



June 5, 2020

VIA EMAIL

Peter C. Marinello, Director
Howard J. Smith, Attorney
Direct Selling Self-Regulatory Council
112 Madison Avenue, 3rd floor
New York, NY 10016
PMarinello@bbbn.org
HSmith@bbbn.org

Re: Illegal Income Claims by Primerica, Inc.

Dear Peter and Howard:

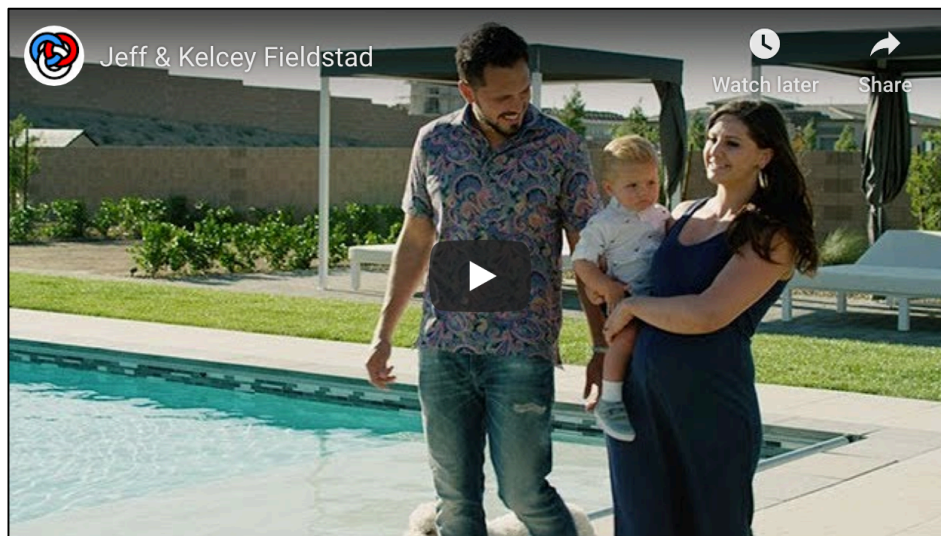
We write to file a complaint with the Direct Selling Self-Regulatory Council against Primerica, Inc., a Georgia-based multi-level marketing company that sells term life insurance and various other financial service products.

For years, Primerica and its distributors have been using – and continue to use – deceptive, atypical, and unsubstantiated income claims to market the Primerica business opportunity. Such marketing materials include claims of participants achieving financial freedom, quitting their jobs, making six figures per year, and going on luxury vacations, among other things.

TINA.org initially notified Primerica of this deceptive marketing issue in December 2017 when it sent a letter to the company's CEO Glenn Williams informing him of TINA.org's findings that Primerica was making false and unsubstantiated income claims to promote its business opportunity.¹ At that time, TINA.org had collected a

sampling of more than 20 such deceptive income claims. Less than two years later, in July 2019, TINA.org contacted the company again after a consumer alerted TINA.org to a Primerica convention at which Senior Sales Director Ian Prukner made a multitude of deceptive and unsubstantiated income claims about the Primerica business opportunity to the audience.² Those comments were also recorded and later published on YouTube. In response, the company responded that it “operates within all applicable regulatory standards” and then removed the YouTube video at issue.

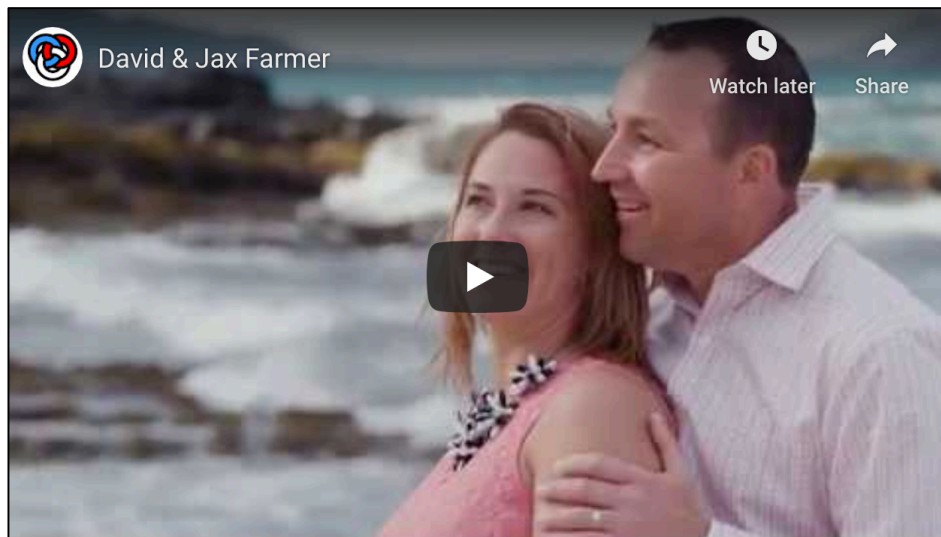
Now, in May 2020, TINA.org has collected more than 140 additional examples of unsubstantiated income claims marketing the Primerica business opportunity, many of which are published directly on the company’s website.³ For example:



“...Trying to describe the feeling of the freedom and the lifestyle and everything we’re able to do for our families, it’s like there’s almost not words to explain it. I mean, waking up every morning and really being able to live life in a way where you have no financial stress, no financial worries, I believe that that’s the greatest blessing that somebody could have in their lives.”⁴



"...When I got involved with the opportunity, I saw how we help families. Within, it was like six months, I was able to leave teaching. People thought I was crazy, they're like, Kerrie, you have a master's degree, what are you doing? And I'm like I'm working less hours and making more money..."⁵



"...I remember thinking, man, how do people do it? How do people take these vacations? ... They had money. They had time. They had freedom. And I remember thinking, how am I ever going to get that freedom? And then we were introduced to Primerica. And I learned that this business opportunity would provide me that freedom."⁶



“...You don’t become a firefighter to become a millionaire, and you don’t do it for the money. You do it because you love to do it and you love to help people. But I also want to continue a legacy for my children. And as a parent, you want more for your children than what you had. And the part-time opportunity with Primerica has enabled me to provide things for my kids and my wife that a firefighting paycheck wouldn’t allow me to do.”



“All of a sudden, the part-time income started matching what I was making on my full-time job. I knew the income earning potential at Primerica.”⁸

The same types of claims also litter social media, where Primerica and its distributors not only make unsubstantiated income claims, but have recently begun preying on those in dire financial straits due to the coronavirus pandemic and the resulting economic collapse.

May 21, 2020 Primerica Distributor Instagram post¹⁰




May 6, 2020 Primerica Instagram post¹¹



April 3, 2020 Primerica Distributor Instagram post¹²



April 18, 2020 Primerica Distributor Facebook post¹³



Melissa Douglas
 April 18 · 🌐

In the middle of a financial crisis there IS STILL A WAY to earn money. We can teach you how to make \$11,000 within a month. We are on track to earn over \$200k this year. This business has transformed our life - all because we took a chance and allow someone to believe in us.



All you have to cover is a \$74 licensing deposit that goes straight to the state and a licensing course.

book here:
<https://shaneandmelissadouglas.as.me>
bit.ly/Primerica-earnings
 more info 📄 shaneandmelissa.com/opp




Cash Transactions for the month of April, 2020 North America

Shane & Melissa Douglas Relentless (8GNYC)

Date	Check Type	Check	Amount	
2020-04-18	US LIFE	ADVANCES	CHECK	180.02
2020-04-13	US LIFE	ADVANCES	CHECK	1,849.79
2020-04-10	US LIFE	BONUS	MANUAL CHECK	1,023.10
2020-04-09	US LIFE	ADVANCES	CHECK	78.88
2020-04-08	US LIFE	BONUS	CHECK	1,270.69
2020-04-07	US LIFE	ADVANCES	CHECK	1,373.83
2020-04-06	US LIFE	ADVANCES	CHECK	1,202.10
2020-04-03	US LIFE	ADVANCES	CHECK	660.75
2020-04-02	US LIFE	ADVANCES	CHECK	110.31
2020-04-01	US LIFE	ADVANCES	CHECK	184.26
2020-03-31	US LIFE	ADVANCES	CHECK	138.53
2020-03-27	LT POINT	EARNINGS	CHECK	29.83
2020-03-26	US LIFE	ADVANCES	CHECK	538.18
2020-03-25	US LIFE	ADVANCES	CHECK	290.12
2020-03-20	US LIFE	ADVANCES	CHECK	95.00
2020-03-20	US LIFE	EARNINGS	CHECK	150.00
2020-03-19	US LIFE	ADVANCES	CHECK	1,085.86
2020-03-18	US LIFE	ADVANCES	CHECK	678.87
2020-03-18	US LIFE	ADVANCES	CHECK	619.54



 13

7 Comments 2 Shares

 Like
  Comment
  Share

And, as the example below shows, Primerica has been making such deceptive income claims for years.

April 2, 2018 Primerica YouTube video (still in publication today)¹⁴



"Today, I'm happy, my family's happy, and we're financially secure. ... How would you like to work for a company where you have the freedom to work whenever you want, the ability to make as much money as you desire, and the luxury of building a business that you can pass down from generation to generation....We always dreamed about being able to travel the world. And today, we're doing just that."

Though some of the company's marketing materials include language – typically at the very end of a lengthy video, in small, white scrolling font – to indicate that “there is no guarantee that [distributors] will achieve any specific level or cash flow level,” and that the company paid its U.S. distributors “an average of \$6,249” in 2019,¹⁵ Primerica's disclaimers are legally insufficient as none of them clearly or conspicuously disclose what typical participants earn, as is required by FTC law.¹⁶

In short, Primerica has repeatedly been put on notice about this serious deceptive marketing issue and has done nothing to resolve it. The company continues to deceive consumers with atypical income claims and is trying – in some places – to cover its tracks with disclaimers that are legally and practically ineffective. As such, TINA.org strongly urges the DSSRC to review the claims being made by Primerica and its distributors and take appropriate action.

If you have any questions, please do not hesitate to contact us.

Sincerely,



Laura Smith, Esq.
Legal Director
Truth in Advertising, Inc.



Bonnie Patten, Esq.
Executive Director
Truth in Advertising, Inc.

¹ See December 18, 2017 letter from TINA.org to Primerica, available at https://www.truthinadvertising.org/wp-content/uploads/2020/05/12_18_17-ltr-to-Primerica.pdf.

² TINA.org July 26, 2019 Primerica Ad Alert, <https://www.truthinadvertising.org/primerica/>.

³ All 140+ examples of Primerica's unsubstantiated income claims are available at <https://www.truthinadvertising.org/primerica-income-claims-database/>.

⁴ <http://www.primericabusinessopportunity.com/public/businessopportunity/primerica-real-life-success-fieldstads.html>; https://www.youtube.com/watch?v=DssqQJ0VWME&feature=emb_logo.

⁵ <http://www.primericabusinessopportunity.com/public/businessopportunity/primerica-part-time-opportunity.html>; https://www.youtube.com/watch?time_continue=251&v=IISDMkRs12U&feature=emb_logo.

⁶ <http://www.primericabusinessopportunity.com/public/businessopportunity/primerica-real-life-success-farmers.html>; https://www.youtube.com/watch?v=S6komYZitNw&feature=emb_logo.

⁷ <http://www.primericabusinessopportunity.com/public/businessopportunity/primerica-real-life-success-melendys.html>; https://www.youtube.com/watch?v=Q8ayh8NXpXo&feature=emb_logo.

⁸ <http://www.primericabusinessopportunity.com/public/businessopportunity/primerica-real-life-success-poes.html>; https://www.youtube.com/watch?v=gtDLab8WhaQ&feature=emb_logo.

⁹ <https://www.youtube.com/watch?v=hDi2oEI9AcA&t=269s>

The caption that accompanies this video is below:



Daniel Alonzo
5.2K subscribers

SUBSCRIBE

YOUR LIFE. YOUR BUSINESS. YOUR TERMS.

If you've ever dreamed of having a business, being your own boss, setting your own schedule, and earning income that's based on your own efforts not what an employer says you're worth, then the Primerica Business Opportunity was built for you.

Our business opportunity puts YOU in the driver's seat of your own financial future. You'll have the freedom to create a life – and a business – on your own terms. You'll be making a difference in the lives of the people you care about the most, helping families just like yours become educated about their finances and then providing the solutions they need to achieve their goals.

The more good you do in your community, the more your family can benefit.

Earn extra money part time each month to:

- Pay down or reduce debts
 - Save for the future
 - Give your kids a better life
 - Maximize your efforts and entrepreneurial spirit to make a full-time career change!
- Become educated about your own personal finances.

OUR OPPORTUNITY

We all begin life's journey at Point A. Most of us have hopes and dreams that define Point B, but it isn't long before we realize there are barriers and challenges to reaching our goals. In fact, all too often, life gets in the way. We get laid off, we rack up debt, we face illness, we discover we don't have the right education or know the "right people" to keep our families on track for our goals and dreams... and that dream slowly becomes the great disappointment.

But what if you could hit the reset button? What if you could find a great company with the right opportunity – with the system, the tools and the training to build a successful business of your own – a business you can build part time or full time?* What if there was a place where arriving at Point B could be so much better than you ever imagined?

It's time to consider the Primerica Opportunity.

If the time is right for you...

Contact the Person that sent you this video & get started today!

Follow Daniel...

AlonzoAcademy.com

Instagram - @danielalonzo

See Primerica.com for all details.

*In Canada, the part-time opportunity may be subject to certain restrictions, depending on your occupation.

*Primerica offers a business opportunity that involves the sale of term life insurance, securities, and various other financial service products. Primerica representatives are independent contractors, not employees. Their earnings are based on the sale of products offered by Primerica and also qualifying product referrals. Importantly, for many product lines, Primerica representatives must obtain required licenses before the representatives may sell those products.

Category [Education](#)

SHOW LESS

¹⁰ <https://www.instagram.com/p/CAd55wpguGu/>. The remaining caption states:



¹¹ https://www.instagram.com/p/B_256jU10Oc/.

¹² <https://www.instagram.com/p/B-hUbzLJ93Q/>.

¹³ https://www.facebook.com/photo.php?fbid=10163483950480595&set=a.163586540594&type=3&eid=ARA7Znp5fzAG-q31oqpdLxRPrIPRnW2xEyFq_fvG2LL0XkuUtCj2RscSigoyrjOB0finkHRTMgMq1VYq.

¹⁴ <https://www.youtube.com/watch?v=nqkefdOS54I>.

¹⁵ Primerica General & Recruiting Disclosures – U.S. and Canada, http://www.primerica.com/public/primerica_disclosures.html. Of note, materials published prior to 2019 (but still in publication today) refer to older annual average payouts.

¹⁶ Disclosing an “average” annual payout is not legally sufficient. It only takes a handful of top earners to skew the number. For example, if 1 out of 100 representatives made \$1 million and the 99 others made \$1 each, the average payout would be \$10,000.99 (before expenses, of course). Hence the reason why companies and their distributors are legally required to clearly and conspicuously disclose what a typical distributor earns.

Further, an annual average has even less meaning now, when the majority of multilevel marketing companies have experienced a significant impact due to the coronavirus. *See* Direct Selling Association Coronavirus QuickPulse Dashboard, <https://www.dsa.org/statistics-insights>; March 20, 2020 letter from J. Mariano to the President, Speaker Pelosi and Majority Leader McConnell, https://www.dsa.org/docs/default-source/advocacy/dsa-stimulus-proposal-3-20-20.pdf?sfvrsn=cd6adea5_4.