



## ARAG<sup>®</sup> Attorney Agreement

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The Attorney Agreement (Agreement) is between ARAG, LLC; ARAG Insurance Company and ARAG Services, LLC (collectively as “ARAG”) and the applicant Attorney.

**Definitions** as used in this Agreement and its addenda

“Client” a person who is entitled to Covered or Non-Covered legal services under a legal plan or an insurance policy administered by ARAG or an affiliate.

“Covered” legal services for a Client that are paid either partially or fully by ARAG under a legal plan.

“Non-Covered” legal services for which coverage is not paid by ARAG.

“Network Attorney” an attorney (this term will embrace the term ‘lawyer’ in Canadian use) who:

- (a) is an active member of the State Bar in good standing;
- (b) maintains a law office and is regularly engaged in the practice of law;
- (c) maintains insurance coverage under a professional liability policy providing limits of not less than \$100,000 per incident and \$300,000 aggregate per year;
- (d) is willing to provide at least a 25% reduction from the attorney’s normal rate on all non-excluded, Non-Covered legal matters;
- (e) is willing to provide a free initial consultation to all Clients on Non-Covered legal matters;
- (f) completes and delivers a signed Application to ARAG;
- (g) is accepted as a Network Attorney by ARAG as indicated by inclusion of the Attorney’s contact information in ARAG’s Attorney Directory online; and,
- (h) agrees to accept the Covered legal matters noted on his/her application or as updated on his/her ARAG profile.

“State Bar” includes the attorney regulatory body (including Law Societies in Canada) of any jurisdiction in which the attorney maintains an office for the practice of law.

### Section 1. Obligations of a Network Attorney

#### A. Notification of Change of Information or Status

Network Attorney will immediately notify ARAG of any change of address, telephone number, e-mail address, or any change of actual or impending circumstances that might affect his/her status as an attorney, including but not limited to: any lapse in the required insurance coverage, any change in the attorney’s licensing or State Bar standing, and any complaints filed with a disciplinary committee or State Bar of any state or province. Network Attorney will update his/her ARAG profile to accurately reflect the legal matters, whether Covered or Non-Covered, that he/she will accept.

#### B. Representation

Network Attorney will accept each Client who requests services or who is referred to him/her and give that Client prompt professional service. Nevertheless, the Network Attorney may reject a Client on reasonable grounds, which may include referral of a legal matter not noted by the Network Attorney on his/her application or updated ARAG profile. The Network Attorney will not reject any Client as a result of the amount of fees Network Attorney may receive under the terms of the program.



Network Attorney will not withdraw from representation until he/she takes reasonable steps to avoid prejudice to the rights of Client. The Network Attorney will allow time for employment of other counsel, deliver all papers and property to the Client that the client is entitled to receive, and comply with all applicable laws and rules.

If Network Attorney rejects an eligible Client or withdraws from further representation of an eligible Client, Network Attorney will promptly report to ARAG the reason for the rejection or withdrawal. (The Network Attorney will encourage the Client to call ARAG regarding further eligibility for services.)

If Network Attorney does not feel he/she has the expertise required to assist a Client or feels that referral to another attorney is necessary to best serve the interests of the Client, Network Attorney will direct Client to call ARAG regarding coverage rather than referring the Client to another attorney.

If the Network Attorney determines that the matter for which the Client seeks assistance is a Covered matter, and the Network Attorney has not indicated in his/her application or updated ARAG profile that he/she handles Covered matters, then he/she will refer Client to ARAG for coverage information. Before undertaking representation of a Client where the Client will be charged by the Network Attorney, the Network Attorney will ensure that the matter is Non-Covered and then will charge the Client only the appropriate reduced rate.

Network Attorney is not to accept representation regarding any action, proceeding, dispute or any matter against: ARAG, the policyholder, the client's employer, the client's employee benefit plan providers or any vendor providing services to client's employer-provided benefit plan, regardless of who pays for that representation.

Network Attorney will defend, indemnify and hold ARAG and Plan Sponsors harmless from any liability or alleged liability which arises out of the acts, omissions fraud or abusive behavior of the Network Attorney in the performance of services. "Liability" includes, without limitation, all costs and expenses incurred, including reasonable attorney's fees and court costs. "Alleged Liability" includes all claims and demands.

### **C. Records**

Network Attorney will keep accurate and current books and records concerning each eligible Client advised or represented, the subject on which advice was given or representation offered or provided, the length of any conferences, the amount of time spent by the Network Attorney in providing advice or representation, the disposition of the matter, and any charges made to the eligible Client for legal services other than Covered services. Each Network Attorney will make such books and records available to ARAG at reasonable times. Nothing in this Agreement will require Network Attorney to reveal any confidential attorney-client information. Network Attorney acknowledges that ARAG may have a fiduciary and/or regulatory obligation to access information within Client files to adequately administer payments under insurance and ERISA qualified legal plans and, to the extent that Client interests are not prejudiced by doing so, agrees to seek waivers from Clients, where necessary, to assist ARAG in meeting these obligations. Any information revealed to ARAG will not be disclosed without proper authorization.

### **D. Publicizing Status**

Network Attorney will not promote or publicize his or her status as a Network Attorney, except as permitted by ARAG and the Code of Professional Responsibility of the State Bar. ARAG assumes no obligation for publication, referral or promotion of attorney's status as a Network Attorney.



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## Section 2. Obligations of ARAG

### A. Referral

Network Attorneys are not part of a referral system. Procedures for informing Clients of the availability of Network Attorneys to provide services under ARAG's legal plans will comply with professional rules of conduct and ethics.

### B. Representation of Other Persons

Each Network Attorney is free to serve persons other than Clients, as defined in this agreement, and to otherwise conduct his/her practice of law without the interference or control of ARAG.

### C. Sharing Compensation

No third party (other than a partnership or legal service corporation of which Network Attorney is a member) will receive any part of the fees paid to Network Attorney for furnishing legal services pursuant to any legal plan referred to above, except as to legal work which is shared with another attorney.

### D. Interference

ARAG will not interfere with or control the performance of the duties of Network Attorney to the Client.

## Section 3. Legal Service Fees

### A. Payments for Non-Covered Services

Each Network Attorney will provide Non-Covered legal services under the program with a free initial consultation, with at least a 25% reduction and will calculate that reduction from his/her normal rates. The Network Attorney agrees to cooperate with ARAG by providing information on his/her normal rates. The Network Attorney certifies that the fee he/she charges an ARAG Client is truly a reduction from his/her normal fee for similar matters. The Network Attorney also agrees to notify ARAG immediately should his/her rate change. Network Attorney represents and warrants that the normal and reduced rate information supplied by Network Attorney to ARAG is accurate, and that any changes will be promptly communicated to ARAG and will apply only to Clients who contract for services subsequent to the posting of such changed rates with new matters. Network Attorneys who provide services under the reduced rate program will be paid directly by the Client. ARAG will not be responsible for any fees or collection under this program.

Network Attorneys are allowed to bill Client subject to the exclusions, rules and conditions of payment in the following documents: this agreement and the plan descriptions. This Agreement limits the terms of payment and the maximum fee that may be billed to Clients by Network Attorneys for services rendered. Wording of specific plans or policies will determine exclusions.

### B. Payments for Covered Services

Network Attorney accepts the amounts listed in the fee schedule as payment in full for Covered services to Clients and will make no additional charges to the Client for attorney's fees unless the plan description allows. To the extent that benefits do not provide for filing fees, court costs, reporters' fees and other miscellaneous costs in any proceeding, a Network Attorney is entitled to obtain reimbursement from the Client for out-of-pocket expenses. Covered services may not be combined for any one matter to increase maximum fees.

Network Attorneys who provide Covered services under the program will be paid directly by ARAG upon submission of claims in acceptable form. Network Attorneys will be paid subject to the exclusions, rules and



conditions of payment in the following documents: this Agreement, the reimbursement or fee schedule and the plan descriptions. This Agreement limits the terms of payment and the maximum fee that may be received by a

Network Attorney for services rendered to beneficiaries of ARAG plans. Wording of specific plans or policies will determine exclusions, coverage limitations and eligibility of Clients for Covered services.

Under no circumstances will a Network Attorney seek payment from a Client for Covered services that are provided under an ARAG plan or policy on a paid-in-full basis.

### **C. Fee Agreement**

This Agreement takes precedence over any other fee agreement between a Network Attorney and Client.

Each Network Attorney will provide ARAG Clients with a written fee agreement for non-Covered matters. Under no circumstances will a Network Attorney seek payment from a Client for Covered services that are provided under an ARAG plan or policy on a paid-in-full basis.

In the event that a plan sponsor terminates its relationship with ARAG prior to the conclusion of a Covered or Non-covered representation and that legal matter was initiated prior to the date such termination became effective, the Network Attorney will continue to provide services in accordance with the pre-termination coverage terms until the conclusion of the legal matter.

## **Section 4. Additional Terms**

### **A. Termination**

An attorney's status as a Network Attorney may be terminated at any time by Attorney or by ARAG. Notice will be in writing, and become effective upon receipt by the other party.

In the event of expulsion, resignation or withdrawal, the Network Attorney will still be bound by the obligations specified in this Agreement with respect to completion of legal services undertaken before expulsion or resignation and payment for such services. The Network Attorney will not undertake representation of additional Clients without first informing them he/she is no longer a member of the ARAG Network.

### **B. Amendment**

This Agreement, the Fee Schedule, specific Policy Exclusions and Plan Descriptions are incorporated each is subject to revocation, amendment or other modification at any time by ARAG, but any such revocation, amendment or modification will not abridge rights accrued or obligations incurred prior to such action.

### **C. Mediation**

Parties agree that should a disagreement arise, they will use their best efforts to cooperate in finding an appropriate solution. In the event a solution cannot be found, the parties agree to participate in at least four hours of mediation in accordance with the mediation procedures of American Arbitration Association. The parties agree to share equally in the costs of the mediation. The mediation shall be administered by AAA in Des Moines, Iowa.



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**D. Non-waiver**

The failure of either party to enforce strict compliance with this Agreement, in whole or in part, or to exercise any right does not constitute a waiver of any other rights and will not be held to constitute a course of conduct or waiver of a subsequent breach of that or any other provision.

**E. Effect of Invalid or Unenforceable Provision**

If any provision of this Agreement is held to be invalid or unenforceable by reason of conflict with applicable law or regulation, the Agreement will be considered amended to the minimum extent necessary to give effect to the balance of the Agreement as if the offending provision(s) was not present.

**F. Governance**

This Agreement has been entered into and will be governed for all matters concerning validity, performance and interpretation under the laws of the State of Iowa.

**Attorney's Certification**

By signing the Attorney Application, I certify my agreement to be bound by the terms of the ARAG Attorney Agreement, Reimbursement Fee Schedule, Plan Descriptions, Specific Plan and Policy Exclusions and any subsequent revisions.