



OFFICE OF LEGAL SERVICES INNOVATION
An Office of the Utah Supreme Court

Sandbox Authorization Packet

Darrow AI

January 12, 2022

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In the Supreme Court of the State of Utah

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In re: Application of Darrow AI

ORDER FOR AUTHORIZATION TO PRACTICE LAW IN UTAH

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

The Court has reviewed the recommendation of the Office of Legal Services Innovation ("Innovation Office") for Darrow AI to be authorized to practice law in Utah.

Darrow is an AI-powered Intermediary Platform and ABS that detects corporate compliance harmful events, connects the legal dots, determines how many people were harmed, predicts the legal outcome, and assesses the financial value of each case. Darrow's algorithm then matches each case with a partner law firm according to jurisdiction and cause of action, providing the lawyer with in-depth intelligence reports easily accessed via Darrow's Case Management Portal.

The Innovation Office has assessed the risk of harm to Darrow AI targeted consumers relative to the risk of harm they currently face and has determined that the risk of harm presented by Darrow AI's service is Low.

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

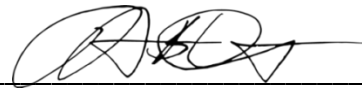
1. Darrow AI is authorized to offer legal services through the following methods:
 - a. Lawyer employed or managed by a nonlawyer
 - b. Nonlawyer ownership
 - c. Intermediary platform

2. Darrow AI is authorized to provide legal services across the following legal service areas, subject to the restrictions outlined below:
 - a. Personal Injury
 - b. Business
3. Darrow AI shall conform to the Low Innovation reporting requirements imposed by the Innovation Office.
4. Darrow AI will prominently display the following disclosure requirements:
 - a. Innovation Office Badge
 - b. Nonlawyer ownership disclosure

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

This authorization is granted for the duration of the existence of the Sandbox, or until exit and permanent licensure at the discretion of the Court. Authorization is subject to Darrow AI's compliance with the conditions and requirements set forth in the Innovation Office Manual and the Innovation Office Recommendation to the Court and to a verification by the Innovation Office that the company's services are not causing material harm to consumers.

DATED this 21st day of December 2022.



Matthew B. Durrant
Chief Justice



Sandbox Recommendation to the Court

App No.0083 - Darrow AI

December 7, 2022

Executive Summary

Recommendation: Authorize

Applicant: Darrow AI

Proposed Model/Service: Darrow is an AI-powered Justice Intelligence Platform that detects corporate compliance harmful events, connects the legal dots, determines how many people were harmed, predicts the legal outcome, and assesses the financial value of each case. Darrow's algorithm then matches each case with a law firm according to jurisdiction and cause of action, providing the lawyer with in-depth intelligence reports easily accessed via Darrow's Case Management Portal and plaintiff-finding support to ensure a successful case outcome. Darrow AI intends to partner with a Utah Lawyer.

Target Consumer Market: Darrow's Intermediary Platform seeks to help consumers harmed by corporate compliance harms such as privacy, consumer fraud, environmental law, and antitrust.

Sandbox Qualifiers: This business model/service qualifies for the Sandbox because it would feature the following characteristics:

- Lawyers employed or managed by nonlawyers
- Nonlawyer ownership

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- Intermediary Platform
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Regulatory Objective Qualifier:¹ Darrow AI's service meets the regulatory objective to provide accessible affordable legal services to people harmed by corporate negligence who may not know they have a valid claim.

Utah Qualifier: Adapted for Utah requirements

Implementation Qualifier: Ready for immediate implementation

Innovation Assessment

General Assessment: LOW

Specific Risks: As with any ABS there are common risks regarding:

1. Confidentiality
2. Non-lawyer involvement of services
3. Corporate interest in protecting profit

Darrow AI has appropriately addressed these concerns.

Sandbox Recommendation

We recommend the Court authorize Darrow AI to offer legal services in the state of Utah, subject to such requirements as the Innovation Office may impose.

Scope of Recommended Authorization

Term of authorization The Innovation Office recommends that authority be granted for the duration of the existence of the Sandbox, or until exit and permanent licensure at the discretion of the Court. Any such licensure would be subject to the applicant complying with the conditions and requirements set forth below and also verification by the Innovation Office that the Entity has a record

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

of compliance with all requirements and the company's services are not causing harm to consumers.

Recommended legal service models This section presents a numbered list of the recommended service models.

1. Lawyers employed or managed by nonlawyers
2. Nonlawyer ownership
3. Intermediary Platform

Legal service models not recommended None

Recommended consumer service areas

1. Accident / Injury
2. Business

Recommended waivers None

Recommended qualitative compliance requirements Standardized disclosure statements on website and in mobile applications (see Manual):

1. Badge
2. Nonlawyer ownership disclosure

Note: All lawyers employed by Darrow AI remain subject to the rules of professional conduct and the disclosure requirements imposed by Rule 5.4.

Recommended data reporting requirements Low Innovation data reporting requirements (see Manual)
