

JAMES R. WILLIAMS

PRE-PAID LEGAL SERVICES, INC.

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06 - 10 - 06

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed (Business Rule R511993). I am assured that in its present form, it would prevent me from continuing to be a Director with PRE-PAID LEGAL SERVICES, INC. I understand that part of your responsibilities is to protect the public from "Unfair & deceptive actions or practices by some people in our industry"; yet you have proposed rules in various sections that will make it difficult for those of us who do a honest days work. These rules in and of itself will make it difficult if not impossible for me to either recruit or market Pre-Paid Legal Services, Inc. products.

I have been marketing Pre-Paid legal services, INC. as a Director for 6 years now. I originally became an associate starting out because I felt this was one company that would truly provide a product every middle class working American needed.

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have seen had things happen to good people. The Pre-Paid Legal membership Plan is explained in itself in that everyone needs it, everyone can afford it. It took this company 34 years to do what they've done. Kroc built his empire for equal justice. Now you want to disregard all of that for some measly sales who use their weapons to prey upon people. My whole future is based off of independence or stability of direct selling industry that I am in.

One of the most confusing and burdensome aspects of this proposed rule is a seven-day waiting period to enroll a new associate. You should know by now that when you building a business w/ urgency, that we sign that individual now or within 24-48 hours of a presentation and then get them going towards their success systems.

Pre-Paid Legal's sales kit costs only \$49.00 plus their membership (you can't sell what you don't have) of \$6.95. People naturally buy cable, TV's, cars, insurance (both car & life), that last much more and they don't wait 7 days to do it. This 7 day waiting period would give my prospects the impression that there was something wrong with my company, the product, and the mode of pay we offer.

Under this plan, I would not only have to keep detailed records, but I would end up always disclosing what I make, and then have to

We both know that because one person makes etc. The Person's we bring into the business may not work as hard, or even get started in the system set down for them in order to acquire what they said they wanted to make - which I think makes this all most. The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation or unfair or deceptive practices. I can tell you this - Pre-Paid Legal Services, Inc. is a solid 34 year old Co. is on The New York Stock Exchange, has to report to The Security Exchange every 90 days, is an open book for anyone who wants the information. Any unfair or deceptive marketing is grounds of/for immediate dismissal from this Company. It seems today that anyone and any Company can be sued, it doesn't matter that people on the Company is innocent of any wrong doing. Hence the "Pre-Paid legal Family Plan". It just doesn't make sense to me that I wanted sit there with a new prospect and say "Now you do. Know that Mike had some law suits?" Not when the Company is an open book. or unless that particular Company has been found guilty in all areas. My Company Pre-Paid legal services, Inc and other legitimate Direct Selling Companies are being put at an unfair advantage even though they've done nothing at all.

This final rule of disclosing a minimum of 10 alias purchases at the least not to exceed

a new purchase.

I feel really strongly about 3rd Party Testimony, but I like to protect my people's confidentiality and besides hasn't you heard of Identity Theft.

My company (Pre-Paid Legal Services) has large companies w/ fringe benefits for their employees. Giving away this information could damage our business relationship by providing references to our competitors. Also privacy issues, when everyone is calling that company to get testimonies.

Also if I tell a prospect your statement - "If you try a business opportunity from me, your contact information can be disclosed in the future to other buyers." This will definately effect every person who recruits people for the purpose of building a great business, because, that person will not want to become an associate.

Again, "IDENTITY THEFT" issues. They already are reluctant to share personal information w/ the person they've just met for the opportunity. Most will already have done their own research on the company before making their own decision to participate.

I appreciate the work that the FTC does to protect me and other consumers, yet I believe this new rule has many unintended consequences and there are less burdensome alternatives available in achieving your goals.

Thank you for your time in considering my comments

Respectfully,

[REDACTED]
JAMES R. WILLIAMS

DIRECTOR.

PRE-PAYED LEGAL SERVICES, INC.