

BENEFIT AGREEMENT

This Agreement made and entered into this ____ day of _____, 2007 by and between Pre-Paid Legal Services, Inc. ("Pre-Paid"), One Pre-Paid Way, Ada, Oklahoma 74820, an Oklahoma corporation and County of Hidalgo, Texas, 100 East Cano, 4th Floor, Administration Building, Edinburg, Texas 78539, a Texas government entity.

WHEREAS, Pre-Paid Legal Services, Inc. is in the business of developing and marketing prepaid legal services and the identity theft shield; referred to as the "Pre-Paid Legal Plan" and

WHEREAS, the County of Hidalgo, Texas, desires to make available to their employees the Pre-Paid Legal Plan

THEREFORE, the parties agree as follows:

SERVICE OFFERING.

County of Hidalgo, Texas, will make available to all of their employees, as a payroll deduction benefit, The Pre-Paid Legal Plan outlined in Appendix A.

Pre-Paid Legal Services, Inc. will notify both the County of Hidalgo, Texas, and members of this group in writing any changes to the membership benefits thirty (30) days prior to the changes taking place.

SERVICE COST.

The monthly cost to the member for the outlined plans shall be as follows

Comprehensive Group Plan & Legal Shield	\$15.75
.. Group Family Plan, Legal Shield & Identity Theft Shield	\$25.70
. Identity Theft Shield (Stand-Alone)	\$12.95

The \$10 Pre-Paid Legal Plan enrollment fee shall be waived for all County of Hidalgo, Texas, employees enrolling as part of this group.

SERVICE ENROLLMENT.

Independent Associate of Pre-Paid Service, Inc. shall be assigned to provide assistance with all initial and new hire enrollments.

County of Hidalgo, Texas, employees may enroll or discontinue the Group Family Plan and Legal Shield at any time.

County of Hidalgo, Texas, employees may discontinue the Identity Theft Plan at any time, but may not re-enroll until one year after their cancellation date.

When notified by the County of Hidalgo, Texas, that an employee will be taking a leave of absence, a payment option form will be mailed to the member at their home address. By completing and returning this form, the member may elect to continue the services through a monthly credit card or bank draft payment.

SERVICE BILLING.

Pre-Paid Legal Service, Inc. shall bill County of Hidalgo, Texas, each month for the membership fees due for each active member and County of Hidalgo, Texas, shall remit such funds to Pre-Paid Legal Service, Inc.

Payroll deductions will begin in _____ and the effective date of all memberships will be determined by County of Hidalgo, Texas, management in accordance with their benefits enrollment schedule. The effective date is defined as the first day the member is eligible for benefits.

SERVICE TERM.

The term of this Agreement shall be for one year, however, this Agreement will automatically renew each year for an additional one year term unless cancelled by either party prior to the renewal date.

This Agreement may be terminated by either party upon 30 days notice to the other party.

Notice under this Agreement shall be to the following individuals:

Honorable J.D. Salinas, III
County Judge
County of Hidalgo, Texas
100 East Cano, 4th Floor, Administration Building
Edinburg, Texas 78539

Ms. Kathy Pinson
Vice President of Regulatory Compliance
Pre-Paid Legal Services, Inc.
One Pre-Paid Way
Ada, Oklahoma 74820

County of Hidalgo, Texas

Pre-Paid Legal Services, Inc.

J.D. Salinas, III, County Judge

Kathy Pinson, Vice President of Compliance

Date

Date



Dear PRE-PAID LEGAL SERVICES, INC. Member:

In consideration of your payment of the membership fee and your abiding by the terms and conditions of this Contract and any attached endorsements, you will receive the herein contained benefits. Such benefits will be provided by attorneys designated by the Company, who are duly licensed, practicing attorneys (referred to as the Provider Attorney). This Contract covers legal matters within the State of the Named Member's primary residence. For legal matters that arise within the United States and outside of the member's primary residence, the Provider Attorney will assign an attorney who is duly licensed to practice law in the jurisdiction of the legal matter to provide benefits under this Contract.

BENEFIT I: UNLIMITED TOLL-FREE TELEPHONE CONSULTATIONS

The Covered Person may receive unlimited toll-free telephone consultations concerning any legal matter, be it personal and/or business, to the extent that the Provider Attorney deems it necessary to adequately advise the Covered Person on the legal matter. Additionally, if, in the Provider Attorney's judgment, the legal matter cannot be adequately addressed during the telephone consultation, the Provider Attorney will provide up to one (1) hour of legal research concerning the matter. For this consultation and advice, the Covered Person may call the appropriate telephone number listed on the membership card during regular office hours, except on holidays.

BENEFIT II. PHONE CALLS AND LETTERS ON YOUR BEHALF

If the consulting Provider Attorney, in his/her sole discretion, determines from the toll-free consultation with the Covered Person that either a telephone call or a letter would be of further assistance to the Covered Person, then in that event, the first such letter or telephone call for each non-related personal legal subject matter per membership year will be written or made on behalf of the Covered Person. The Covered Person is also entitled to a maximum of two (2) such letters or phone calls per membership year on business legal matters with no more than one per subject matter. Any additional telephone calls or letters from the Provider Attorney after the first one per subject per membership year will be provided at a discount of twenty-five percent (25%) from the Provider Attorney's standard hourly rate.

BENEFIT III. CONTRACT AND DOCUMENT REVIEW

The Covered Person may have reviewed by the Provider Attorney, any personal legal document of ten (10) pages or less in which the Covered Person is a contracting party. Additionally, the Covered Person may have reviewed one (1) business legal document of ten (10) pages or less, per membership year, in which the Covered Person is signing on behalf of the business so long as the business is a sole proprietorship owned by the Covered Person. The Covered Person shall mail a copy of the document to be reviewed, retaining the original, together with his/her telephone number, to the Provider Attorney. Provider Attorney will review the copy and thereafter advise the Covered Person by telephone.

BENEFIT IV. MORTGAGE DOCUMENT ASSISTANCE

The Named Member and Named Member's spouse are entitled to have any and all mortgage loan documents, as may be required by the lending institution and not otherwise provided or prepared by the seller, lender or other third party, prepared by the Provider Attorney, as required by state law. All information necessary for the preparation of the documents must be provided to the Provider Attorney at least three business days prior to the closing date. Legal services under this Benefit are available once each membership year for the Named Member's primary residence. Any documents prepared by a third party may be reviewed by the Provider Attorney prior to closing, provided they are submitted to the Provider Attorney at least three business days prior to the closing date. This benefit does not include review of the Abstract and preparation of a Title Opinion thereon nor the Provider Attorney's presence at closing. Any and all costs and expenses payable in connection with the loan; any and all costs and expenses required to be paid by the lender in advance; benefit charges; recording/transfer charges; survey and pest inspection charges; attorney, notary, closing charges, and any other settlement charge required by law to be disclosed in a settlement statement prepared in accordance with state law will be the sole responsibility of the Named Member and/or Named Member's spouse.

BENEFIT V. UNCONTESTED SEPARATION

The Named Member is entitled to representation by the Provider Attorney for an uncontested legal separation or uncontested civil annulment if available in the state of the Named Member's primary residence. Uncontested separation is defined as a separation where neither the Named Member or Named Member's spouse is represented by separate counsel and all issues are agreed upon in writing by the parties without negotiation by the Provider Attorney. Benefits for a contested separation or contested civil annulment are available at a 25% discount from the Provider Attorney's standard hourly rate. If, in their sole discretion, the Provider Attorney determines an uncontested legal separation or uncontested annulment becomes contested, subsequent benefits will then be available at the 25% discount hourly rate. All court costs and fees are the sole responsibility of the Named Member and/or Named Member's spouse.

BENEFIT VI. UNCONTESTED DIVORCE

The Named Member is entitled to representation by the Provider Attorney for an uncontested divorce. Uncontested divorce is defined as a divorce where neither the Named Member or Named Member's spouse is represented by separate counsel and all issues are agreed upon by the parties, in writing, without the negotiation by the Provider Attorney, net material assets of the marriage are under \$100,000 and no division of retirement benefits is applicable. If the court with jurisdiction over the divorce action changes any term of an agreed upon decree, the divorce shall be considered Contested unless both parties to the divorce agree to accept the court's order. Preparation and filing of documents affecting the property ownership or encumbrances on property are not included. These services are provided at the 25% discount hourly rate. If, in their sole discretion, the Provider Attorney determines an uncontested divorce becomes contested, subsequent benefits will then be available at the 25% discount hourly rate. All court costs and fees are the sole responsibility of the Named Member and/or Named Member's spouse.

BENEFIT VII. UNCONTESTED ADOPTION

The Covered Person is entitled to an uncontested adoption. An uncontested adoption is defined as an adoption where all parties have agreed in writing to the adoption, all required consents are attainable and the adoption is not contested or challenged. If in their sole discretion the Provider Attorney determines an uncontested adoption becomes contested, subsequent benefits will be available at the 25% discount hourly rate. All court costs and fees are the sole responsibility of the covered person. Guardianship proceedings are specifically excluded under this benefit.

BENEFIT VIII. UNCONTESTED NAME CHANGE

The Covered Person is entitled to an uncontested name change prepared by the Provider Attorney. Uncontested name change is defined as a name change where all consents are attainable and the name change is not contested or challenged. This benefits includes the preparation for and attendance, if required, at the initial hearing to obtain the change in name. Preparation for and work required for the publication are

available at the 25% discount hourly rate. All court costs and fees are the sole responsibility of the covered person.

BENEFIT IX. HEALTH CARE POWER OF ATTORNEY

The Named Member and Named Member's Spouse will be entitled to have a Health Care Power of Attorney prepared according to their instructions and which conforms to state law. Execution and storage of the Health Care Power of Attorney shall be the responsibility of the member. The Named Member and Named Member's Spouse shall be entitled once during each membership year, to have the Provider Attorney review his/her Health Care Power of Attorney to make any changes thereto which are necessary.

BENEFIT X. DIRECTIVE TO PHYSICIAN

The Named Member and Named Member's Spouse will be entitled to have a Directive to Physician / Living Will form prepared which conforms to state law. Execution and storage of the document shall be the responsibility of the Covered Person. The Named Member and Named Member's Spouse shall be entitled once during each membership year, to have the Provider Attorney review his/her Directive to Physician/Living Will to make any changes thereto which are necessary.

BENEFIT XI: WILL PREPARATION

The Covered Person is entitled to have a standard last will and testament prepared by the Provider Attorney. Trusts are available at the 25% discount hourly rate. Any Covered Person desiring a will should complete a Will Questionnaire and return it by mail to the Provider Attorney. Execution and Storage of the will shall be the sole responsibility of the Covered Person (Testator).

The Covered Person shall be entitled once during each membership year to have the Provider Attorney review his/her will and make any changes which are necessary. The Covered Person has the sole responsibility to initiate the annual review and such review rights do not accrue from year to year.

BENEFIT XII. MOTOR VEHICLE RELATED BENEFITS

Legal Services requested under Benefit XII are available fifteen (15) days after the effective date of this membership contract. Any matter arising or reasonably anticipated or foreseeable prior to the expiration of the fifteen (15) day waiting period shall be considered a pre-existing condition and will not be covered.

If the Covered Person, while driving any licensed, registered and insured motor vehicle, with the express consent and permission of the owner of said vehicle, shall have a collision or be charged with a moving traffic violation, the Covered Person will be entitled to the following services from the Provider Attorney, in the court of original jurisdiction.

A. Defense of all moving traffic violations during the membership year. The Provider Attorney must have five business days notice for court representation or benefits will not be available.

B. Defense of the Covered Person on any criminal charge for Manslaughter, Involuntary Manslaughter, Negligent Homicide, or Vehicular Homicide, arising from the permitted use of a motor vehicle.

C. A total of two and one-half (2-1/2) hours of attorney time in each of the following situations:

1. When the Covered Person has been denied a driver's license or a driver's license has been cancelled, suspended or revoked by the Department of Public Safety or the Department of Motor Vehicles in a situation where a right to appeal is provided by statute.
2. When legal assistance is needed to reinstate or maintain a driver's license because of job related matters.
3. When legal assistance is needed to reinstate or maintain a driver's license because of medical

reasons.

D. Provider Attorney will provide a Covered Person with assistance up to, but not including, the filing of a lawsuit, to collect all personal injury and property damage claims of \$2,000.00 or less for personal injuries or property damages received as a result of the Covered Person driving, riding in, or being struck by any motor vehicle or boat. Such assistance is limited to two and one-half (2-1/2) hours of attorney time per claim.

E. Exclusions:

1. Pre-existing conditions as defined in the General Provisions of this Contract.
2. Any matter in which it is alleged that the Covered Person is under the influence of or impaired by the use of alcohol, intoxicants, controlled substances, chemicals or medicines, whether prescribed or not.
3. Any claim or defense which in the opinion of the Provider Attorney appears to be frivolous or groundless.
4. Any traffic tickets received while driving a commercial vehicle. A commercial vehicle is defined as any vehicle with more than two (2) axles and with a gross vehicle weight exceeding 7,500 pounds.
5. Hit and Run related charges, leaving the scene of an accident or similar charges.
6. Charges where the Covered Person is driving without a valid operator's license, statutorily required insurance, proper registration or inspection.

BENEFIT XIII: TRIAL DEFENSE BENEFIT

A. If the Named Member or Named Member's spouse is the named defendant in a covered civil action or in a covered criminal action as defined herein, filed in a state or federal district court, the Provider Attorney will provide benefits according to the following schedule. For the specified Covered Person to receive legal services under this Benefit, the criminal action must be one which arises as a result of the Covered Person's conduct within the scope of his or her legal employment.

B. During the first membership year, the legal services under this Benefit shall be limited to the provision of a total of sixty (60) hours of attorney time. Of that total of sixty (60) hours, a maximum of two and one-half (2-1/2) hours will be provided for any and all legal services rendered in defense of the covered lawsuit prior to its actual trial, such as conferences with associated parties and their attorneys or agents, telephone conversations or other efforts to settle cases, pre-trial conferences, settlement conferences prior to trial, court appearances, interrogatories, depositions, briefs and pleadings.

Total benefits provided under the Trial Defense Benefit shall not exceed the annual aggregate per membership amount of 60 hours the first membership year.

C. In each subsequent membership year, the legal services available under this Benefit increase as follows:

1. Second membership year: 120 hours of trial time, which includes 3 hours of pre-trial time.
2. Third membership year: 180 hours of trial time, which includes 3-1/2 hours of pre-trial time.
3. Fourth membership year: 240 hours of trial time, which includes 4 hours of pre-trial time.
4. Fifth membership year: 300 hours of trial time, which includes 4-1/2 hours of pre-trial time.

D. Exclusions:

1. This Benefit does not cover defense of claims or charges relating to alcohol, drugs, substance abuse, chemical abuse or dependency or the use of medicines, whether prescribed or not, hit and run charges or leaving the scene of an accident.
2. This Benefit does not cover any criminal or civil charge against the Covered Person which arises as a result of the ownership, management or association with a business, partnership or corporation. This does not exclude lawsuits filed as a result of your direct action necessary to employment, ownership or association. Example: A suit filed against a store owner who removed an irate customer disturbing the normal flow of business would be covered.
3. This Benefit provides legal services for only the Named Member and Named Member's spouse permanently residing with Named Member. Dependents are not covered by this Trial Defense Benefit.
4. This Benefit does not provide for assistance in matters relating to dissolution of marriage, separation, annulment, child custody or other divorce or domestic related matters, to bankruptcy proceedings, or any other matters for which benefits are provided under Benefits XII and XIV of this Contract.
5. Class actions or interventions or amicus curiae filings or class actions filed in which the Covered Person is a party or potential party are excluded.
6. Pre-existing conditions are excluded under this Benefit. Pre-existing conditions are defined as those acts which give rise to a lawsuit which are alleged to have occurred prior to the Covered Person's enrollment, even though the lawsuit was not filed until after such date.
7. Any claims, defense, or legal position which, in the opinion of Provider Attorney, will not prevail in court.
8. Any claim or defense which in the opinion of Provider Attorney appears to be frivolous or groundless.
9. Any civil or criminal charge against the Covered Person while driving a commercial vehicle with more than two (2) axles will be excluded under this benefit.
10. This Benefit does not cover garnishment, attachment or any other postjudgment relief action. The Provider Attorney will provide services in accordance with the Contract up to the point of final judgment by court of record.

BENEFIT XIV: IRS AUDIT PROTECTION SERVICE

A. The Covered Person will receive up to fifty (50) hours of professional services from the Provider Attorney when he/she is notified in writing by the Internal Revenue Service (IRS) of an audit of his tax return or when he/she is requested, in writing, to appear at the offices of the IRS concerning his/her tax return.

B. Coverage begins with the return due on April 15 of the year this Contract is effective.

C. Legal services to be provided as follows:

1. Up to one (1) hour of professional services from the Provider Attorney within the first thirty (30) days for consultation, advice and/or assistance, upon receipt of written notice from the IRS that the Covered Person's tax return is being audited or when requested in writing to appear at the offices of the IRS concerning his tax return.
2. Up to two and one-half (2-1/2) hours beginning on the thirty-first (31) day for representation at the audit and for negotiations, conferences, and telephone conversations with the attorney and/or

professionals, and settlement conferences subsequent thereto, but prior to a lawsuit.

3. Up to the balance of forty-six and one-half (46-1/2) hours in professional time or services for actual trial appearance when the IRS sues the Covered Person or, after paying the disputed tax, the Covered Person sues the IRS.

D. Exclusions:

1. Garnishment, attachment or any other post-judgment relief action.
2. Class actions or interventions or amicus curiae filings.
3. Charges of tax fraud or income tax evasion.
4. Trust returns, business and/or corporate tax returns, payroll and information returns, partnerships, corporation returns or portions thereof that are included in the Covered Person's tax returns.
5. Pre-existing conditions - Those the Covered Person has been notified of by the IRS prior to the enrollment.
6. Services rendered by an enrolled agent are not coverable.
7. Requests by the IRS asking for additional information to be supplied by mail or telephone before written notification of an audit is received.

BENEFIT XV. IN-OFFICE CONSULTATION

The Named Member and/or Named Member's Spouse are entitled to one hour of in-office consultation per membership year at the main office of the Provider Attorney.

BENEFIT XVI: ALL OTHER LEGAL WORK

The Covered Person will receive all other legal work at a twenty-five percent (25%) discount from the Provider Attorney's standard hourly rate for representation.

All the above benefits are a part of and are subject to all General Provisions of this Contract.

GENERAL PROVISIONS

A. Covered Person Shall Include:

1. The person executing this Contract, who shall be a natural person, the "Named Member".
2. The Named Member's spouse.
3. Any unmarried dependent children of the Named Member or Named Member's spouse under 21 years of age who are permanent residents of the Named Member's household. The term unmarried for the purpose of this Contract is defined as persons who have never been married.
4. Any child under 18 years of age for whom the Member is the legal guardian.
5. Any unmarried dependent children of the Named Member or spouse under 23 years of age who are full-time students.
6. Any dependent child, regardless of age, who is incapable of sustaining employment by reason

of mental or physical disability and is chiefly dependent upon the Named Member for support.

7. The term dependent for the purpose of this Contract is defined as the natural or adopted child of the Named Member or Named Member's Spouse unless otherwise specified in this Contract.

B. Licensed Motor Vehicle: Any properly licensed motor vehicle, except commercial vehicles with more than two (2) axles.

C. Pre-existing Conditions: Pre-existing conditions under the terms of this Contract mean acts or occurrences that existed or conditions which were reasonably anticipated or foreseeable prior to the Covered Person's enrollment. Pre-existing conditions are also defined as those acts which give rise to the issuance of a citation for a moving violation and which are alleged to have occurred prior to fifteen (15) days after the effective date of the membership contract, even though the citation might not be issued until after fifteen (15) days following the effective date of the membership.

D. Documents: The Provider Attorney may require the Covered Person to submit any documents and written authorizations as it may deem necessary or appropriate prior to rendering any legal services called for pursuant to the Contract.

E. Specific Exclusions: The following items are specifically excluded and shall not be interpreted as included benefits:

1. Any action, proceeding or dispute relating to the Named Member's employment.
2. Any action, proceeding or dispute between the Covered Person and the Provider Attorney.
3. All acts or omissions otherwise giving rise to coverage if such acts or omissions were performed in the commission of any crime under any municipal ordinance or state or federal statute, except as otherwise specifically provided for and covered under Titles XII and XIII of this Contract. This exclusion does not apply to legal services provided under Titles I or XVI of this Contract.
4. Fines, court costs, penalties, expert witness fees, bonds, bail bonds, any out-of-pocket expense, and any matter which the Provider Attorney determines is raised an inordinate or unreasonable number of times without substantial change of circumstances.
5. Any representation or legal services not specifically provided for under the titles and provisions of this contract. Other than such benefits specifically stated herein, the provider attorney is not responsible for nor has any duty to perform any further legal services or representation. All services and representation will be limited to those benefits provided for herein.
6. Any person or entity who initiates or participates in a lawsuit against Pre-Paid Legal Services, Inc., or any of its subsidiaries, officers, directors, or employees for their actions in such capacity, or its provider attorneys or any of their employees in such capacity, or who is named as a defendant or respondent in a lawsuit initiated by Pre-Paid Legal Services, Inc., or any of its subsidiaries, or provider attorneys, shall be specifically excluded from receiving coverage under any Benefit of this Contract during the pendency of such lawsuit or until its resolution.

F. Attorney Client Contract: All benefits provided under any Benefit herein, except Benefit I, shall be subject to the terms of an Attorney-Client Contract to be executed by the Covered Person prior to the time services are rendered, which contract shall require payment of anticipated costs and payment of a retainer to the Provider Attorney to cover reasonably anticipated legal services not covered by this Contract. All determinations of retainers and anticipated costs to be incurred shall be made in the sole discretion of the Provider Attorney, and eligibility for receipt of benefits hereunder is contingent upon payment of same prior to commencement of legal representation by Provider Attorney.

G. Provider Attorney: Provider Attorney is defined as a law firm designated by Pre-Paid Legal Services, Inc. to provide the benefits described in this Contract. The Provider Attorney may be contacted directly at the number provided on your membership card. Information as to how legal services may be obtained is available by calling your Provider Attorney or by writing the Company at P.O. Box 145 Ada, OK 74821-0145 or by calling the Company at 1-800-654-7757.

H. Territory: This Contract provides services within the United States.

I. Eligibility Period: The eligibility period begins on the effective date of the Contract and terminates immediately in the event of cancellation by the Company for fraud. Should the member cancel the Contract, either in writing or by non-payment of membership fees, the eligibility period shall terminate on either the date the Company receives notice of cancellation or on the due date of the last payment.

J. Availability of Benefits: Not all benefit provisions are available in every state. A Covered Person is entitled to the benefits outlined in this Contract only to the extent such benefit is available and permitted by the laws of the state having jurisdiction over the legal matter.

K. 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.

L. Settlement of Disputes/Arbitration: Any and all disputes between any Covered Person and the Company or any of its affiliates and/or the Provider Attorney and/or any of its affiliates shall be submitted to binding arbitration in Oklahoma, pursuant to the terms and provisions of the American Arbitration Association.

M. Duplication of Coverage: A member may not secure services from the Attorney Provider for the same matter under more than one of the Company's or its subsidiaries' or affiliates' contracts, no matter how many such contracts the member owns. Once a Covered Person has been determined to be entitled to legal services under any Benefit of this Contract, the Covered Person shall communicate only with the specific attorney or attorneys handling those legal services rather than utilizing the legal services available under any other Benefit for that legal matter. This limitation is provided to facilitate the most effective representation of the Covered Person.

N. 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 thirty (30) day notice will be given should there be any change in this Contract.

O. Cancellation of Contract: The Company will not cancel this Contract for any reason other than fraud or non-payment of member fees. This Contract will be cancelled immediately for fraud. All benefits will automatically terminate at the end of the eligibility period. The member may cancel the Contract at any time by giving written notice to the Company. 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 over the period of the Contract. Any enrollment fees are considered earned when paid and will not be refunded should this Contract be cancelled by the member. In the event of cancellation by the Company, only those events reported in writing to the Provider Attorney during the eligibility period are covered.

P. Provider Attorney's Professional Judgment: It is within the sole discretion of the Provider Attorney to determine whether claims or defenses pertaining to any matter under any Title of this Contract presents a frivolous or otherwise unmeritorious claim or defense including decisions to appeal any judgment or decision, and the Provider Attorneys reserve the right to make independent professional judgments regarding presentation of same. The Company will in no way influence or attempt to affect the rendering of professional services of the Provider Attorney, that prerogative being reserved by the Provider Attorney.

Q. Renewal Procedure: The Company, at its option, may renew this Contract upon payment by the

member of the appropriate fee, without change in the member's contract.

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 thirty (30) day written notice at the member's address according to the records of the Company.

S. The Company: Any reference to the "Company" in this Contract refers to Pre-Paid Legal Services, Inc.

T. Attorney of Choice: If the Covered Person wishes to secure the services of an attorney of his/her choice for any matter arising under this Contract, the Covered Person must contact the Provider Attorney before contacting the attorney of his/her choice. The Provider Attorney and the attorney of choice shall enter into a contract before services are rendered, such contract setting forth the fees to be paid by the Provider Attorney to the attorney of choice which fees shall be the normal capitated rate paid to the Provider Attorney. If the attorney of choice accepts such contract, the Covered Person will be responsible to the attorney of choice secured by the Covered Person for any charges other than those covered by the normal capitated rate paid by the Provider Attorney to the attorney of choice.

U. Subrogation: If the Company 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 shall be subrogated to that right.

V. Release of Information: Any Covered Person, directly or by survey, submitting to the Company complaints about or inquiries concerning a Provider Attorney's services, authorizes the Provider Attorney to disclose to the Company any and all communications between the Covered Person and the Provider Attorney, including privileged and confidential information, in order to respond to such complaint or question.

W. Adequate and Timely Notice: To be entitled to receive benefits under this Contract, the Covered Person must submit to the Provider Attorney adequate facts and documents in a timely manner in order to allow an attorney time to review the facts and documents, enter into a retainer agreement with the Covered Person when appropriate, and provide legal assistance as required by this Contract. This includes, as a minimum, that traffic tickets must be submitted at least three (3) working days prior to the appearance date, and all litigation must be submitted for defense benefits at least five (5) working days prior to the date any answer or other responsive pleading is due to be filed and at least five (5) working days before any scheduled court hearing. Failure to timely submit adequate documents and facts to the Provider Attorney shall render any obligation of the Provider Attorney to enter an appearance in the matter, or to provide any other benefits, null and void.

X. Entire Contract: This contract and the application of the member shall constitute the entire contract between the parties. All statements, in the absence of fraud, made by the applicant for this Contract shall be deemed representations and not warranties and no such statements shall void the coverage or reduce benefits hereunder after the Contract has been in force for two years after its effective date, unless such statement is in a written application attached to this Contract and a statement is material to the risk assumed by the Company.

Y. Payments of Membership Fees: The membership fees shall be \$14.75 monthly or \$179.40 on an annual basis.

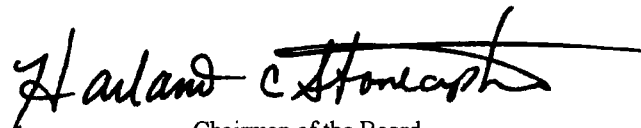
Z. Examination Right: The member shall have seven (7) days after delivery to examine the Contract and, if the member is not satisfied with it for any reason, the member may return the contract and have the paid membership fees refunded. Upon return of the Contract to the Company or the agent through whom it was purchased, within seven(7) 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.

AA. Reinstatement: This Contract may be reinstated at any time within thirty-one (31) days of cancellation, with full rights and coverages, provided the Named Member remits to the company within the thirty-one (31) day period all membership fees necessary to pay the Contract to a current status. The Contract may be reinstated at any time after the thirty-one (31) day cancellation date provided the Named Member (i) remits the current membership fees due, (ii) has remitted promptly in the past, (iii) has not previously cancelled his membership and requested reinstatement, and (iv) has not, in the past, made unreasonable demands, as determined by the sole discretion

of the Company, on the Provider Attorney for representation. In the event the membership is reinstated after thirty-one (31) days, the Named Member shall receive the Contract which is then currently on file with the Texas Department of Licensing and Regulation.

BB. Relocation to Another State: Should the member move to another state, this Contract will terminate; provided, however, that upon request of the member, the Company will transfer the member's contract to one available in that state, if any.

CC. Legal Service Contract: Pre-Paid Legal Services, Inc., is a registered legal service contract company in the State of Texas. This legal service contract is not an insurance contract. Legal service contract companies and their sales representatives are regulated by the Texas Department of Licensing and Regulation (DLR). You may contact the DLR at P.O. Box 12157, Austin, TX 78711, telephone 512-463-6599, toll-free 800-803-9202 or legalservicecontract@license.state.tx.us.


Chairman of the Board