

Business Protector Policy



I. INTRODUCTION

The U. S. Legal Service Plan has been established to make available legal services at a reasonable cost to Businesses and Groups. The legal services described herein shall be furnished to Plan Member/Subscribers who wish to enroll and pay a monthly fee. The Plan is sponsored and administered by U.S. Legal Services, a Florida corporation, which shall be referred to as U. S. Legal.

II. DEFINITIONS

1. Plan - the U. S. Legal Services Plan.
2. Plan Member - the Business or its authorized representative that has entered into a Member Application.
3. Member Application Agreement - the agreement entered into by the person receiving benefit.
4. Contribution - the amount paid for services offered.
5. Attorney(s) - any person properly licensed to practice law in the state of the plan member's primary location.
6. Plan Attorney - one selected by U. S. Legal to provide legal service to the Plan Member.
7. Business or Member - the Corporation, partnership, or sole proprietor or its authorized representative.
8. Authorized Representative - an employee, officer or board member authorized in writing to utilize the Legal Services available hereunder.

III. PARTIES TO WHOM BENEFITS ARE AVAILABLE

The benefits provided by the Plan shall be available for the following persons, in addition to the named Plan Member:

1. The named insured or Business or its authorized representative and/or its duly elected officers or board members or full time employees, as provided herein.

PART 1 - LEGAL SERVICES AVAILABLE

The contributions of each Subscriber/Plan Member shall entitle the Plan Member to the following legal services provided by a Plan Attorney. All of the following coverages are unlimited and without deductibles, claim forms, or waiting periods:

- A. **Consultation** - Unlimited. By telephone or at the attorney's office, if necessary, to the authorized representative or Plan Member, officer, director of the business, **concerning the normal & customary business affairs of the Business or its authorized representatives.**
- B. **Attorney Letters and phone calls on your behalf** - Attorney will write letters and/or make telephone calls on your behalf to assist you in resolving a legal situation or controversy.
- C. **Document Review & Preparation** - Attorney will review any legal documents **related to the business of the Plan Member** or Business or its authorized representative and, in addition, will prepare at no charge, all usual and customary documents, papers, forms or contracts of the member or Business or its authorized representative.
- D. **Mechanics & Other Liens** - Attorney will, on information provided by Plan Member, prepare, file, perfect and, if necessary, foreclose through trial, all mechanics and other liens **normal and customary to the business affairs of the Business** or its authorized representative.
- E. **Debt Collection & Worthless Checks** - Attorney will make telephone calls and/or write letters from within the state of domicile for debt collection purposes, including worthless checks.
- F. **Garnishments or Attachments** - Attorney will legally respond on behalf of the Plan Member or Business or its authorized representative as a result of any garnishment or attachments on money, wages or property held for others by Plan Member or Business or its authorized representative, whether same be filed or brought by individuals, other businesses, any local, State, or U. S. Governmental Agency, including the Internal Revenue Service.
- G. **Corporations** - Attorney will form and file a corporation for the Plan Member and assist its accountant or Certified Public Accountant in its designation as a "C" or "S" corporation or as a non-profit corporation if the Plan Member so designates pursuant to the regulation of the Internal Revenue Service. Attorney will also review, if so requested, normal and customary by-laws, amendments, notices or annual reports as may be necessary.
- H. **Pension & Salary Deferral Plans** - Attorney will provide advice and consultation to Plan Member, group or business in establishing, and/or maintaining pension, salary deferral or savings plans for eligible Plan Members or employees of the Plan member, business as such may be established or allowed by U.S. Public law or the rules and regulations of the Internal Revenue Service of the United States Government.
- I. **Civil Rights (Title VII)** - Advice and consultation by attorney concerning discrimination based on race, color, religion, national origin, or sex.
- J. **Americans with Disabilities Act** - Attorney will provide advice and consultation concerning the above, which applies, among others, to all private employers of 25 employees as of July 26,1992 and private

- employer of 15 employees as of July 26, 1994, and which prohibits employment discrimination in job application, hiring, advancement, discharge, compensation, training, terms, conditions, privileges of employment, including social and recreation programs.
- K. **Traffic Violations** - If the Business or its authorized representative or its employee(s) is charged with a civil traffic violation your Attorney will provide representation provided both the operator and the vehicle were properly licensed.
 - L. **Workers Compensation** - Attorney will provide advice and consultation in relation to compliance or claims made by covered employees of Plan Member, group or business.
 - M. **Insurance Law** - Representation and consultation in all matters between the Plan Member and any insurance company with which the Plan Member has dealings or relations.
 - N. **Major Litigation Defense for Criminal & Civil Cases** - In the event a covered Plan Member, or business is sued or named as a defendant in a **business related civil suit** in its domicile state or the named and insured Plan Member or Business or its authorized representative is indicted or charged in a **business related criminal action** in its domicile state, the attorney will represent and defend the named and insured Plan Member or Business or its authorized representative through trial, including consultations, conferences, depositions, hearings, pre-trial motions, other pre-trial activities and if necessary, representation and attendance in court through trial.

LEGAL SERVICES EXCLUSIONS & LIMITATIONS

In addition, no benefits or services of any kind are provided under the Plan wherein the following circumstances are present:

- A. Any controversy or proceeding between the administrator and any party to the Plan.
- B. When the matter to be serviced originated prior to the effective date of the membership.
- C. Preparation and filing of tax returns, or tax law, appellate court proceedings, all felonies. No coverage is provided for class actions or violations of United States laws either criminal or civil.
- D. The Plan Attorney is not required to travel more than fifty miles from his or her office, unless specific arrangements for fees and travel are made. However, coverage is provided in all cities and areas where Plan Attorneys are contracted.
- E. The legal services provided under coverage "N", under "Part I - Legal Services Available" is specifically limited to ten (10) hours of the attorneys

- time. Further required legal services under this section shall be provided at a 33 1/3% discount off the attorney's normal hourly rate.
- F. Any matter not specifically covered under Part I herein.

OPERATION AND ADMINISTRATION OF PLAN

The Plan is sponsored and administered by U. S. Legal who shall provide services for Subscriber/Plan Members through attorney(s) under contract with U. S. Legal.

Under the Plan, U. S. Legal as a Plan Administrator will enter into contractual agreement with attorney(s) entitled "Attorney's Agreement" to provide legal services to Plan Subscriber/Plan Member. Those attorney(s) who shall have entered into an Attorney's Agreement with U. S. Legal are known as "Plan Attorneys," and will receive a percentage of the monthly contributions of those Subscriber/Plan Members for whom the said attorney(s) is the Plan Attorney.

The Plan Attorney(s) will be selected on the basis of the geographical proximity to Plan Subscriber/Plan Members to which they are designated, and their general professional reputation in their community. The Plan Attorney(s) shall provide the legal services described herein without the payment of any additional attorney's fees.

The Plan administrator may engage the services of various marketing agencies who shall offer the Plan to signatory Businesses or its authorized representative. These agencies may negotiate with interested groups and obtain a Member Application from group management. This establishes relationships within the Business or its authorized representative and offers prepaid legal services to the members of the Business or its authorized representative.

The Plan Administrator shall maintain complete control over administrative procedures. The Plan Administrator may alter, amend or expand the legal aspects and procedures of the Plan at any time; however, any changes shall be prospective in operation only, and shall not deprive a Plan Member of services to which he was entitled in connection with any matter pending at the time of any change. The Subscriber/Plan Member shall be notified of this change at least thirty (30) days in advance.

No Plan Member or covered person is required or obligated to consult with or be represented by a Plan Attorney. Each Plan Member shall remain free to consult with or be represented by other attorneys concerning any matter at the Plan Member's own expense. The Plan will not pay attorney's fees to any other attorney other than the Plan Attorney.

The Plan Member or covered person shall communicate directly with his attorney in arranging for legal services. The Plan Member shall adequately identify himself as a Plan Member of the Plan, and each attorney is provided with a list of Plan Members to whom he is the Plan Attorney. Only those participants whose contributions are current will remain eligible to receive legal services.

Each Plan Attorney shall receive a percentage of each assigned Plan Member's monthly contribution to the Plan. This payment is made monthly to the attorney. The contributions may be made by group funding, payroll deduction, pre-authorized check, or any other method approved by the administrator.

PART 2 - GENERAL PROVISIONS

It is expressly understood that costs incident to any legal matter including court filing fees, sheriff fees for service of summons or other process, deposition and discovery cost, fines, penalties, judgments, investigative fees, postage, costs of copying, long distance calls, etc; or damages assessed will be borne and paid directly by the Plan Member.

In any civil case in which attorneys fees are recoverable by contract, or by statute, then the Plan Attorney may enter into a fee services agreement with the plan member, calling for a reasonable attorney's fee, as awarded by the Court in the action. The client will be obligated to pay the Plan Attorney a reasonable fee as determined by the Court in the litigation, contingent upon collection from the adverse party.

Any Plan Member entitled to service under this Plan may choose another Plan Attorney in any case where a Plan Member prefers not to have representation by a Plan Attorney for any good reason. Where the representation of the Plan Member by a Plan Attorney will require services over a protracted period of time, the attorney will not be obligated to continue such representation unless payments are being made currently into the Plan. Moreover, cash disbursements will not be made for or on behalf of a Plan Member if there is evidence of intent to participate in the Plan for only a short period of time with a view to extracting the maximum amount of services and cash benefits and then terminating. While the Plan undertakes to provide the widest array of services possible consistent with a modest participation fee, the Plan cannot work for the benefit of all, if a few thoughtlessly exploit its advantages. Accordingly, the Plan reserves the right to terminate or refuse membership of any person where membership is effected solely to exploit the advantages under the Plan.

In the event the attorney assumes responsibility over any matter where the recovery of legal fees is provided by statute, by contract, or by the nature of

the claim, any attorney fees recovered shall be the property of the attorney. If the case is one which is to be handled according to contingent contract, however, the first \$1,000 shall be exempt from any fee.

Attorney shall have right to decline the representation of a Plan Member where the matter presented is deemed by the Attorney to be frivolous, spurious, or without merit.

Number of Events Covered: Plan Member shall be entitled to the benefits provided for by the Plan without limitation as to the number of events in any one contract year.

An attorney-client relationship comes into being at such time as the Plan Member chooses to employ the services of an attorney in the law firm to which the Plan Member is assigned. Though the Plan Member, or business may have signed a Member Application on behalf of its members or employees, the attorney-client relationship exists solely between Plan Member and the Plan Attorney.

In the event Plan Member has need of legal services outside the area served by the Plan Attorney for the Plan Member, Plan Member may first contact U. S. Legal to determine the availability of another Plan Attorney in that area to conveniently and lawfully represent Plan Member for the matter in that area. Such attorney or law firm, if there is one in the area, must be one that bears a similar contractual relationship with U. S. Legal, as does the Plan Member's Plan Attorney.

The Plan Administrator, in the implementation of this plan, enters into agreements with numerous attorneys, who agree to provide stipulated service under the conditions contained in each type of agreement. In none of these instances does the Administrator stand in the position of guarantor as to the honesty, proficiency, accuracy, or resourcefulness of the individual practitioner or firm of practitioners of law. Accordingly, if any attorney to whom a Plan Member takes the legal problem performs or omits an act which may give rise to a claim for malpractice, the Plan Member's sole recourse is against the individual attorney or firm of attorney's handling that Plan Member's legal matter. Member has the right to file grievance with the State Bar.

The Plan Administrator will in no way become involved or interfere with the firms' handling of those cases that may arise by reason of the attorney-client relationship entered into when a Plan Member brings a problem to an attorney. In the event of complaints, however, from Plan Members, it will make an inquiry into the complaint or complaints. If it is determined that the firm or attorney has demonstrated an inability to handle the needs of all Plan Members,

arrangements will be made for the transfer of such Plan Subscriber to another attorney or law firm. Before any such action is taken, however, the attorney or firm will be given an opportunity to resolve the problem. If the insured is unable to find a participating attorney willing to perform services covered or if attorney is disqualified or otherwise unable to perform the services, the Company will select or appoint another attorney who bears a contractual relationship with the Company to provide the covered services to the insured. If there is a disagreement between member and Company concerning the grounds for demanding the above alternative benefit, then an impartial arbiter will be selected and the decision shall be binding on both parties.

In the event of a conflict of interest between the Plan Attorney and Plan Member, the Administrator will attempt to transfer the Eligible Plan Member to another Plan Attorney or Law firm, if there is one in the area, and must be one that bears a similar contractual relationship with U. S. Legal as does this Plan Members Plan Attorney.

Nothing in any of the Plan documents shall be deemed to interfere with a Bar Association's right to discipline attorneys for violation of any Bar Association Canons addressed to honesty, integrity, or fair dealing. The grievance resolution machinery herein addresses itself only to disputes between a Plan Member and an attorney involving issues other than legal ethics.

RESPONSIBILITIES OF THE PLAN ADMINISTRATORS AND PLAN ATTORNEYS

The Attorney/client obligation of Plan Attorneys providing services under this Plan shall be solely to their Plan Member-clients. Plan Attorneys shall maintain the confidentiality of the attorney/client relationship in accordance with the Code of Professional Responsibility.

Plan Attorneys shall refuse to provide services in any matter they believe to be clearly frivolous, without merit, or which would violate the Code of Professional Responsibility.

In the event that a Plan Member terminates membership in the Plan for any reason, or has his membership revoked, the legal services provided to the Plan Member shall be ended. In such event, as to any active matters, the Plan Attorney involved shall complete the proceeding at the Plan Members expense, unless the Plan Member does not desire to be further represented by the Plan Attorney involved or any other Plan Attorney.

In the event that a Plan Member terminated his membership or it is revoked and even though such Plan Member does not have an active matter

pending, or has not used any services of the Plan, such Plan Member shall not be entitled to a refund of monthly membership fees previously paid. Likewise, should a Plan Member discharge a Plan Attorney as to any active matter without terminating membership in the Plan, no refund shall be due. The entire basis of the Plan is to provide quality legal services at a low cost, and only by application of all fees collected can this be possible.

TERMINATION PROVISION

The Company reserves the right to cancel this contract at anytime. If there is an unearned premium, it will be returned within 10 days of the effective date of Cancellation.