



US arbitration terms

Last updated on 26 October 2026. Effective immediately for new customers and from 28 December 2026 for current customers.



What you need to know

If you're on the US edition of Xero, these terms form part of your contract with us and apply to you and your invited users. These terms incorporate, and are in addition to, the Xero [terms of use](#) that apply to your use of our services generally - so the main terms still apply, this just adds to them. In these terms, we also use some words that are defined in our [terms of use](#) (like 'subscription') - check out the definitions for those words in our [terms of use](#).

Xero hopes to always resolve any issues with you through our support team. If we can't, here's how disputes get settled instead: you and Xero agree to try informal talks first, followed by individual arbitration or small claims court rather than general courts or class actions.

If you still have questions or comments after you've read these terms, please go to [Xero Central](#) to get in touch. We'd love to help.

1. Talk to us first (Notice of Claim). Before starting any legal proceedings, you'll need to send a **Notice of Claim** to legalnotices@xero.com. From there, you and Xero agree to meet via video or phone within 60 days to try and work it out. Both sides commit to showing up to that meeting personally. And don't worry - your filing deadlines will be paused during this 60-day period.

2. Small claims or arbitration. If you and Xero can't resolve the issue during the 60-day period, then:

- If your claim qualifies, you can file in small claims court in your county of residence or in Denver, Colorado.
- For everything else, you and Xero agree to resolve it through binding, individual arbitration administered by the American Arbitration Association (**AAA**). This agreement to arbitrate doesn't expire if you stop using our services or your subscription terminates.

3. Moving a case. If arbitration gets started but could've been handled as a small claims case, either side can redirect it there by providing written notice to the AAA. If that happens, AAA will close out the arbitration and all fees will be refunded or canceled. And if there's uncertainty about whether a claim is actually a small claims case, that will be decided by the court.

4. How arbitration works. Since Xero operates online across state lines, the Federal Arbitration Act sets out how this arbitration works and how it's enforced. To the extent state law applies, the laws of California will apply, regardless of any conflict of laws principles. The arbitrator, not a court, has final say on whether these terms apply.

5. No class actions. You can only bring a claim on your own behalf - not as part of a class, collective, or representative action. You'll need to bring any claim within one year of when you knew, or reasonably should have known, of the issue. If a court doesn't allow this waiver, these terms will be unenforceable.

6. Evidence & decisions. To keep things fast and cost-effective, sharing information will be limited to essential documents and witnesses. Whatever the arbitrator decides only applies to your case and has no effect on other Xero customers.

7. Batching & representative cases. If 25 or more similar claims are filed by coordinated counsel, AAA will group them into batches of up to 50. From each batch, Xero and coordinated counsel will pick a small number of claims to arbitrate first as test cases. If the sides cannot agree on which claims to select, the AAA will select them randomly. The rest of the batch sits on hold until those test cases are resolved, and filing fees for those claims on hold will not be due until they move to arbitration. Just to be clear: batching is a scheduling tool. It does not turn this into a class action or collective proceeding.

8. Confidentiality. Everything about the arbitration (including the proceedings, the evidence, and the final decision) stays confidential, except where the law requires disclosure or we need to enforce the agreement.

9. California public injunctions. If you're seeking public injunction relief, that goes to court - but only after the individual arbitration is complete.

10. Paying for arbitration. Fees are governed by the AAA's standard rules, except that Xero will have 30 days from the date of the AAA invoice to pay any required administrative and arbitrator fees. Once the arbitration wraps up, Xero will reimburse your initial filing fee if you are the prevailing party unless the arbitrator finds your claim was frivolous, in which case you will be responsible for reimbursing Xero for fees and arbitrator costs we had to pay to defend the case.