

# Diversify and Drive Revenue

## Five great reasons to align with us.

### 1. Increase profits with an additional revenue stream

- Upfront or as-earned commissions
- Average commission is \$120+ per life
- Commissions paid daily
- Residual income paid for the life of the account

### 2. Offer a product line in high demand (group legal care & IDT)

- Average participation rate is 60 – 70%
- Average retention rate is 75%
- Legal plan usage increased 67% in 2008
- 30% of Fortune 500 companies currently offer a group legal plan

### 3. Work with an experienced national account expert

- Dedicated corporate team
- National enrollment team
- Customized benefits communication and enrollment services

Demand is Rising	Competition is Increasing	Voluntary Benefits Are Increasing
<p>Legal services have been one of the <b>fastest growing voluntary benefits</b>, growing an average of more than 20% annually for the past several years.</p> <p style="text-align: right;">SHRM</p>	<p>"Brokers who maintain traditional offerings could experience up to 25% losses in revenue, progressively over the next 5 years."</p> <p style="text-align: right;">Benefits Selling</p>	<p>Cost-conscious employers are passing along benefit costs to employees. At the same time, they are choosing to offer <b>value-added benefits that help employees address personal needs and objectives.</b></p> <p style="text-align: right;">Employee Benefit News</p>

### 4. Save yourself and your clients' valuable time with our exclusive system

- Hassle-free enrollments
- Electronic enrollment available for larger companies
- No claims forms or underwriting
- Customized roll-out process
- Turn-key system for account acquisition and retention

### 5. Open NEW accounts and reconnect with existing clients

- If you don't offer these benefits to your clients, someone else will
- Open new accounts with ease by capitalizing on the need and timing of Identity Theft and Legal care
- Administer these easy-to-enroll benefits off cycle to strengthen client relationships

*"We feel that the legal services and identity theft coverage are something that we can truly integrate into our existing book of business. We have lost about 20% of our income due to changes in health insurance. We are looking to make that up with identity theft and group legal."*

*—A Small Employee Benefits Company, Denver, CO*



Market the most requested Voluntary Benefits in North America!

## Identity Theft & Legal Services

We offer solutions that take the stress and strain of identity theft and legal issues off the employee's shoulders of your clients and puts their focus back at work, where it belongs. With more and more of these situations arising every day, it can be difficult for employees to handle the amount of paperwork, phone calls and money required to resolve these issues without cutting into work time.

### Did You Know?

- Approximately **HALF** of today's workforce will take time off to deal with a legal issue.
- Employees spend 200—600 hours away from work when victimized by identity theft.
- 83% of IDT is not financial but is Drivers license, Social Security, Medical, or Criminal in nature
- Over 70% of your client's employees are dealing with a legal issue right now.

### Why Should You Market this Benefit?

- **NO COST** to your clients
- Decreases absenteeism (1 in 3 employees took an average of 13 days off/yr for legal problems— Harris Interactive, 2011)
- Increases productivity
- Decreases medical costs (Stressed employees have higher work related injuries— California Broker Magazine 2013)
- Boosts employee morale
- **Enhances their bottom line**
- Adds an additional layer of legal protection

### Will this benefit bring more work to their HR Department?

#### Absolutely not!

- Easy administration and seamless enrollment process
- We handle paperwork for their payroll department
- Benefit cost to employees: legal \$4.73 / week; legal and identity theft \$7.20 / week
- **Employees cannot use the plan against your clients!**

### Facts:

- **60% increase in Fortune 500 companies offering legal benefits.**
- **93% of American workers have higher job satisfaction when their employers offered legal plans.**

-California Broker Magazine 2013

- **Employers are being forced to find new ways to compete and control costs, and voluntary benefits can play a key role in succeeding on both fronts.**

- **Their benefits are easy to administer because they do all the work for you. The return on investment works and the program sells itself to the employees.**

-Jeff T., CEO Edge Tech

Over 80,000 North American companies and municipalities of all sizes have turned to our unique solutions to offer their employees!



# Simple, Voluntary & Cost Effective Benefits

**Our benefits help your client's create productive employees**  
by solving issues that affect employees' lives, families, and  
work performance so their employees can:

**Worry Less. Live More.**  
**for pennies per day!**

WHAT COMPANIES ARE ASKING FOR	WE DELIVER
<b>Value-added, Voluntary benefits</b>	<ul style="list-style-type: none"> <li>• LegalShield</li> <li>• Identity Theft Shield</li> <li>• Safeguard for Minors</li> </ul>
<b>Affordable pricing</b>	<ul style="list-style-type: none"> <li>• LegalShield \$18.95/mo</li> <li>• Identity Theft Shield &amp; Safeguard for Minors \$14.95/mo</li> <li>• Combined coverage – Legal &amp; Identity Theft \$28.90/mo</li> </ul>
<b>Hassle-free administration</b>	<ul style="list-style-type: none"> <li>• Easy enrollment</li> <li>• Choice of payment options, including payroll deduction for no extra cost</li> <li>• Employee emails for benefit education support</li> </ul>

**According to our network of attorneys, these are the most common issues employees are facing now:**

- Mortgage consultation, such as loan modification, foreclosure & refinancing
- Credit and asset protection
- Credit card liability resolution
- How to return items (such as automobiles) and end associated loans
- Landlord/tenant issues
- Bankruptcies—chapter 7, 11 & 13
- Child support payment enforcement
- Lawsuits filed by aggressive collection agencies
- Identity Theft related issues

# Standard Family Legal Plan



COVERS MEMBER, SPOUSE OR SIGNIFICANT OTHER, AND NEVER MARRIED DEPENDANT CHILDREN UP TO AGE 21

FEATURES	BENEFIT SUMMARY
<p><b>Toll-free phone consultation</b></p>	<p>You can use these valuable benefits to consult with your Provider Law Firm on <b>any legal issue</b> that might arise, such as:</p> <p>Home purchases • Will preparation • Property disputes • Child Support • Divorce • Visitation rights • Credit matters • Bankruptcy • IRS audits • Insurance claims • Civil rights • Lease agreements • Tax shelters • Guardianship • Consumer rights • DUI</p> <p style="text-align: right;"><b>... and much more!</b></p>
<p><b>Phone calls made &amp; letters written on your behalf</b> <b>Unlimited number of issues</b></p>	<p>A phone call or letter on an attorney's letterhead can help you get the results you need and keep you on the job – physically and mentally.</p> <p style="text-align: center;"><b>Ideal for:</b></p> <p>Faulty home or auto repairs • Incorrect credit reports • Property disputes</p> <p style="text-align: right;"><b>... and much more!</b></p>
<p><b>Contract &amp; document review</b></p>	<p>Your Provider Law Firm will review an unlimited number of documents up to ten (10) pages each.</p> <p style="text-align: center;"><b>Ideal for:</b></p> <p>Sales agreements • Purchase agreements • Lease agreements • Real estate agreements • Auto loan contracts • Insurance contracts</p> <p style="text-align: right;"><b>... and much more!</b></p>
<p><b>Additional Legal Benefits</b></p>	<p>Health Care Power of Attorney • Living Will • Standard Will preparation</p>
<p><b>Motor Vehicle Benefits</b></p>	<p>Representation for Moving Traffic Violations or speeding tickets • Representation for criminal charges • Drivers License reinstatement an personal injury/property damage collection of \$2,000 or less</p>
<p><b>Trial Defense Benefits</b></p>	<p>Up to 300 hours of covered trial defense hours for civil and job-related criminal suits for member and spouse</p>
<p><b>IRS Audit Benefits</b></p>	<p>Up to 50 hours of your Provider Law Firm's time for an IRS audit</p>
<p><b>Preferred Member Discount</b></p>	<p>25% Discount off Provider Law Firm's standard hourly rate (and referral attorney's rate) for any legal matter not otherwise covered</p>
<p><b>24 Hour Access</b></p>	<p><b>Call your attorney 24/7 if . . .</b></p> <p>. . . you are arrested or detained                      . . . you are seriously injured . . . the state tries to take your child                      . . . you are served with a warrant</p>

This document is provided as a brief summary of coverage and highlights the benefits and usages of each covered area. It is not intended to be a complete description on the benefit plan. After you become covered, you will be issued an evidence of coverage agreement describing your coverage in greater detail. The evidence of coverage will be governed by the exact scope, terms and conditions of coverage.

# Identity Theft Shield

COVERS EMPLOYEE, SPOUSE OR SIGNIFICANT OTHER



FEATURES	BENEFIT SUMMARY
<p><b>Credit Report</b></p>	<p><b>Evaluate</b> their current credit standing with:</p> <ul style="list-style-type: none"> <li>• Complimentary, up-to-date credit report through Experian</li> <li>• A personal credit score calculation by an independent scoring service</li> <li>• A detailed analysis of their personal credit score</li> </ul>
<p><b>Continuous Credit Monitoring</b>  <b>IDTS – 1 Bureau</b>  <b>** IDTS Gold – 3 Bureau</b></p>	<p><b>Suspicious activity</b> will be brought to their attention, providing them with early detection. They will receive prompt notice if the credit repository is notified by <u>Experian</u>** if:</p> <ul style="list-style-type: none"> <li>• New accounts have been opened in their name</li> <li>• Derogatory notations have been added to their credit report</li> <li>• Public records have been added to their report</li> <li>• Inquires have been made against their report</li> <li>• A change of address has been requested</li> </ul> <p style="text-align: center;">** 3 Bureau monitoring from Experian, TransUnion, and Equifax</p>
<p><b>Identity Restoration</b></p>	<p><b>Identity theft</b> can be devastating, and the process of restoring their name can be overwhelming and costly. They need more than "do it yourself" information when it happens to them. With the <i>Identity Theft Shield</i> licensed investigators and trained experts will take the steps to restore their name and credit for them!</p> <ul style="list-style-type: none"> <li>• Help reduce their out-of-pocket expenses and time spent away from work with valuable services from detection to resolution.</li> <li>• Fraud alert notifications will be sent on member's behalf and applicable follow up will be made with affected agencies and institutions.</li> </ul> <p><b>Proactive searches</b> of applicable local and national databases will be made on member's behalf to look for information the member or spouse may not be aware of, including criminal activity. Searches will include county records and certain federal watch lists, Department of Motor Vehicle records in member's state, unknown addresses affiliated with members or spouses name, and banking activity in members name reported as fraudulent.</p>
<p><b>Safeguard for Minors</b></p>	<p><b>Education:</b> provides material on credit education and advice on best practices for the use of the child's Social Security Number  <b>Detection:</b> the child's credit will be monitored  <b>Consultation:</b> licensed private investigators address any questions regarding child identity theft  <b>Restoration:</b> Licensed investigators take immediate action to correct any damages caused by identity theft.</p>

This document is provided as a brief summary of coverage and highlights the benefits and usages of each covered area. It is not intended to be a complete description on the benefit plan. After the employee becomes covered, they will be issued a membership guide describing their coverage in greater detail. The evidence of coverage will be governed by the exact scope, terms and conditions of coverage.



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# Benefits Providers

## Life Events Legal Plan

LegalShield

Headquarters: Ada, OK

Coverage: US and Canada

## Identity Theft Shield and Safeguard for Minors

Kroll, Inc.

Headquarters: New York, NY

Operations: 60 cities in US and abroad



## **LegalShield**

- Founded by Harland Stonecipher in 1972
- Corporate office located in Ada, OK
- Ranked as one of Forbes' *200 Best Small Companies*, 7 of the last 10 years
- Named one of the 100 best companies in America
- Over 1.5 million members in North America
- Over 47,000 companies offering these products as an employee benefit
- 700 Employees and 6900 Attorneys to service our customer base
- National network of professional law firms who were paid over \$150 million in 2011
- Advisory council includes Grant Woods, former Arizona Attorney General; Mike Moore, former Mississippi Attorney General; Duke Ligon, former Sr. VP of Devon Energy Corp.; and Andrew Miller, former Virginia Attorney General.

## **Kroll, Inc.**

- Founded in 1972 by Jules Kroll
- World's leading risk consulting company
- Operates in 65 cities and 33 countries with over 3,800 employees
- Serves global clientele of law firms, financial institutions, corporations, non-profits, government agencies, high net-worth individuals, entertainers, and celebrities
- Some notable cases include Enron restructuring, Sears Tower security, Sudan bombing investigation, and discovery of Saddam Hussein's financial network.

## **Facts:**

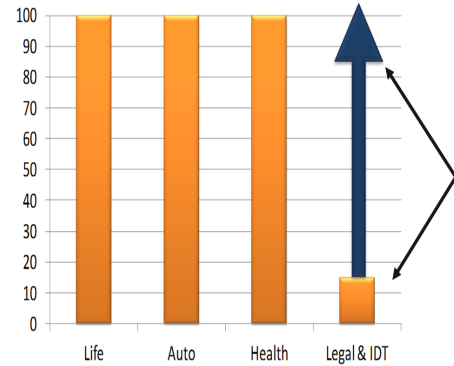
- Together, these 2 services attack the pain an identity theft victim experiences.
  - "This partnership makes Pre-Paid Legal the 800 pound Gorilla in the room on identity theft."  
- The Silent Crime, 2007
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# General Agent Compensation

## Top 10 reasons Agents are offering this service:

1. Their customers *need* it, *want* it and can *afford* it!
2. 40-64% commissions paid out on the annualized premium *daily*.
3. The Timing! IDT is the #1 complaint to the FTC 14 years in a row.
4. IDT offering opens doors to NEW clients.
5. 15 minute presentation, average close is 75%, 2 page application.
6. You can sell nationwide.
7. You can train others to sell and create a *leveraged income*.
8. You are paid *renewal income* for the LIFETIME of the customer.
9. You can earn incentives & bonuses with minimal sales production.
10. 100% guaranteed issue with no underwriting.

The three major divisions of the insurance industry have achieved billions in market share. Position yourself in Legal and IDT to capitalize on the next billion dollar industry.



**Profit from the explosive timing and offer your clients the #1 solution to a \$300 Billion problem!**

**General Agent:** You must meet certain requirements and be accepted by our service providers. Responsible for all aspects of the sales cycle– client presentations, decision maker meetings, employee enrollments, re-servicing the account, and any necessary paperwork.

**Benefit Specialist:** We provide our *exclusive* Advantage marketing system, high-level sales coaching program and on-going training and support as needed!

\*Agents must also comply with state license requirements and certifications, if applicable.

**We train you to successfully sell to your clients.**

50 Individual Combos =  $\$323.40 \times 58\% = \$189 \times 50 = \$9,379$  monthly commission  
 50 Group Benefit Combos =  $\$310.80 \times 58\% = \$180 \times 50 = \$9,013$  monthly commission

Policy Rates		
Policy	Monthly Premium	Annualized Premium
Individual Legal Plan	\$19.95	\$239.40
ID Theft Plan	\$14.95	\$179.40
Individual Combo (legal and IDT) *	\$29.90	\$358.80
Group Benefit Combo *	\$28.90	\$346.80
Self-Employed Legal Plan	\$49.00	\$588.00
Small Business Legal Plan 1-50 Employees	\$75.00	\$900.00
Small Business Legal Plan 51-99 Employees	\$125.00	\$1,500.00

Sales Production	
Sales	% Commission
<150	40%
>150	48%
Bonus Levels	
50/mo	58%
75/mo	60%
100/mo	62%
125/mo	63%
150/mo	64%

\* Top Selling Plans

# Renewal Commissions

Associates are paid a *lifetime residual commission on every active membership*. Advanced Commissions are paid out on the first 12 months of the policy. Renewal commissions are earned in all months thereafter. The following examples are based on selling 50 of the \$28.90 Group plans per month with a 76% persistency. Figures have been rounded.

$\$28.90$  (Group Combo)  $\times 12 = \$346.80 \times 14.69\%$  (persistency level) = \$50 residual.

Persistency level	50 plans/mo
Up to 55%	\$11
56% – 65%	\$22
66% - 75%	\$34
76% – 85%	\$50
Above 85%	\$57

Lifetime Residuals - 76% Persistency on \$28.90		
Active Plans Sold	Annual Renewal	Annual Income
1000	\$50	\$50,000
2000	\$50	\$100,000
5000	\$50	\$250,000
10000	\$50	\$500,000

Persistency Levels						
Persistency	< 38 Lives	38-74 Lives	75-99 Lives	100-124 Lives	125-149 Lives	150 + Lives
Up to 55%	3.02%	3.67%	3.81%	3.91%	3.99%	4.03%
56% – 65%	6.04%	7.34%	7.63%	7.83%	7.99%	8.07%
66% - 75%	9.05%	11.02%	11.44%	11.74%	11.98%	12.10%
76% – 85%	12.07%	14.69%	15.25%	15.65%	15.98%	16.14%
Above 85%	15.09%	18.36%	19.06%	19.57%	19.97%	20.17%

\*Renewals vary depending on the commission level achieved and the persistency level of all policies sold in a given calendar month. The persistency of the policies will be calculated by dividing the active policies for a given production month by the total number of policies originally produced during that month. Persistency will be determined at the end of the 15 month for each production month and will thereafter remain fixed for the remaining life of that month's policies.

## Outstanding Bonus Programs:



### Qualify for a BMW!

Protect a *minimum of FIVE* new clients every month and you will earn a \$500 monthly bonus for the BMW of your choice!

\*Bonus payout begins after 12 consecutive months of qualification.



### Earn an all-expense paid luxury vacation for two!

Protect a *minimum of FIVE* new clients every month from May to January with a persistency rate of 76% or higher and you could qualify to win a vacation for two.

\*The top 400 producers, with the highest persistency and production are chosen.