LegalShield℠

EFFECTIVE DATE:

MEMBERSHIP #:

MEMBER NAME:

Covered Entity:

As defined in the attached membership Contract.

Covered Benefits:

Legal Services are available pursuant to the attached membership Contract CAN-943.BC

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NOTE: This is a Contract to which the Consumer Protection Act of British Columbia applies. This declaration page is a part of and should be kept with your membership Contract.

LegalShield℠

Dear Member:

By paying the membership fee and abiding by the terms of this Contract, the following services ("Services") are available to the Member ("Member") which is the actual business entity. The Services will be provided by licensed, practising lawyers selected by PPL Legal Care of Canada Corporation dba LegalShield (the "Company"). The lawyers are referred to as the "Provider Lawyer" or "Referral Lawyer" as defined in the General Provisions. All requests for Services must be directed through the Provider Lawyer in a prompt manner to allow sufficient time for preparation and response. This Contract covers domestic legal matters within the province where the Member's principal place of business is located. Matters involving foreign law are not covered. Should the Member's principal business location change provinces, the Provider Law Firm and Company must be notified. The Member will be transferred to a membership in the new province, if available.

The Member is the business named on the membership application with 50 or fewer employees with one GST/HST Registration Number. In addition to being a legal, for profit entity, the Member may not be a publicly-traded business. Individual employee actions are not included as services of the Member.

Any reference to "Contract" refers to this Contract between the Member and the Company. All services under this Contract are part of and are subject to the General Provisions. Please refer to the General Provisions and other sections of this Contract for the definition of capitalized terms.

The "Effective Date" of the Contract is typically the date on the membership application or the date the application is submitted via the internet. If the date on the application is more than 14 days prior to when the Company receives the application, the Effective Date will become the date the application is processed.

PHONE ACCESS

The Member may receive toll-free telephone consultations concerning legal matters of the Member to the extent the Provider Lawyer deems it necessary to adequately advise the Member. If, in the Provider Lawyer's Professional Judgment, the legal matter can not be adequately addressed during the initial telephone consultation with up to one hour of further legal research, then further services will be provided at a discount of 25% from the Provider Lawyer's standard hourly corporate rate. For this consultation and advice, the Designated Spokesperson for the Member may call the appropriate telephone number listed on the membership card during regular office hours. Telephone calls are toll-free from anywhere within the Member's province.

Limitations:

1. This Contract excludes coverage for those matters which the Provider Lawyer determines are raised an inordinate or unreasonable number of times without substantial change of circumstances.

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OFFERED BY:
PPL LEGAL CARE OF CANADA CORPORATION
ONE PRE-PAID WAY - P.O. BOX 145
ADA, OKLAHOMA 74820
1-800-440-8857

2. Once it has been determined the Member is entitled to coverage under any other section of this Contract, the Designated Spokesperson shall communicate only with the specific lawyer or lawyers handling those matters rather than utilizing the coverage under this section for that legal matter. This limitation is provided to facilitate the most effective representation of the Member.

3. Legal matters covered under Designated Consultations are not covered under this section.

LETTERS & CALLS

If, at the sole discretion of the consulting Provider Lawyer, it is determined that a letter written on behalf of the Member would be of assistance with a legal matter not specifically covered elsewhere in this contract, then the first such letter for each non-related legal subject matter per Membership Year will be written at no additional charge. If a response is received from a third party to the initial call or letter, a follow up call or letter may be provided based upon the Provider Lawyer's Professional Judgment. Additional letters from the Provider Lawyer after the first one per subject per Membership Year will be provided at a discount of 25% from the Provider Lawyer's standard hourly corporate rate. It is the responsibility of the Member to provide, in a timely manner, sufficient documentation enabling the Provider Lawyer to write letters pursuant to this section.

Limitations:

1. This Service is limited to 30 such letters per year with no more than six in any one month.

2. It is within the sole discretion of the Provider Lawyer to determine whether a letter(s) is appropriate in a given situation.

3. Debt Collection Letters and Designated Consultations, which are highlighted in their own sections, are specifically excluded from this section.

DESIGNATED CONSULTATIONS

Certain legal matters may require the Provider Lawyer to seek outside counsel to assist the Member. The Member may receive a total of three telephone consultations, each up to one-half hour in length, for the following legal matters each Membership Year:

- Commodities;
- Trademark;
- International Law;
- Tax;
- Maritime Law;
- Patents;
- Copyright;
- Securities;
- Intellectual Property;
- Import/Export or customs matters;
- Competition Law;
- Immigration;
- Those legal matters which arise within Canada but outside of the province where the Member's principal place of business is located.

The Member may also receive one document review each Membership Year regarding domestic legal issues concerning matters outside of the Member's province.

If further services are required beyond the telephone consultation, they will be provided at a discount of 10% to 25% from the standard hourly corporate rate of the lawyer handling the legal matter. For this consultation and advice, the Designated Spokesperson for the Member may call the appropriate telephone number listed

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on the membership card during regular office hours. No other services are available for these Designated Consultations.

DOCUMENT REVIEW

The Member may have reviewed by the Provider Lawyer 30 documents each year with no more than six in any month. The maximum size of each document is 15 consecutive pages. Documents are contracts in which the Member is a contracting party; provided that the contracts concern separate subject matters and further provided that the contracts are not part of a single related business transaction.

The Designated Spokesperson for the Member shall mail a copy of the document to be reviewed (retaining the original), together with their telephone number, to the Provider Lawyer. The Provider Lawyer will review the document and thereafter advise the Member's Designated Spokesperson by telephone if any modifications are recommended. Each additional review of a document after the initial review shall count as a separate document review toward the annual total of 30. If further legal services are required beyond the basic document review including, but not limited to, specific research or the negotiation of or drafting of modifications, the services will be provided at a discount of 25% from the Provider Lawyer's hourly corporate rate. Advice and comment on documents in excess of 15 consecutive pages or documents beyond six in a month or 30 per year will be available at a 25% discount from the Provider Lawyer's standard hourly corporate rate.

DEBT COLLECTION LETTERS

The Member may receive up to 10 separate, initial collection letters per month at no charge once demand by the Member has been unsuccessful. Any separate collection letters in excess of the first 10 covered herein at no charge or follow-up letters or other services provided subsequent to the initial collection letter for a given matter will be provided at a discount of 25% from the Provider Lawyer's standard hourly corporate rate. The Provider Lawyer may require additional documents and other written authorization as necessary before proceeding with Services as part of this section.

REDUCED-FEE SERVICES

Services for litigation representation and other legal work within the province of the established principal place of business of the Member are available at a 25% reduction from the Provider Lawyer's standard hourly corporate rate. This discount does not apply to legal services rendered pursuant to the Designated Consultations section of this Contract, contingency fee cases or fees set by the court.

REDUCED CONTINGENCY FEE SERVICES

The Member may receive up to a five percent reduction from the Provider Lawyer's standard contingency fee for legal representation on those matters normally handled on a contingency fee basis. The reduction in fee for a given legal service will be agreed to by the Provider Lawyer and the Designated Spokesperson with legal authority to bind the Member prior to commencement of services and shall be subject to the terms of a Lawyer-Client Contract. **(*This section is not available where such arrangements between lawyer and client are not permitted.)**

GENERAL PROVISIONS

A. **Designated Spokesperson:** The Member shall designate, in writing, up to three spokespersons to communicate with the Provider Lawyer. The Designated Spokespersons must be employees, owners, partners or officers. The Designated Spokespersons must have authority to legally bind the Member. In the event a Designated Spokesperson is no longer associated with the Member for any reason, it shall be the Member's

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responsibility to notify the Company. If the formerly Designated Spokesperson was responsible for communicating with the Provider Lawyer concerning an on-going legal matter, the Member should also advise the Provider Lawyer. If the Provider Lawyer is not made aware of Designated Spokesperson changes, the lawyer and firm are not responsible for any legal issue that may result.

B. **Availability of Services:** For any matter involving both the Member and an owner or Designated Spokesperson, only the Member may be entitled to Services. The Member is entitled to the Services outlined in this Contract only to the extent such Services are available and permitted by the laws of the province having jurisdiction over the legal matter.

C. **Entire Agreement:** This Contract and the Member's application shall constitute the entire contract between the parties.

D. **Provider Lawyer:** The Provider Lawyer is a lawyer or law firm who has contracted with the Company to provide the Services described in this Contract. This does not require all legal Services under the Contract to be performed by the Provider Lawyer. The Provider Lawyer or the Company, under certain circumstances, may refer matters to a referral lawyer ("Referral Lawyer"). Referral Lawyer and Provider Lawyer may collectively be referred to in this Contract as the Provider Lawyer. The Provider Lawyer may be contacted directly at the number provided on the membership card. Information as to how legal services may be obtained for this Contract is available by calling the Provider Lawyer or by writing the Company at P. O. Box 145, Ada, OK 74821-0145 or by calling the Company at 1-855-387-6316.

E. **First Nations Legal Issues Exclusion:** First Nation legal issues are excluded from Services. First Nation legal issues include, without limitation, legal, regulatory, judicial or administrative matters relating to any first nations, Metis and/or indigenous and/or aboriginal person(s), tribe(s), and/or band(s) of Canada or any person or group identifying themselves as such before federal, provincial, or municipal courts, quasi-judicial, regulatory or administrative authorities, tribunals, band councils, arbitrators or arbitration panels, judges or officers.

F. **Eligibility Period:** The Eligibility Period begins on the Effective Date of the Contract and terminates immediately in the event of cancellation by the Company or Member. In the event this Contract is cancelled, the Eligibility Period shall terminate on the date the Membership is no longer paid current.

G. **Membership Year:** Membership Year shall be defined as the period of time beginning on the Effective Date of the Contract, extending for a period of one year thereafter, and each one year period thereafter while this Contract is in force.

H. **General Exclusions:** The following items are specifically excluded from this Contract and shall not be interpreted as included Services under any provision of this Contract:

1. Any matter, issue, consultation, action, proceeding or dispute between the Member and any owner of the business. Any issue which raises or could raise a conflict between any owner or Designated Spokesperson and the Member or any issue between any owner and any Designated Spokesperson which affects the Member.

2. Fines, court costs, filing fees, ad litem fees, penalties, expert witness fees, bonds, bail bonds and out-of-pocket expenses.

3. Any person or entity who initiates or participates in a lawsuit against the Company or any of its subsidiaries or affiliates, or is named as a defendant or respondent in a lawsuit initiated by the Company or any of its subsidiaries or affiliates, shall be specifically excluded from receiving any of the legal services under any section of this Contract during the pendency of such lawsuit or until its resolution.

4. Any matter, issue, consultation, action, proceeding, lawsuit or dispute between the Member and the Provider Lawyer or the Member and the Company.

5. Any matter which the Provider Lawyer determines is resolved or has been raised an unreasonable number of times without substantial change of circumstance.

6. Any matters which are covered by any insurance policy.

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I. **Lawyer-Client Contract and Representation:** Any Services which require payment of anticipated costs shall be subject to the terms of a Lawyer-Client Contract. This Lawyer-Client Contract is to be agreed upon by the Member and the Provider Lawyer prior to the time Services are rendered. All retainers and anticipated costs to be incurred shall be the sole discretion of the Provider Lawyer. When applicable, eligibility for receipt of Services under the Contract is contingent upon payment of such retainers and anticipated costs prior to commencement of legal representation. All Services and legal representation will be limited to those available under this Contract and the Provider Lawyer has no duty or relationship beyond the specified Services.

J. **Provider Lawyer's Professional Judgment:** It is within the sole discretion of the Provider Lawyer to determine whether to bring or defend a proceeding, or assert or controvert any issue therein, in any instance where the Provider Lawyer reasonably believes the matter is frivolous, unmeritorious or where the Provider Lawyer can not put forth a good faith argument for an extension, modification or reversal of existing law. The Provider Lawyer will make the decision whether to take any contingency case or to appeal any judgment or decision. The Provider Lawyer reserves the right to make independent professional judgments. The Provider Lawyer will use his/her professional expertise to the fullest benefit of his/her client's cause and nothing in this Contract shall be construed as compelling the Provider Lawyer to use a legal procedure in a manner contrary to the Code of Professional Conduct or other rules which the Provider Lawyer is bound by.

K. **Examination Right:** The Member shall have 10 days after delivery to examine the Contract. If not satisfied for any reason, the Member may send written notice rescinding the Contract and have the paid membership fee refunded. Upon the delivery of written notice of rescission of the Contract to the Company within 10 days of delivery, the Contract shall be void from the beginning and the parties shall be in the same position as if this Contract had not been issued.

L. **Cancellation of Contract:** The Member may cancel the Contract at any time by giving notice to the Company by the Designated Spokesperson with legal authority to bind the membership. Upon written request, the Member shall be entitled to be reimbursed by the Company the unused portion of the membership fees paid for this Contract, the amount to be calculated on a pro-rata basis. The Company may cancel this Contract by giving the Member a 30 day written notice at the Member's address according to the records of the Company. In the event of cancellation by the Company, Services will only be provided for those matters reported in writing to the Provider Lawyer during the Eligibility Period. The Company may cancel this Contract for fraud, or intentional misrepresentation of any facts in the application form or of any matter submitted to the Provider Lawyer, an attempt to utilize services for a person or entity not eligible for services pursuant to this Contract, for non-payment of membership fees or if the Provider Lawyer determines, in his/her Professional Judgment, the Member is unable, unwilling or incapable of accepting or understanding legal advice and services. All Services will automatically terminate at the end of the Eligibility Period.

M. **Settlement of Disputes:** In the event of a dispute and in an effort to facilitate early resolution thereof, the parties hereby agree to submit said dispute to binding arbitration. The arbitration shall be conducted pursuant to the rules of the general provincial legislation governing arbitration in the province of the principal place of business of the Member and the unsuccessful party shall be responsible for the lawyer's fees of the prevailing party.

N. **Duplication of Coverage:** Services shall be provided under the section the Provider Lawyer determines is most relevant to the existing legal need. The Services contained in this Contract are mutually exclusive and coverage will not be provided under more than one Service for any legal matter. Those covered may not secure services from the Provider Lawyer for the same matter under more than one Company Contract, regardless of the number of such contracts owned.

O. **Mutual Cooperation:** The Member shall cooperate with the Provider Lawyer for the effective provision of legal services and at all times conduct the relationship with professionalism and mutual respect.

P. **Change of Contract:** No change in the Contract shall be valid until approved by an officer of the Company and unless such change is endorsed on or attached to the Contract. No agent or sales associate has authority to change the Contract or to waive any of its provisions. A 30 day notice will be given should there be any change in this Contract.

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Q. **Reinstatement Procedure:** The Member may seek to reinstate this Contract after cancellation if the contract is still offered by the Company. The Company, at its sole discretion, may reinstate this Contract upon payment by the Member of the appropriate fee. The Effective Date of the reinstatement and availability of Services shall be the date the reinstatement is accepted and processed by the Company. Services are not available for any act or occurrence during the lapse period.

R. **Change in Fees:** The Company reserves the right to change the established membership fee for this membership. Changes in the membership fee will only occur after the current payment period has expired. Should the membership fee be changed, the Member will be given a 30 day written notice at its principal place of business according to the records of the Company.

S. **Severability:** If any provision of this Contract is deemed invalid or unenforceable in any respect, such provision shall be, to the extent possible, reformed to make it effective. If any provision is deemed invalid and incapable of being reformed, it shall not impact the validity and enforceability of all other provisions of this Contract, which shall remain valid and enforceable.

T. **Subrogation:** If the Company or Provider Lawyer makes a payment under this Contract and the person to or for whom payment was made has a right to recover damages from another, the Company or Provider Lawyer shall be subrogated to that right.

U. **Release of Information:** Any Member, directly or by survey, submitting to the Company complaints about or inquiries concerning a Provider Lawyer's services, authorizes the Provider Lawyer to disclose to the Company any and all communications between the Member and the Provider Lawyer, including privileged and confidential information, in order to respond to such complaints or questions.

V. **Adequate and Timely Notice:** To be entitled to receive services under this Contract, the Member must submit to the Provider Lawyer adequate facts and documents in a timely manner in order to allow a lawyer time to review the facts and documents, enter into a retainer agreement with the Member when appropriate, and provide legal assistance as required by this Contract. Failure to timely submit adequate documents and facts to the Provider Lawyer shall render any obligation of the Provider Lawyer to enter an appearance in the matter, or to provide any other Services, null and void.

Jeff Bell
Chief Executive Officer
Pre-Paid Legal Services, Inc.

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