do they receive?
 6 A. It's the power of attorney.
 7 Q. Is that it?
 8 A. Yes.
 9 Q. All right. And the power of attorney they
 10 receive, they receive that after they answer
 11 LegalZoom's branching intake questionnaire questions
 12 on LegalZoom's website?
 13 A. That's correct.
 14 Q. And then LegalZoom takes the information
 15 and populates -- populates the -- we -- we -- then
 16 the LegalZoom -- the LegalZip software does its job,
 17 right?
 18 A. It does.
 19 Q. And then the customer, do they get a
 20 preview of the power of attorney form that they just
 21 purchased on LegalZoom's website?
 22 A. Just a general power of attorney.
 23 Q. They could look at a sample if they want?
 24 A. A sample.
 25 Q. But not one that's specific with their

1 A. There are. There's like a quitclaim deed
 2 or a warranty deed, and it can vary by the state.
 3 Q. Does the customer specify the type of deed
 4 that they want, or does the -- LegalZoom determine
 5 the type of deed they need based on their answers to
 6 the questions in the branching intake questionnaire?
 7 A. The customer specifies what type of deed --
 8 Q. Okay.
 9 A. -- they want.
 10 Q. And then -- and then when the -- when the
 11 customer purchased this product, they receive a deed
 12 in the mail?
 13 A. Yes.
 14 Q. But it's from UDEED?
 15 A. It's from UDEED.
 16 Q. But the customer pays LegalZoom?
 17 A. The customer pays LegalZoom. And I have to
 18 just say on -- on -- about receiving the -- the deed
 19 in the mail, there's -- the process is handed over
 20 to UDEED. So what goes back and forth, you know,
 21 UDEED handles that. But in essence, yes, the -- the
 22 deed can be sent back or certain paperwork to be
 23 signed and -- but it's all managed through UDEED.
 24 Q. So LegalZoom doesn't do that anymore, true?
 25 A. LegalZoom doesn't do that.

1 Q. LegalZoom's not involved in the -- is
 2 LegalZoom involved in the final delivery of the --
 3 of the deed to the customer?
 4 A. No.
 5 Q. So when a customer orders his product, they
 6 do answer a branching intake questionnaire on
 7 LegalZoom's website?
 8 A. Correct. If they purchase it stand-alone,
 9 they answer that questionnaire -- intake
 10 questionnaire online. And if they purchase it with
 11 the living trust, they answer the questions directly
 12 with UDEED.
 13 Q. Okay. So if they -- if they -- if the
 14 customer purchases a real estate transfer deed --
 15 A. Uh-huh.
 16 Q. -- and it's not in conjunction with the
 17 living trust, then the customer answers the
 18 questions on the branching intake questionnaire
 19 right on LegalZoom's website?
 20 A. That's correct.
 21 Q. And then LegalZoom takes that information
 22 and creates a deed?
 23 A. LegalZoom takes that information and sends
 24 it to UDEED.
 25 Q. Okay. Then UDEED creates the deed?

1 A. Yes.
 2 Q. And then UDEED sends that deed to the
 3 customer?
 4 A. The customer and wherever else they might
 5 need to send it.
 6 Q. Okay. Does the -- the --
 7 A. Or -- or --
 8 Q. I know it's evident --
 9 A. A county court, you know, recorder.
 10 MR. WICKS: One at a time.
 11 BY MR. SIMERI:
 12 Q. Understood. I know it's evident -- you're
 13 fine. And I know it's evident from the answer you
 14 just gave me, but then the customer when they're on
 15 LegalZoom's website, they don't get to see a picture
 16 of the deed that they're buying?
 17 A. No, they do not.
 18 Q. It's not even done yet?
 19 A. No, they just see a -- a general -- generic
 20 sample.
 21 Q. Okay. And I'll hand you what I'll mark as
 22 Exhibit 128.
 23 THE VIDEOGRAPHER: Your mike fell. Your
 24 mike fell.
 25 (Exhibit 128 marked)

1 BY MR. SIMERI:
 2 Q. Oh. Do you recognize Exhibit 128?
 3 A. Yes.
 4 Q. Is it a branching intake questionnaire for
 5 the real estate transfer deed?
 6 A. Yes.
 7 Q. Are there certain provisions that may or
 8 may not be on a -- a particular deed based on the
 9 customers answers to questions on the real estate
 10 transfer deed branching intake questionnaire?
 11 A. Yes.
 12 Q. Like what?
 13 A. Just like the rest of our products. I'd
 14 have to look through here to find one. But just
 15 like the rest of our products, what doesn't apply,
 16 gets dropped off -- if the customer doesn't select
 17 it, I should say.
 18 Q. Okay. Okay. The last product that I'd
 19 like to ask you about -- well, no, I have two more
 20 I'm sorry, two more. The first one is the real
 21 estate lease. When the customer purchases a real
 22 estate lease from LegalZoom, what is it they get?
 23 A. They get that real estate lease, and they
 24 will get any other documentation that is by state.
 25 You know, it will depend, like, lead disclosure or

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 Defendant.)

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VIDEOTAPED DEPOSITION OF ADAM THOMAS

April 21, 2011

Reported by: Claire Andrews, CSR No. 13509

1 A. The questions for the copyright application
 2 were, you know, pulled from the government form that
 3 they -- that the government provides for copyright
 4 applications.
 5 Q. Well -- I lost my stickers. We're out of
 6 exhibit stickers --
 7 MR. WICKS: Really? Oh --
 8 MR. CLEMENT: -- so I'm going to use these
 9 and --
 10 MR. WICKS: I left my briefcase upstairs,
 11 but I might have some.
 12 MR. CLEMENT: The court reporter -- the
 13 court reporter can mark them later.
 14 BY MR. CLEMENT:
 15 Q. Let me hand you what's marked as
 16 Exhibit 114. And I'll represent to you that this is
 17 a document that was produced to us as an exemplar
 18 document. Can you identify it for us, please.
 19 A. This is what looks like a screen shot of a
 20 copyright.gov confirmation page.
 21 Q. So the --
 22 A. For a copyright application.
 23 (Exhibit 114 marked)
 24 BY MR. CLEMENT:
 25 Q. So the answers that the customer provides

1 to the questions listed on Exhibit 113 are used to
 2 fill in the fields in Exhibit 114; is that right?
 3 A. Some of the answers from the questionnaire
 4 are used on this particular screen shot, yeah --
 5 Q. Okay.
 6 A. -- on the confirmation, yes.
 7 Q. And -- and you said earlier that the
 8 questions listed in Exhibit 113 were developed from
 9 the government form; is that right?
 10 A. Correct.
 11 Q. Is 114 the government form that you're
 12 talking about?
 13 A. No.
 14 Q. Okay. Explain to me what the government
 15 form is that you're talking about then.
 16 A. The copyright office has a number of forms
 17 for filing copyright applications. They're labeled
 18 things like "TX" for mainly textual-based
 19 copyrights, or "PA" for performing arts -- something
 20 that would be more visually artistic -- and so
 21 forth. And there's about -- I think there's about
 22 five or seven different forms that can be used.
 23 Now, when we submit a copyright to -- application --
 24 when an application is -- is uploaded to the
 25 copyright office's website, that form is uploaded

1 and some of the information is put into this cover
 2 sheet, which is then kicked back.
 3 Q. So this Exhibit 114 really isn't an
 4 exemplar copyright document?
 5 A. I -- it's part of the -- part of the filing
 6 process, but it's not the actual copyright document.
 7 Q. You said that --
 8 A. -- "form" I should say.
 9 Q. Sorry, I didn't mean to interrupt you. You
 10 said that there are about five to seven different
 11 forms that could be used depending on the type of
 12 copyright that you are trying to obtain?
 13 A. Yes.
 14 Q. How does -- and the customer who comes to
 15 LegalZoom and fills out the questions that are
 16 listed on Exhibit 113 doesn't see the actual
 17 government form; is that true?
 18 A. That's true.
 19 Q. When is the --
 20 A. They see an example of the form.
 21 Q. When?
 22 A. Within the purchase -- prior to purchase
 23 there's an example.
 24 Q. Does it -- if someone selects "copyright,"
 25 does that example always show up, or does a person

1 have to go out and seek out the -- the example?
 2 A. To seek it out.
 3 Q. So if -- if someone doesn't seek out that
 4 example and just selects "copyright," what they're
 5 taken to is this branching question; is that right?
 6 A. There could be an intermediate sign up --
 7 sign in or, you know, create-an-account-type screen,
 8 but yes.
 9 Q. Assuming the account's been created?
 10 A. Then they would log in and then they would
 11 come into the questionnaire.
 12 Q. Okay. And -- and the -- after they've
 13 answered the questions, they don't see the final
 14 form that is uploaded to the government's copyright
 15 website; is that right?
 16 A. They'll see it after the application has
 17 been filed and they receive the final packet.
 18 Q. And in the example that you talked about
 19 earlier is an example that doesn't have the
 20 customer-specific information included in it; is
 21 that true?
 22 A. Correct.
 23 Q. How does -- and so the -- the person who's
 24 answering these questions doesn't say, I want a form
 25 for a performing arts copyright? He -- he says, I

Page 70

1 information is populated into prior to filing or
2 before filing.
3 Q. The answers that are provided through the
4 question branching process are used to create 120 to
5 123, which is a government document?
6 A. Yes.
7 Q. All right. Then -- and that's related to a
8 provisional patent; is that right?
9 A. Yes.
10 Q. And it's -- it's a required document in
11 order to obtain a provisional patent?
12 A. The ABX isn't required. An inventor could
13 submit a cocktail napkin technically and that would
14 be acceptable. This is a format that the USPTO had
15 put together back in the earlier provisional patent
16 days. And it was used as a -- a format to generally
17 follow when submitting applications --
18 Q. Is this --
19 A. -- but it's not required.
20 Q. Understand. Is this format used in every
21 provisional patent application that is purchased
22 through LegalZoom?
23 A. Yes.
24 Q. Okay. What is the second part of this
25 document?

Page 71

1 A. The second part is the government-generated
2 acknowledgement receipt.
3 Q. And that's pages 124 through 126?
4 A. That's correct.
5 Q. Okay. Is this a document that is created
6 using the answers to the questions, or is this
7 created after the application is submitted to the
8 government and something the government creates?
9 A. It's something the government creates after
10 the filing has been submitted.
11 Q. So the LegalZoom process doesn't have
12 anything to do with -- with pages 124 through 126,
13 other than the fact that something was submitted to
14 the government?
15 A. Correct.
16 Q. Okay. What does the customer receive after
17 the provisional patent application process is
18 complete?
19 A. The customer would receive a copy of their
20 ABX, a copy of the cover sheet, any illustrations
21 that were drawn for them, and this acknowledgement
22 receipt, as well as a -- a cover sheet and final --
23 final letter.
24 Q. So basically what the customer will receive
25 is -- I'm sorry, what's that exhibit number?

Page 72

1 A. 119.
2 Q. Exhibit 119 plus a cover -- a cover letter;
3 is that right?
4 A. And they also receive 118.
5 Q. Okay.
6 A. Which is the cover sheet.
7 Q. Cover sheet. So there's a cover letter, a
8 cover sheet, and then Exhibit 119?
9 A. Yes.
10 Q. All right. The LegalZoom process -- the
11 question-and-answer branching process -- is used to
12 create Exhibits 118 and 119, true?
13 A. Yes.
14 Q. Any other documents that are created using
15 the question-and-answer process for a provisional
16 patent?
17 A. No.
18 Q. Are -- the customer doesn't see these
19 particular documents prior to receiving them in the
20 mail; is that correct?
21 A. Like all of our products that we sell,
22 there's an example on the website that they could
23 see prior to purchase.
24 Q. But that -- that example isn't unique to
25 the customer, right?

Page 73

1 A. Not unique to the customer.
2 Q. So the customer never sees their particular
3 document until they receive it in the mail, true?
4 A. Correct.
5 Q. And that's similar to the other products
6 we've discussed today, right?
7 A. Yup.
8 Q. Okay. In the Exhibit 119, are there
9 certain parts of this document that are either
10 included or not included based on how a customer
11 answers particular questions in the questionnaire
12 branching process?
13 A. All of the information that the customer
14 submits on the questionnaire is placed into the ABX.
15 Q. Right. I -- and I understand. But the way
16 a customer answers questions may mean that certain
17 provisions are included in that customer's document,
18 as opposed to a -- a -- another customer who may
19 answer the question differently; is that right?
20 A. Yes. Some customers may complete more
21 information than others.
22 Q. And in that case, that customer's document
23 would include that additional information where the
24 customer who didn't complete that information would
25 not have it included in his document?

1 there a different amendment form depending on the
 2 type of business entity?
 3 A. You know, I'm not familiar with the
 4 specifics, so I couldn't -- I -- I don't want to
 5 hazard a guess at this point.
 6 Q. Who determines -- how -- how does LegalZoom
 7 know what the proper form for Missouri is?
 8 A. Well, it's the customer's inputs.
 9 Q. No, I know the customer -- but how does --
 10 how does -- how does LegalZoom determine which type
 11 of form to offer the customer?
 12 A. Well, the state tells us: This is the
 13 amendment form for an LLC.
 14 Q. And when the state tells you, how does the
 15 state tell you? I'm sure the state doesn't give you
 16 a call; like LegalZoom has to find that out right?
 17 A. It's on the state website.
 18 Q. Okay. So someone from LegalZoom goes to
 19 the state website to determine the proper form?
 20 A. There's no determination. The customer
 21 determines it based on their inputs.
 22 Q. Okay.
 23 A. The customer chooses Missouri.
 24 Q. Right. But I'm saying LegalZoom has to
 25 offer these forms somehow, right?

1 A. What -- what do you mean "offer" the forms?
 2 Q. LegalZoom offers a product called "annual
 3 reports," correct?
 4 A. Yes.
 5 Q. Okay. When LegalZoom offers this product,
 6 they had to determine -- there's 50 different
 7 states, right?
 8 A. That's correct.
 9 Q. Okay. LegalZoom has to determine which
 10 forms apply to which state, right?
 11 A. Correct.
 12 Q. All right. So who does that for LegalZoom?
 13 A. Typically the -- the legal department or
 14 someone in the legal role will do that.
 15 Q. Okay. What does the person in the legal
 16 role do?
 17 A. They, you know, will look at the state and
 18 say -- look at the forms; typically the state will
 19 have a website that will list all the forms that's
 20 for each entity. And the state will -- will
 21 indicate that this is an annual report form and --
 22 for an LLC. So the state mandates that this is the
 23 form that you have to use.
 24 Q. And the different states have different
 25 forms, don't they?

1 A. They do.
 2 Q. So in the branching intake questionnaire,
 3 I'm -- I'm sure at the very beginning they probably
 4 ask the customer what state the customer's business
 5 entity is registered in?
 6 A. I believe that they do.
 7 Q. Okay. And so depending on the answer to
 8 that question, the customer ultimately receives a
 9 different form when they purchase the annual report
 10 product, do they not?
 11 A. Based on the customer inputs the -- they
 12 receive the appropriate forms.
 13 Q. Okay. And those forms differ depending on
 14 the customer inputs?
 15 A. Depending on the state, that's correct.
 16 Q. Well, no matter what state you -- you have
 17 to answer which state you're from, don't you?
 18 A. You do.
 19 Q. And then you get a different form depending
 20 on your answer. The -- let me give you an example.
 21 The form that -- if you put down you're from
 22 California, you get a different product from
 23 LegalZoom than if you put down you're from Missouri,
 24 right?
 25 A. Different form, correct.

1 Q. Okay. When a customer purchases this
 2 product, documents are delivered to him or her, are
 3 they not?
 4 A. That is correct.
 5 Q. They come in the mail or by some other --
 6 A. Mail or FedEx, correct.
 7 Q. Okay. When the customer receives the
 8 product from LegalZoom, is the product in its final
 9 form?
 10 A. Typically it is.
 11 Q. Is there some circumstance when it wouldn't
 12 be?
 13 A. There are some states where the state will
 14 directly mail some forms directly to the customer.
 15 Q. Is Missouri one of those states?
 16 A. You know, I can't recall if it is.
 17 Q. Okay. When the customer receives the
 18 product in the mail from LegalZoom -- the annual
 19 report product -- that's the first time that the
 20 customer actually sees the annual report, is it not?
 21 A. Specific to the customer's inputs, that is
 22 correct.
 23 Q. Well, the customer doesn't see the -- okay.
 24 There's no screen shot of the annual report that the
 25 customer would see before they receive it in the

1 mail, is there?

2 A. There -- there are sample documents that
3 are available. If -- if you click into the process
4 tab on -- on our website, there are sample documents
5 that they could see.

6 Q. Okay. Is that the -- is that the legal
7 form product, or does that refer to annual reports?

8 A. It -- it refers to all of the -- the
9 products that we offer.

10 Q. Okay. But the customer doesn't see the
11 actual -- the actual form based on their inputs and
12 their answers to the branching intake questionnaire
13 until they open up the mail?

14 A. A specific form, correct.

15 Q. And LegalZoom charges fees for annual
16 reports, do they not?

17 A. Correct.

18 Q. All right. Next product is called "bylaws
19 and resolutions." Is bylaws and resolutions a
20 product that you're familiar with?

21 A. Yes.

22 Q. Is that a product that falls under business
23 services?

24 A. Yes.

25 Q. Okay. When a customer orders bylaws and

1 resolutions, does the customer receive -- well, let
2 me ask you this: When a customer purchases a
3 product, does the customer provide information to
4 LegalZoom through the branching intake
5 questionnaire?

6 A. They input it through the online
7 questionnaire, correct.

8 Q. And the online questionnaire is what I've
9 been referring to as the "branching intake
10 questionnaire" also?

11 A. Right.

12 Q. Those are -- those are the same thing?

13 A. Yes.

14 Q. Okay. And when the customer -- what --
15 what happens is the customer answers a series of
16 questions from LegalZoom when they're -- when
17 they're -- when they purchase this product?

18 A. That's correct.

19 Q. And then depending on those answers,
20 LegalZoom produces a document -- well, depending on
21 those answers then LegalZoom produces the final
22 product for the client, right?

23 A. Well, based on the customer's inputs.

24 The -- the -- the customer creates the documents and
25 then we send it to them, correct.

1 Q. What do you mean "the customer creates the
2 document"?

3 A. Well, I mean, our software is a self-help
4 software. And so based on the customer's inputs,
5 the documents get created and assembled --

6 Q. When you say "get created" --

7 A. And we assemble it and we ship it to them.

8 Q. Okay. And -- and the -- the -- your --
9 what -- what -- when the -- when the customer is

10 answering questions on the branching intake
11 questionnaire, there's not a blank fillable PDF form
12 that the customer is typing words into, are there?

13 A. Very -- I mean, it's -- it's a -- it's
14 question-and-answer. So there are obviously input
15 fields where they were typing in answers.

16 Q. Sure. They type in answers. But I'm
17 saying, is there a form that the customer is typing
18 in the blanks for?

19 A. No.

20 Q. You're familiar with a fillable PDF form --

21 A. Yes.

22 Q. -- aren't you?

23 A. Yes.

24 Q. You've seen that before?

25 A. Yes.

1 Q. That's not what LegalZoom is offering the
2 customers, is it?

3 A. For this product?

4 Q. For this product.

5 A. No.

6 Q. In fact, it's not offering the customer
7 that for any product, except for the product called,
8 "legal forms," right?

9 A. I believe that's the case. I can't -- I'm
10 not going to say -- I'm -- I'm familiar with
11 everything.

12 Q. Okay. But certainly for -- for this
13 product that's the case?

14 A. Right.

15 Q. And it's also the case for the other
16 products we've talked about so far today -- that is
17 the 501(c)3 preparation, amendment, annual reports,
18 bylaws and resolutions?

19 A. Yes.

20 Q. All right. What documents do you get when
21 you buy -- buy -- when a -- let me say the question
22 over again.

23 When a customer purchases bylaws and
24 resolutions, what -- what documents do they receive?

25 A. They receive the bylaws and resolutions and

1 A. Yes.
 2 Q. Okay. These -- do these documents -- do
 3 these documents they receive from LegalZoom in their
 4 final form?
 5 A. Yes.
 6 Q. Okay. Does the customer need to do
 7 anything to these documents to make them effective?
 8 A. They do need to sign it.
 9 Q. Okay. Other than signing them, they don't
 10 need to do anything else?
 11 A. Well, they should review it, obviously.
 12 Q. Sure.
 13 A. They should review anything before they
 14 sign it.
 15 Q. Sure. But they don't have to actually
 16 write anything, other than their signature and maybe
 17 the date?
 18 A. Correct.
 19 Q. When we're talking about the bylaws and
 20 resolutions, does the customer get a preview of --
 21 does the customer see a screen shot of what the
 22 document that they've purchased from LegalZoom is
 23 before they receive it in the mail?
 24 A. Other than the process that we just
 25 mentioned before regarding seeing a sample document

1 on the three-step process, they don't see it
 2 specific to their inputs, no.
 3 Q. That's what I'm wondering. They don't
 4 see -- they don't see a -- a -- a sample -- not a
 5 sample, they don't see the document that LegalZoom
 6 has created based on the inputs that the customer
 7 gave to them, correct?
 8 A. Correct.
 9 Q. Okay. All right. Let's move on to the
 10 next document, which might not be yours.
 11 Citizenship.
 12 A. It was.
 13 Q. It is?
 14 A. It was.
 15 Q. Oh, okay. So what --
 16 MR. WICKS: No -- no switch hitting here.
 17 MR. SIMERI: Okay.
 18 MR. WICKS: Well, I -- can -- can you ask
 19 him --
 20 MR. SIMERI: Oh, sure.
 21 MR. WICKS: -- the questions. It's fairly
 22 simple.
 23 MR. SIMERI: I'm happy to. Oh, yeah. I'm
 24 happy to.
 25 MR. WICKS: One lawyer one witness.

1 BY MR. SIMERI:
 2 Q. Should I save it for -- oh, no, we weren't
 3 going to switch. But I was wondering should --
 4 should I save it for -- if -- if -- is -- is --
 5 citizenship fall under business services or under
 6 personal services?
 7 A. It used to when it was alive and when we
 8 used to actually do it, it'd fall under business
 9 services.
 10 Q. I understand. Okay. Okay. So it never
 11 fell under personal services?
 12 A. No.
 13 Q. So if I have a choice of asking you about
 14 it or Nelly Jacobo about it, you're the better
 15 person to ask about it?
 16 A. That's probably true.
 17 Q. Okay. What is that -- and is this a
 18 product that's not offered by LegalZoom anymore?
 19 A. That's correct.
 20 Q. When did LegalZoom stop -- well, let me ask
 21 you: What is citizenship -- what is the citizenship
 22 product, I should say?
 23 A. It's the -- the application that you submit
 24 to the BCIS, I believe is what they're called now,
 25 for citizenship.

1 Q. When -- what -- what -- for during what
 2 period did LegalZoom offer this product?
 3 A. You know, I'm -- I'm -- I'm not sure about
 4 the specific dates. I believe it was from '04 to
 5 possibly '06.
 6 Q. Did LegalZoom offer the citizenship product
 7 to Missouri customers?
 8 A. Well, citizenship is a -- is a federal
 9 filing. It's a -- it's with the federal agency. So
 10 anyone from anywhere could apply.
 11 Q. Okay. So the answer is "yes." This was
 12 offered to Missouri customers, and everybody else
 13 for that matter?
 14 A. Sure.
 15 Q. All right. And when a customer purchased
 16 the citizen product -- the citizenship product from
 17 LegalZoom, did they receive documents from
 18 LegalZoom?
 19 A. Yes.
 20 Q. What documents did they receive?
 21 A. The prepared citizenship application, as
 22 well as instructions.
 23 Q. And does LegalZoom actually submit the
 24 citizenship application to the federal government,
 25 or would the customer have to do that?

1 A. Not -- not -- not where I'm -- I'm
 2 comfortable saying it.
 3 Q. All right. Well, what do you think? With
 4 the understanding that you're not 100 percent?
 5 MR. WICKS: If you know. Don't speculate.
 6 THE WITNESS: I -- I don't know.
 7 BY MR. SIMERI:
 8 Q. Okay. What is the form that the customer
 9 receives -- well, let me put it this way.
 10 Whether -- whether the -- whether the form is --
 11 whether the customer signs the form -- a -- a
 12 physical form and DBA -- excuse me. Whether the
 13 customer signs a physical form and mails it back to
 14 DBA for filing -- mails it back to LegalZoom. Let
 15 me start again.
 16 Whether the customer signs the physical
 17 form and returns it to LegalZoom for filing, or
 18 whether the customer somehow signs an electronic
 19 form which LegalZoom files, does the customer --
 20 what -- what document does the customer receive when
 21 they purchase this product?
 22 A. They will receive the filed DBA.
 23 Q. Okay.
 24 A. And a cover letter.
 25 Q. And is the filed -- that's just a DBA

1 application, I take it?
 2 A. Correct.
 3 Q. And that's the only document associated
 4 with the product?
 5 A. Yes.
 6 Q. Does the customer -- when they purchase
 7 this product -- ever have to do anything to the DBA
 8 application other than sign it?
 9 A. Which -- when -- when are you talking
 10 about? Are you talking about --
 11 Q. In either case.
 12 A. When they receive the final package?
 13 Q. No, before filing or after. Does the
 14 customer ever -- at any time in the -- in the
 15 process of purchasing the product that LegalZoom
 16 calls "DBA," does the customer have to do anything
 17 to documents other than sign them -- if they even
 18 have to do that?
 19 A. Well, they need to review them.
 20 Q. Okay. Other than reviewing it and signing
 21 it, do they have to do anything else?
 22 A. Typically, no.
 23 Q. All right. When the customer purchases the
 24 DBA product, does the customer answer questions via
 25 the branching intake questionnaire?

1 A. Yes.
 2 Q. And then the -- the LegalZip software
 3 generates the form for the customer -- generates --
 4 then the LegalZoom software generates the document
 5 for the customer?
 6 A. Based on the customer's inputs, correct.
 7 Q. Okay. And then the -- does the customer
 8 ever see the DBA application in its final form
 9 before the customer -- strike the question.
 10 Are there any -- are there any previews --
 11 does the customer -- after -- after the customer
 12 completes the branching intake questionnaire for the
 13 DBA product, are there any screen previews of the
 14 customer's application before it's finalized?
 15 A. When you say "finalized," what do you mean?
 16 Q. Before LegalZoom sends it out?
 17 A. Are you talking about at the final -- the
 18 final package?
 19 Q. No, I'm talking about before the customer
 20 is supposed to sign it.
 21 A. Other than the sample that they can -- they
 22 can view online, no.
 23 Q. No, I'm not talking about the sample. I'm
 24 talking about after the -- after the customer has
 25 answered the questions, is there a -- is there an

1 example of what their application is going to look
 2 like with their answers, if they're ever going to
 3 see?
 4 A. Well, if they have to sign it, yes --
 5 Q. Okay.
 6 A. -- they -- they do have to look at it and
 7 they have to review it --
 8 Q. Right.
 9 A. -- and they have to make sure that the
 10 inputs are correct.
 11 Q. But they don't see anything on the screen
 12 before they actually receive the copy for signing,
 13 do they?
 14 A. Well, typically we e-mail them a copy, so
 15 they do see it on the screen. And then they can
 16 print it and sign it.
 17 Q. Okay. But not when they're -- not -- not
 18 through the -- not through the website -- not
 19 through the LegalZoom website. It's just after the
 20 document is delivered to the customer -- whether
 21 it's via e-mail or via the U.S. mail, that's when
 22 the customer finally gets to see it, true?
 23 A. I'd say that's a fair statement.
 24 Q. All right. Mr. Varghese, I'm showing you
 25 what I've marked as Exhibit 105. Do you recognize

1 what the -- the documents that the customers would
 2 receive in Missouri.
 3 Q. Do Missouri customers receive documents
 4 when they purchase this product?
 5 A. I believe that they do.
 6 Q. Okay. What documents do they receive?
 7 A. The finalized acceptance of the state
 8 recognizing the -- the dissolving of the company and
 9 a cover letter.
 10 Q. They receive an acceptance from the state
 11 of Missouri?
 12 A. Typically, yes.
 13 Q. So what -- what service does LegalZoom
 14 provide to customers when they purchase the product
 15 called "dissolution"?
 16 A. Well, based on the inputs of the customer,
 17 the forms are assembled, and customers typically are
 18 required to sign the dissolution -- not completely
 19 sure on Missouri if that's the case or not. And
 20 the -- the forms are filed with the secretary of
 21 state, and then we send off the -- the -- the
 22 accepted forms from the secretary of state to the
 23 customer.
 24 Q. And what -- what forms does LegalZoom
 25 submit to the secretary of state when a customer

1 purchases dissolution?
 2 A. The state-required forms.
 3 Q. Okay. Do you know what forms they are in
 4 Missouri?
 5 A. Not -- not specifically.
 6 Q. Do you know generally?
 7 A. Well, generally it's a statement of
 8 dissolution.
 9 Q. That's it?
 10 A. It -- it varies. I -- I mean -- I mean,
 11 each state's different, so it's -- it's whatever the
 12 state-mandated forms are.
 13 Q. So if a customer purchases a product,
 14 LegalZoom -- if a customer purchases this product in
 15 Missouri, LegalZoom submits the appropriate form to
 16 the State of Missouri on behalf of the -- for the
 17 customer?
 18 A. We assemble and then file the documents
 19 with the -- the secretary of state, correct.
 20 Q. All right. When the customer purchases a
 21 product, does the customer give information to
 22 LegalZoom through the branching intake
 23 questionnaire?
 24 A. That is correct.
 25 Q. The customer is not just filling in a

1 fillable PDF on the computer screen through
 2 LegalZoom's website, are they?
 3 A. No.
 4 Q. All right. Does the customer see the --
 5 the -- the completed document before LegalZoom
 6 submits it to the state government when they
 7 purchase this product?
 8 A. Typically in most situations the -- the
 9 members or the stockholders will have to sign the
 10 dissolution form. So they would see it.
 11 Q. And when they -- when they see the form
 12 that they're supposed to sign, that's all they have
 13 to do is sign it, right?
 14 A. Well, typically they should also review the
 15 form.
 16 Q. Review it and then sign it, right?
 17 A. Right.
 18 Q. And that's the -- that would be the first
 19 time that the customer sees the form. Is that not
 20 true?
 21 A. When they're looking to review and sign?
 22 Q. Yes.
 23 A. Other than a sample, that's -- that would
 24 be correct.
 25 Q. But -- but after they've answered the

1 branching intake questionnaire, there's no preview
 2 of their final application that they can look at on
 3 LegalZoom's website is there?
 4 A. Are you talking about based on their
 5 inputs?
 6 Q. Yes.
 7 A. No.
 8 Q. I'm going to show you what I've marked as
 9 Exhibit 106. Mr. Varghese, do you recognize
 10 Exhibit 106?
 11 A. Yes.
 12 (Exhibit 106 marked)
 13 BY MR. SIMERI:
 14 Q. Is Exhibit 106 the branching intake --
 15 well, what is Exhibit 106?
 16 A. It looks like the dissolution questionnaire
 17 in the same format that you showed me the DBA
 18 questionnaire in.
 19 Q. So this is the branching intake -- is this
 20 the branching intake questionnaire for LegalZoom's
 21 dissolution product?
 22 A. I believe it is.
 23 Q. We're done with that. Thank you.
 24 Mr. Varghese, next I'd like to ask you about another
 25 product: foreign qualification. Are you familiar

1 A. Typically for review and signature.
 2 Q. All right. And when the customer receives
 3 that document, does the customer receive it in the
 4 mail?
 5 A. They can receive it via mail or e-mail.
 6 Q. All right. And when they receive it via
 7 mail or e-mail, this is the first time that they've
 8 actually seen their application for foreign
 9 qualification, true?
 10 A. I would say that's -- that's true.
 11 Q. There's no opportunity to preview that on
 12 LegalZoom website, is there?
 13 A. Other than the sample.
 14 Q. But this is -- what I'm referring to is
 15 after they've answered the branching intake
 16 questionnaire questions.
 17 A. So -- so are you asking about their
 18 specific inputs?
 19 Q. Yes.
 20 A. When they receive to review and sign would
 21 be the first time that they would be able to preview
 22 it, correct.
 23 Q. And are there different provisions that may
 24 or may not be included in the form based on the
 25 customer's answers to various questions on the

1 branching intake questionnaire?
 2 A. The -- the application is static, so
 3 it's -- it's really the customer's inputs.
 4 Q. And when the customer receives a document
 5 to sign, whether it's via mail or via e-mail, all
 6 the customer needs to do with the foreign
 7 qualification application is review it and sign it,
 8 right?
 9 A. Typically that's -- that's true.
 10 Q. Other than that, the document's complete,
 11 right?
 12 A. Yes.
 13 Q. All right. The next product that I'd like
 14 to ask you about, Mr. Varghese, is the general
 15 partnership agreement. Is the general partnership
 16 agreement a document that business services at
 17 LegalZoom is responsible for?
 18 A. Yes.
 19 Q. What is a general partnership agreement?
 20 A. It's a generic partnership agreement.
 21 Q. Does the customer -- what -- what does a
 22 customer -- well, does a customer receive documents
 23 when they purchase this product?
 24 A. Yes.
 25 Q. What documents does the customer receive

1 when the customer purchases LegalZoom's general
 2 partnership agreement?
 3 A. The -- the partnership agreement, plus a
 4 cover letter.
 5 Q. Is the general -- is the general
 6 partnership agreement a product that is created
 7 after the customer answers questions on LegalZoom's
 8 branching intake questionnaire?
 9 A. Based on the customer's inputs, that --
 10 that form is assembled, correct.
 11 Q. And -- when -- when you say the
 12 customer's -- when you say the customer's inputs,
 13 you're referring to the branching intake
 14 questionnaire?
 15 A. That is correct.
 16 Q. So just like all these other products we've
 17 talked about, customer gets a series of questions on
 18 LegalZoom's websites, and that's how the information
 19 is provided to LegalZoom by the customer?
 20 A. That's correct.
 21 Q. The -- the -- the general partnership
 22 agreement, how is it -- is it delivered to the
 23 client then?
 24 A. It is.
 25 Q. And how is it delivered to the client?

1 A. Via FedEx or mail.
 2 Q. When the customer receives the product in
 3 the mail or in the FedEx -- or -- or via FedEx, is
 4 the -- is the general partnership agreement in its
 5 final form?
 6 A. Yes.
 7 Q. All the customer needs to do is review it
 8 and sign it, right?
 9 A. That's correct.
 10 Q. There's no screen preview of the document
 11 that the customer is going to receive in the mail
 12 that the customer would see on LegalZoom's website
 13 when they -- after they've answered the branching
 14 intake questionnaire, is there?
 15 A. Other than the sample that they can
 16 preview.
 17 Q. But I'm not talking about that. I'm
 18 talking about the -- after the -- the -- there's no
 19 preview of the form that the customer is going to
 20 receive in the mail on LegalZoom's website that they
 21 can see, is there?
 22 A. I don't believe there is.
 23 Q. And when they're -- when they're purchasing
 24 the general partnership agreement, there's not a
 25 blank, fillable form on LegalZoom's website that

1 you just identified to the customer?
 2 A. When?
 3 Q. Well, let's start the -- let's start over.
 4 Customers when they purchase this product
 5 they've got to answer questions on the branching
 6 intake questionnaire?
 7 A. That is correct.
 8 Q. And I know you just told me, but what are
 9 the -- what are the documents that -- that -- that
 10 are being prepared?
 11 A. Certificate of incorporation.
 12 Q. And what else?
 13 A. I mean, that's typically what it's called:
 14 A statement of incorporation.
 15 Q. Is a --
 16 A. It varies.
 17 Q. Is a certificate of incorporation
 18 synonymous with a statement of incorporation?
 19 A. Typically is.
 20 Q. Okay. Is that a -- an application then
 21 that's filed with the state government?
 22 A. That's correct.
 23 Q. And does -- is the -- is the application
 24 sent to the customer, and then the customer reviews
 25 it and signs it, and then -- and then it's filed

1 with the state government?
 2 A. It varies. In some cases, yes, some cases
 3 no.
 4 Q. Okay. What are the -- what are the --
 5 what's the other possibility, if it's not sent to
 6 the customer?
 7 A. The -- the fact that we are able to file
 8 it.
 9 Q. So -- so -- so in some cases if a customer
 10 purchases this, the customer receives a form in the
 11 mail which the customer signs and then sends off to
 12 the state government, right?
 13 A. Mail or e-mail.
 14 Q. Okay. And then other -- oh, and then
 15 another -- so by mail or e-mail the customer
 16 receives this document from LegalZoom -- in some
 17 cases -- and then the customer signs it and sends it
 18 off to the appropriate state authority, true?
 19 A. No.
 20 Q. Okay. What's -- what's --
 21 A. The customer will send it back to
 22 LegalZoom.
 23 Q. Okay. And --
 24 A. And then we file it with the state agency.
 25 Q. Okay. So that's one possibility. And then

1 what's the other possibility?
 2 A. Is that we file it with the state agency.
 3 Q. And -- and the customer doesn't have to
 4 physically sign it first?
 5 A. That is correct.
 6 Q. Okay. In either case does the customer --
 7 in the case when LegalZoom -- in the case of
 8 LegalZoom filing it without the customer having to
 9 physically sign it, in that case does the
 10 customer -- does the customer receive a PDF of the
 11 document or -- or what happens?
 12 A. I'm not sure when -- when -- when are you
 13 talking about?
 14 Q. Well, with respect to the -- the
 15 circumstance where the customer doesn't have to
 16 physically sign the document but instead LegalZoom
 17 just files it with the state government, in that
 18 case does the customer have a chance to review the
 19 document before it's filed with the state
 20 government?
 21 A. Well, typically customers always have the
 22 opportunity to review their answers and -- and --
 23 and their inputs. So they always have that
 24 opportunity.
 25 Q. I understand. Does the government -- let

1 me put the question to you a better way then: Does
 2 the customer see the final document before it's
 3 filed with the state agency?
 4 A. No. Other than when they have to sign the
 5 document.
 6 Q. Okay. So there's two possibilities. One
 7 possibility is where the customer has to sign it.
 8 In that case they see it because they have a copy
 9 sitting on their desk that they're supposed to
 10 review and sign, right?
 11 A. That's correct.
 12 Q. And in that case the document -- other than
 13 needing the review and the signatures -- is in its
 14 final form, right?
 15 A. Correct.
 16 Q. Okay. And in the other case the
 17 customer -- where LegalZoom doesn't send it to them
 18 first, but instead it's just sent straight to the
 19 state agency by LegalZoom, in that case the customer
 20 doesn't see the document before it's filed, does he?
 21 A. Other than reviewing their answers,
 22 correct.
 23 Q. Okay. They review their answers, but
 24 that's different from actually seeing the document.
 25 There's not a picture of the document that appears

1 on the computer screen, is there?
 2 A. Other than the sample that they have an
 3 ability to see, no.
 4 Q. Right. And -- and the sample doesn't have
 5 anything to do with -- the -- the sample's not
 6 something that includes the answers that the
 7 customer's given to LegalZoom by the branching
 8 intake questionnaire, does it -- or is it?
 9 A. You mean regarding their specific inputs?
 10 Q. Right. It doesn't have the specific
 11 inputs?
 12 A. That's correct.
 13 Q. The sample -- when -- in -- in all these
 14 answers whenever you reference the sample, the
 15 sample never has the customer's specific inputs,
 16 right?
 17 A. Well, we never want to put a customer's
 18 inputs for anybody to see --
 19 Q. Okay.
 20 A. -- for everybody to see.
 21 Q. I understand that's why, but it's true,
 22 right?
 23 A. That's correct.
 24 Q. So whenever we've talked about a sample in
 25 this deposition for any of these products, we can --

1 we can agree that the sample never has the
 2 customer's specifics inputs in it, true?
 3 A. That's true.
 4 Q. All right. The next -- oh, let me show you
 5 what I've marked as Exhibit 108 -- or excuse me --
 6 let me show you what I've marked as Exhibit 104. Do
 7 you recognize 104, Mr. Varghese?
 8 A. I recognize the inputs, yes.
 9 Q. And is -- is Exhibit 104 the branching
 10 intake questionnaire questions that LegalZoom uses
 11 when a customer buys the incorporation product from
 12 LegalZoom?
 13 A. Yes.
 14 Q. All right. If I could please have it back.
 15 That's all we have to do with it. And when a --
 16 when a customer purchases the incorporation product,
 17 are there certain provisions that will be included
 18 depending on their answers to the questions of the
 19 branching intake questionnaire?
 20 A. I mean, everything is mandated by the state
 21 as to what's required. So, you know, based inputs
 22 we -- we -- we assemble the -- the appropriate
 23 documents.
 24 Q. Are there certain -- are there certain --
 25 are there certain provisions of the certificate of

1 incorporation that will be included in the -- in
 2 the -- in the document contingent upon the
 3 customer's answers to certain questions?
 4 A. I mean, the -- the state mandates what's
 5 needed on the forms. So how the customer answers it
 6 or inputs their information is going to be
 7 different. So that's unique to each form. But the
 8 required information is -- is mandated by the
 9 secretary of state. So there's no --
 10 Q. So with respect to this product, it's
 11 different from something like a will where you could
 12 include a provision in a will or not include a
 13 provision in the will. This one is -- the
 14 incorporation is going to be different because it's
 15 a -- a state-mandated -- they're state-mandated
 16 requirements as to what has to be in the document,
 17 right?
 18 A. I can't really compare it to a will because
 19 it's not my product.
 20 Q. Okay. Well, okay, for instance an LLC
 21 operating agreement, is that a -- is that a -- a
 22 product that falls under your jurisdiction?
 23 A. Yes.
 24 Q. Okay. A -- a -- an LLC operating agreement
 25 will include certain provisions or not include

1 certain provisions depending on what the parties to
 2 the agreement agree to, right?
 3 A. The -- I mean, the -- based on the inputs,
 4 the answers will be unique to the customer.
 5 Q. Okay. Well, that's true, but I'm saying
 6 that two different -- depending on the customer's
 7 inputs when they're answering the questions of the
 8 branching intake questionnaire -- with respect to an
 9 LLC operating agreement you might have a whole
 10 provision that's not there depending on how they
 11 answered the question, true?
 12 A. I'm trying to think if -- you know, I can't
 13 specifically recall if there are provisions taken
 14 out or not. It's just input of their -- their
 15 information into the document for the operating
 16 agreement specifically as -- as we're -- as we're
 17 talking about it.
 18 Q. Okay. The next product I'd like to ask you
 19 about is called "initial reports." Is that a
 20 product that you're --
 21 A. Yes.
 22 Q. -- responsible for in business services?
 23 A. Yes.
 24 Q. What is initial reports?
 25 A. There are certain states that require

1 within anywhere from 60 to 90 days of the initial
 2 filing of the entity that you have to file a report
 3 with the secretary of state.
 4 Q. Is -- is this something that's required in
 5 Missouri?
 6 A. I can't recall if it is.
 7 Q. What are the -- when a customer purchases
 8 the initial reports product, does the customer --
 9 are -- are there documents created for the customer?
 10 A. The -- the initial report form is assembled
 11 for the customer is based on their input.
 12 Q. Okay. So the customer -- this is a
 13 document involved?
 14 A. Typically there's a document.
 15 Q. All right. And what document is that?
 16 A. It's whatever the state has required.
 17 Q. Does the customer receive that document in
 18 the mail or through Federal Express?
 19 A. Depending on whether there is a need for
 20 signature.
 21 Q. All right. And is the process the same as
 22 for -- for instance the incorporation where
 23 sometimes LegalZoom files it directly on behalf of
 24 the customer, and other times the customer signs it
 25 first and then sends it back to LegalZoom?

1 A. That's probably the variations that exist,
 2 yeah.
 3 Q. And when the customer receives the document
 4 to review and sign, that's the first time the
 5 customer has seen the initial report document, true?
 6 A. Other than reviewing their inputs, correct.
 7 Q. Okay. They don't -- there's no screen
 8 preview of the document that they're -- that they're
 9 purchasing before they receive it in the mail, is
 10 there?
 11 A. Other than the sample that they can
 12 preview, correct.
 13 Q. And -- and the sample has -- has nothing to
 14 do with the specific inputs that the customer is
 15 given?
 16 A. That's fair. Yeah.
 17 Q. Next -- next product I'd like to ask you
 18 about is called "joint venture agreement." Is that
 19 a product that -- that business services is -- is
 20 responsible for -- the "joint venture agreement"?
 21 A. Yes.
 22 Q. When a customer purchases this product,
 23 what are they purchasing?
 24 A. It's a -- it's an agreement to participate
 25 in a joint venture.

1 Q. And so they get an agreement -- that --
 2 when they purchase this product, do they receive
 3 documents?
 4 A. Yes.
 5 Q. And is the document that they receive a
 6 joint venture agreement?
 7 A. That's what it's called, yes.
 8 Q. Is that the only document they receive when
 9 they purchase this product, or is there some other
 10 documents that they get?
 11 A. Other than a cover letter.
 12 Q. Okay. I'm going show you what I've marked
 13 as Exhibit 108. Mr. Varghese, is Exhibit 108 the
 14 branching intake questionnaire for LegalZoom's joint
 15 venture product?
 16 A. Yes.
 17 (Exhibit 108 marked)
 18 BY MR. SIMERI:
 19 Q. And when a customer purchases the joint
 20 venture product, do they answer questions through
 21 the branching intake questionnaire?
 22 A. Yes.
 23 Q. And does the customer see the -- does --
 24 does the customer -- when the customer receives the
 25 product from LegalZoom -- the joint venture

1 product -- that product is in its final form, right?
 2 A. That is correct.
 3 Q. The only thing it needs is to be reviewed
 4 and signed?
 5 A. That is correct.
 6 Q. There's nothing else the customer needs to
 7 do to the joint venture agreement?
 8 A. Typically that's the case, yes.
 9 Q. And the -- are certain -- do the provisions
 10 of the joint venture agreement that the customer
 11 buys from LegalZoom -- do these provisions vary
 12 based on the customers answers to questions in the
 13 joint -- in the branching intake questionnaire?
 14 A. I think the inputs vary.
 15 Q. Okay.
 16 A. The inputs vary.
 17 Q. What do you mean by that?
 18 A. Well, customers are going to answer the
 19 questions differently.
 20 Q. Oh, I see. So John Smith puts his name as
 21 "John Smith," and Bill Jones puts his name as "Bill
 22 Jones."
 23 A. Correct.
 24 Q. But then there'll be -- there -- putting
 25 aside variances of that -- of that type, are there

1 options which lead actually to different provisions
 2 being in the joint venture agreement based on the
 3 customers answers to the questions in the branching
 4 intake questionnaire?
 5 A. I believe the joint venture agreement is
 6 static.
 7 Q. And when you say "static," what do you mean
 8 by that?
 9 A. I believe that all -- they get all
 10 provisions.
 11 Q. Okay. Are there other agreements that
 12 aren't static -- excuse me -- are there other
 13 products that aren't static?
 14 A. I can't recall if they're all static or
 15 not.
 16 Q. Okay.
 17 A. There's -- and -- and when I -- when I --
 18 when I refer to that as -- as for example if a
 19 customer chooses to be an S corporation, there's --
 20 there's language that goes in for an S corporation
 21 that does not exist if they chose to be a C
 22 corporation.
 23 Q. So that form wouldn't be static?
 24 A. That's based on the customers input.
 25 Q. Right. I know that. But that --

1 A. Yeah.
 2 Q. -- form is -- I -- that's not what I'm
 3 asking. I -- you -- you just described -- you just
 4 described the joint venture agreement as being
 5 static, which suggests to me there's a possibility
 6 that there's some products that aren't static.
 7 And -- and as an example you're saying the S
 8 corporation -- which -- which one were you saying
 9 that isn't static?
 10 A. I was -- what I was saying was if the
 11 customer put in -- decided that they wanted to be an
 12 S corporation, there would be language that says
 13 that they want to be an S corporation, which is
 14 different than if they wanted to be a C corporation.
 15 Q. I see. And what type -- and -- and -- and
 16 the -- the joint venture agreement you're saying is
 17 going to be the same for every customer, regardless
 18 of -- regardless of how they answer the questions in
 19 the joint venture -- regardless of how they answer
 20 questions in the questionnaire here?
 21 A. I mean, their inputs are going to be
 22 different.
 23 Q. Sure.
 24 A. It's going to be -- it's -- it's going to
 25 be what their inputs are.

1 Q. But I'm wondering, based on the specific
 2 input then, will a whole nother paragraph appear in
 3 some cases on the joint venture agreement?
 4 A. I don't believe that that's the case.
 5 Q. Okay. And are there some products where
 6 that does happen?
 7 A. I can't speak to all the products.
 8 Q. Well, I know. I know. I'm not asking you
 9 to. I'm asking you to speak to some where that
 10 happens. There must be some where that happens.
 11 A. Within business services?
 12 Q. Yes.
 13 A. One -- one example is if they choose to be
 14 a 501(c)3 organization, that language would appear.
 15 Q. Okay. Okay. Any more examples?
 16 A. I think that's probably the most one that I
 17 can think of right now.
 18 Q. All right. All right. I think we're done
 19 with Exhibit 108. Thank you, Mr. Varghese.
 20 The next product I'd like to ask you about
 21 is called "limited liability partnership." Is this
 22 a product that business services is responsible for?
 23 A. Yes.
 24 Q. When a customer purchases limited liability
 25 partnership, does the customer receive documents

1 from LegalZoom?
 2 A. Yes.
 3 Q. What documents does the customer receive
 4 from LegalZoom when they purchase the product called
 5 "limited liability partnership"?
 6 A. The certificate of partnership is typically
 7 what it's called, but it can vary.
 8 Q. Are there any other documents that they
 9 receive when they purchase this product?
 10 A. Cover letter.
 11 Q. Any other documents besides that?
 12 A. That's -- that's it.
 13 Q. When the customer purchases this product,
 14 do they answer questions by the branching intake
 15 questionnaire?
 16 A. They do.
 17 Q. And when the customer purchases this
 18 product, other than the examples that we keep
 19 referring to, does the customer see a preview of
 20 the -- the document that they're going receive in
 21 the mail through LegalZoom's website before they
 22 receive it in the mail?
 23 A. Sorry, that was little confusing.
 24 Q. It probably was. When they -- when they --
 25 is there a preview on LegalZoom's website of this

1 document that they get to see after they've answered
 2 the branching intake questionnaire?
 3 A. Other than the sample, no.
 4 Q. Okay. They just receive it in the mail,
 5 and that's the first time that they see what the
 6 final document looks like?
 7 A. When they need to sign it and review it,
 8 correct.
 9 Q. That's the first time whether they --
 10 and -- and whether they received it in the mail or
 11 via e-mail?
 12 A. Correct.
 13 Q. All right. And the customers when they
 14 receive it, they need to review it and they need to
 15 sign it. There's nothing else they need to do to
 16 the document, though, other than that?
 17 A. Typically that's true.
 18 Q. All right. Next document I'd like to ask
 19 you about is called "limited partnership." Is that
 20 a document that business services was responsible
 21 for?
 22 A. Yes.
 23 Q. What is the product called "limited
 24 partnership"?
 25 A. What do you mean, what is it?

1 Q. Well, when a customer buys this product
 2 from LegalZoom, what are they buying?
 3 A. They're forming a limited partnership.
 4 Q. Okay. And does -- do they receive
 5 documents as part of this process?
 6 A. They do.
 7 Q. What documents do they receive?
 8 A. A certificate of -- usually a certificate
 9 of partnership or formation.
 10 Q. Do they -- when they're -- when they're --
 11 when they go on LegalZoom's website and indicate
 12 that they want to purchase a limited partnership, do
 13 they answer questions via LegalZoom's branching
 14 question -- branching intake questionnaire?
 15 A. They do.
 16 Q. I'm showing you what I've marked as
 17 Exhibit 109. My question for you, Mr. Varghese, is:
 18 Is this the branching intake questionnaire for
 19 LegalZoom's product called "limited partnership"?
 20 A. These are the questions, yes.
 21 (Exhibit 109 marked)
 22 BY MR. SIMERI:
 23 Q. And when the customer purchases this
 24 product, is the form static or are there certain
 25 provisions that are included or not included,

1 depending on the customer's answer to the questions?
 2 A. It's -- it's really based on state. The
 3 state mandates what's required on the forms. And
 4 the -- the questionnaire asks for that information.
 5 And the customer inputs that information and that's
 6 what's inputted in -- inputted onto the forms.
 7 Q. So you're saying for some states it might
 8 be static and some states it might not be static?
 9 A. Most of the states are -- are pretty set on
 10 what they need.
 11 Q. Do you know whether Missouri is or not?
 12 A. To the best of my knowledge, I believe it
 13 is.
 14 Q. Okay. Does a customer -- does the customer
 15 see the completed form through LegalZoom's website
 16 before the customer receives it in the mail or via
 17 e-mail?
 18 A. Other than the sample, no.
 19 Q. Okay. And the sample you're talking about
 20 is the one that doesn't include the customer's
 21 specific inputs, right?
 22 A. That's correct.
 23 Q. The customer does not see on the website a
 24 preview of a form with all of that customer's
 25 specific inputs, right?

1 A. That's correct.
 2 Q. Instead, all the customer sees is --
 3 when -- when the first time the customer sees the --
 4 the -- the -- the document is when they receive it
 5 and -- and they're supposed to review and sign it,
 6 right?
 7 A. That's correct.
 8 Q. And the customer reviews it and signs it,
 9 and that's all the customer has to do with that
 10 document, right?
 11 A. Typically that's the case.
 12 Q. All right. Next document I'd like to ask
 13 you about is called the -- oh, and I'm sorry if I
 14 could please have it back. Thank you, sir.
 15 The next document I want to ask you about
 16 is called the "LLC." The LLC. Is the LLC a product
 17 that LegalZoom sells to Missouri customers?
 18 A. We -- we sell the LLC, correct.
 19 Q. And you sell it to Missourians too, right?
 20 A. Correct.
 21 Q. And it's a -- it's a product that you're
 22 responsible for in business services, correct?
 23 A. That's correct.
 24 Q. When a customer purchases the product
 25 called "LLC," does the customer receive documents?

1 A. They do.
 2 Q. Mr. Varghese, what -- what documents does
 3 the customer receive when they purchase this
 4 product?
 5 A. Typically it's a state form that's -- that
 6 says "certificate of organization." -- evidence that
 7 it's been filed.
 8 Q. Does the customer receive an operating
 9 agreement?
 10 A. They do.
 11 Q. So we got their certificate of
 12 organization, probably the cover letter, right?
 13 A. That's correct.
 14 Q. The evidence of filing, right?
 15 A. That's correct.
 16 Q. And operating agreement?
 17 A. That's correct.
 18 Q. Anything else?
 19 A. Depending on the customer's inputs -- if
 20 they've chosen the EIN, if they've chosen sellers or
 21 state tax ID, and then any other special offers and
 22 marketing materials that we have.
 23 Q. Okay. And if they've chosen EIN, what's
 24 that mean? If they -- if they already -- if --
 25 LegalZoom will -- will also prepare an EIN form for

1 them?
 2 A. That's correct.
 3 Q. That's the form by which you get an EIN for
 4 a new entity?
 5 A. That's correct.
 6 Q. And they'll -- they'll also -- LegalZoom
 7 will also prepare a form by which the customer gets
 8 a state tax ID number?
 9 A. That's correct.
 10 Q. That depends on how the -- the customer
 11 answers the questions in the branching intake
 12 questionnaire?
 13 A. Correct.
 14 Q. I'm going to show you what I've marked as
 15 Exhibit 110.
 16 A. Okay.
 17 Q. What's Exhibit 110?
 18 A. It seems like the questions for the LLC.
 19 (Exhibit 110 marked)
 20 BY MR. SIMERI:
 21 Q. So just like the other ones we've been
 22 talking about, this is the branching intake
 23 questionnaire for LegalZoom's LLC product?
 24 A. Yes.
 25 Q. That's what Exhibit 110 is?

1 A. Yes.
 2 Q. And I -- I -- I -- I should have asked
 3 you -- EIN, do you know what that stands for?
 4 A. Employer identification number.
 5 Q. Okay. And -- and sir, if you could hand --
 6 thank you?
 7 A. Sorry.
 8 Q. I'm sorry to keep making you hand things.
 9 I know it's hard enough just to answer questions and
 10 think without being told what to do with paper all
 11 day, so --
 12 A. No worries.
 13 Q. I don't know a better way to do it, though.
 14 Mr. Varghese, when the customer purchases this
 15 product from LegalZoom, does the customer get to see
 16 a preview of the documents that he's purchasing on
 17 his computer screen through LegalZoom's website
 18 before LegalZoom delivers these documents to him?
 19 A. Other than the sample, and other than if
 20 they -- when and if they need the signature, no.
 21 Q. Okay. So instead LegalZoom sends the
 22 documents to the customer typically via mail, right?
 23 A. Mail or FedEx, correct.
 24 Q. Okay. And then -- and then at that point
 25 all the customer needs to do is review and sign the

1 documents, right?
 2 A. Typically that's correct.
 3 Q. Is the operating agreement static?
 4 A. I believe that all of the -- the provisions
 5 within the operating agreement appear -- yes, I
 6 believe it is.
 7 Q. So no matter how the customer answers the
 8 questions, the operating agreement is going to look
 9 the same?
 10 A. Well, there's -- there's -- there's inputs
 11 that -- that the customer puts in, and obviously
 12 state differences that exist as well.
 13 Q. Well, I understand that names are going to
 14 be different, addresses are going to be different,
 15 names of the LLC are going to be different; what I'm
 16 wondering is are there going to be whole provisions
 17 that are either present or not present, depending on
 18 the answers to the customer's questions of the
 19 branching intake questionnaire?
 20 A. Well, how states have determined different
 21 rules differ, so they do need to differ by state.
 22 Q. Well -- well, will different provisions be
 23 appearing depending on whether it's member-managed
 24 or -- or manager-managed?
 25 A. Yes.