

SECTION .0300 - RULES CONCERNING PREPAID LEGAL SERVICES PLANS

On 18 October 1991, the North Carolina State Bar Council established nine rules regarding prepaid legal services plans. In 1994, those rules were codified into the North Carolina Administrative Code at 27 N.C.A.C. Ch. 1E, Section .0300. In 2007, and again in 2020, the rules were revised and renumbered, and several new rules were adopted.

27 NCAC 01E .0301 DEFINITIONS

The following words and phrases when used in this subchapter shall have the meanings given to them in this rule:

- (a) Counsel – the counsel of the North Carolina State Bar appointed by the Council of the North Carolina State Bar.
- (b) Plan Owner – the person or entity not authorized to engage in the practice of law that operates or is seeking to operate a plan in accordance with these Rules.
- (c) Prepaid Legal Services Plan or Plan – any arrangement by which a person or entity, not authorized to engage in the practice of law, in exchange for any valuable consideration, offers to arrange the provision of specified legal services that are paid for in advance of any immediate need for the specified legal services ("covered services"). In addition to covered services, a plan may arrange the provision of specified legal services at fees that are less than what a non-member of the plan would normally pay. The North Carolina legal services arranged by a plan must be provided by a North Carolina licensed attorney who is not an employee, director, or owner of the plan. A plan does not include the sale of an identified, limited legal service, such as drafting a will, for a fixed, one-time fee.

*History Note: Authority G.S. 84-23; 84-23.1;
Adopted by the Supreme Court: February 5, 2002;
Amendments Approved by the Supreme Court: August 23, 2007; September 25, 2020;
Rule was transferred from 27 NCAC 01E .0303 on September 25, 2020.*