

MidOcean Update: Future Plans for PPL

As part of its ongoing integration planning for the future of Pre-Paid Legal Services, Inc., representatives of MidOcean Partners along with MidOcean's operating executives - Rip Mason, Alan Fearnley and Frank Sowinski - and PPL management met with some of PPL's VIPs in Dallas yesterday (February 21st).

This meeting followed a meeting last week with the PPL CMT field leaders. Yesterday's meeting afforded an opportunity for MidOcean and its executive designates to welcome the VIPs and share with them their vision and marketing plans for PPL. Following introductions of all attendees, Frank Schiff - Managing Director of MidOcean Partners - provided an overview of the New York based firm including its investment philosophy (see page 2). Schiff announced that following closing Rip Mason would be assuming the position of CEO while Alan Fearnley would become President and Chief Commercial Officer. Closing is expected to occur this summer. Frank noted Rip and Alan's network marketing experience and success which would be important at this point in the development of PPL.

Addressing the VIPs, Rip Mason provided his perspective of the strong operational and administrative systems at the home office. Rip, who is also an attorney admitted to practice in New York and New Jersey, also reflected on his enthusiastic meetings and discussions with provider law firms. He noted that the operational systems and legal network are robust and scalable to continue to provide the same level of excellent service as PPL grows in the coming years. Importantly, Rip commented upon his commitment to the Field and that the success of the Field will be the most important factor in the future plans. Further, he noted his dedication to Field communication which will include regular meetings with Field leadership following closing to keep in front of challenges and opportunities. Focusing upon PPL objectives and priorities, he discussed a team building approach, the focus upon the product/membership and retention as key metrics for future success (see page 3). He also discussed the plans for standardization of training and adoption of proven "Best Practices" for the support of the Field.

Rip commented on the numerous previous revisions to the Compensation Plan and the need to secure Plan stability and decrease promotional/incentive activity to support the Field and position the Company for long term growth. Rip noted that decisions would be governed by an analytical approach following the gathering and evaluation of data. Alan Fearnley shared his 30 year history in Network Marketing focusing upon his extensive Marketing and Branding background and successes. Alan provided an overview of his introduction to the Company product offering which he described as an 'exceptional and unique business opportunity.' Alan described the process for completion of a marketing study which would provide detailed empirical data as a driver for the production of a comprehensive and fully integrated Marketing Plan. Following his remarks, Frank Sowinski provided an overview of the Compensation Plan survey which is presently underway and securing data from all lineage levels. This is believed to be the first such Field survey in the history of PPL. Frank's extensive business processes experience and executive leadership will provide direction and focus on the capture of data permitting a statistically based decision making process.

MidOcean Partners Overview

- Well known, New York - based middle market private equity firm
- Managing over \$3 billion in assets
- Investing across four sectors:
 - Consumer
 - Business and financial services
 - Media and communications
 - Industrial services
- Value added pro-active investor which relies upon a broad group of executive and operating management resources to create long term value
- Very successful track record
- Representative investments include: Bushnell, Totes Isotoner, Penton, The Allant Group, Fresh Pet, Insight Communications and Hunter Fan

Business objectives and priorities

- Stabilization of compensation plan
- Decrease in reliance on promotional activity
- Focus on retention
- Balance: product “Sales” / memberships - Business opportunity / “Recruitment”
- “Best practices” approach – standardization of training
- Branding and web based strategies
- Early recognition of high performers
- Market expansion opportunities
 - Small business services
 - Group marketing
 - Hispanic market

Meet MidOcean



Rip Mason

Ralph (Rip) Mason, III, has most recently (2009-2010) served as a Director of Neways, Inc. an MLM direct seller with operations in 15 countries and annual sales of approximately \$345 million. Rip was also a consultant and managing executive at Golden Gate Capital. He worked on the design and launch of Neways' business tools including presentations to Neways' field leadership in Tokyo, Osaka and Fukuota. He also co-founded M2Holdings, a private fund, in 2006. Prior to that, he served six years as the Vice Chairman of Jafra Cosmetics, a \$420 million MLM/direct seller company, where he was a member of a the 3-person Office of the Chairman with oversight of all operational, sales and marketing functions. While with Jafra, he authored the company's strategic plan, IT plan and Europe Strategic Plan.

In addition to his vast marketing background in the MLM/direct seller space, Rip earned a juris doctorate degree from Rutgers University and was a founding partner of the Mason, Taylor & Colicchio law firm with offices in New Jersey, New York and London. He is a member of the New Jersey and New York bar.

Rip will serve as Chief Executive Officer and Director at Pre-Paid Legal Services, Inc. after the transaction closes.



Alan Fearnley

Alan Fearnley has 29 years of direct selling, marketing and sales experience at several major international firms including Jafra, Avon and Neways. Alan served as Chief Marketing officer of Jafra responsible for comprehensive re-stage of brand, logo, corporate image and business planning. He was also a featured presenter at Jafra field events and served as a liaison with Jafra field leadership. Along with Rip Mason, Alan was responsible for the execution of the Neways Business Tools launch which resulted in a first month vs prior year gain in Associate recruitment in the Japanese market since the acquisition of Neways by Golden Gate Capital.

Alan will serve as President and Chief Commercial Officer at Pre-Paid Legal Services, Inc. after the transaction closes.



Frank Sowinski

Frank Sowinski is a management affiliate of MidOcean and has been working with MidOcean to evaluate information and marketing services opportunities. He has spent most of his career at The Dun & Bradstreet Corporation (D&B), serving in numerous positions including Executive Vice President of Global Marketing, Chief Financial Officer and most recently, President. After leaving D&B in 2001, Mr. Sowinski served as Executive Vice President – Chief Financial Officer of PriceWaterhouseCoopers Consulting prior to its sale to IBM in 2002 and Executive Vice President of Liz Claiborne Incorporated in 2004. Mr. Sowinski currently serves on the Boards of The Allant Group (a MidOcean portfolio company), Buckeye Pipeline Company and Princeton University Varsity Club and has previously served on the Boards of American Credit Indemnity and iMarket Corporation.

Frank will serve as Vice-Chairman and board member at Pre-Paid Legal Services, Inc. after the transaction closes.