

Company Overview

For detailed financial information about Primerica, Inc. please refer to other sections of this website, <http://investors.primerica.com> and Primerica's Annual Report on Form 10-K for 2010, along with quarterly earnings announcements, financial supplements and other documents filed with the Securities and Exchange Commission.

Primerica's mission is to serve middle-income families by helping them make informed decisions and providing them with a strategy and means to gain financial independence.

Primerica, Inc. (Primerica), headquartered in Duluth, Georgia, is a leading distributor of financial products to middle-income families in North America. Primerica representatives assist their clients in meeting their needs for term life insurance, underwritten by the Company's subsidiaries, and mutual funds, variable and fixed annuities, and other financial products that are provided through third parties. The Primerica distribution model uniquely positions the company to reach the underserved middle-income market in a cost-effective manner. As a result of this successful model, the Company's subsidiaries today insure more than 4.3 million lives and more than 2 million clients maintain investment accounts with PFS Investments Inc. Primerica, which completed its initial public offering (IPO) on April 1, 2011, is traded on the New York Stock Exchange under the symbol "PRI." Primerica is a *Main Street Company for Main Street North America*. Our distribution model is designed to:

Address our clients' financial needs: Primerica sales representatives use our proprietary Financial Needs Analysis (FNA) tool and an educational approach to demonstrate how our products can assist clients in providing financial protection for their families, saving for retirement and managing debt.

Provide a business opportunity: Primerica provides an entrepreneurial business opportunity for individuals to distribute our financial products. Low entry costs and the ability to begin part-time allow our recruits to supplement their income by starting their own independent businesses without leaving their current jobs.* Primerica's unique compensation structure, technology, independent training and back-office processing are designed to enable our sales representatives to successfully grow.

*In Canada, part-time opportunity is not available in all jurisdictions. Where available, it is subject to certain restrictions.

History/Corporate Structure

Primerica traces its core business of offering term life insurance policies through a sales organization of independent sales representatives to 1977. In 1977, Arthur L. Williams, Jr. formed A.L. Williams & Associates, Inc., an independent general agency and started selling term life insurance through a start-up sales force of seven Regional Vice Presidents (“RVPs”) and a total of only 85 sales representatives. A.L. Williams grew rapidly from its inception and became one of the top sellers of individual life insurance in the United States. The operations of A.L. Williams formed the foundation of the Company’s general agency subsidiary, Primerica Financial Services, and of the sales force. Primerica Life was formed in 1927 under the name of Fraternal Protective Insurance Company, and PFS Investments was formed in 1981 under the name of First American National Securities, Inc. Primerica Life, PFS Investments and the assets and operations of Primerica Financial Services were acquired by predecessors of Citigroup Inc. through a series of transactions in the late 1980s. As a result of Primerica’s initial public offering on April 1, 2010, the Company began trading as a public company on the New York Stock Exchange under the symbol “PRI.”

Corporate Structure and Entities

1. Primerica Financial Services, Inc., our general agency and marketing company;
2. Primerica Life Insurance Company, our principal life insurance company, domiciled in Massachusetts, owns one principal subsidiary, National Benefit Life Insurance Company, a New York life insurance company;
3. PFS Investments Inc., our securities products company and broker-dealer; and
4. Primerica Financial Services Home Mortgages, Inc., our loan broker company.

Our Canadian operations are primarily conducted by Primerica Life Insurance Company of Canada, our Canadian life insurance company, and PFSL Investments Canada Ltd., our Canadian licensed mutual fund dealer.

Our Products

Term Life Insurance

Primerica, through its subsidiaries Primerica Life Insurance Company, Primerica Life Insurance Company of Canada and National Benefit Life Insurance Company:

- Sells 100% term life insurance
- Insures approximately 4.3 million lives
- Paid \$939 million in death claims in 2010
- Paid over \$7 billion in death claims in the past 10 years
- Offers level term products in 10-, 15-, 20-, 30- and 35-year periods
- Issued 223,514 policies providing \$74 billion in face-amount protection in 2010
- Has more than \$656 billion face amount in force; and
- Has an insurance company (Primerica Life Insurance Company) whose affiliates are rated A+ (Superior) by A. M. Best (as of May 2011).

Investment and Savings Products

We offer straightforward products with wide appeal to large segments of our market:

In the U.S.: Third-party mutual funds, managed accounts and MetLife variable and fixed annuities; and

In Canada: Mutual funds and segregated funds.

- Investment clients have approximately \$35 billion in asset values in their Primerica investment accounts
- Two million client investment accounts
- Investment accounts can be established with as little as a \$250 lump sum contribution, or a monthly bank draft of \$50, both of which are among the lowest thresholds in the industry

Mutual Funds

U.S.

American Funds
Invesco
Franklin Templeton Investments
Legg Mason Funds
Pioneer Investments

Canada

Primerica Concert Series
AGF Investments Inc.
Invesco Trimark
Mackenzie Investments

Other Distributed Products

Debt Solutions

- Debt Consolidation Loans
- Purchase Money
- Primerica DebtWatchers™ - create a debt stacking repayment plan and stay informed about your credit report

Legal Protection

- Private label product through Pre-paid Legal Services, Inc., since 1997

Auto and Homeowners Insurance**

- Referral program relationship with Answer Financial, Inc., since 2007

Long Term Care Insurance**

- Private label and off-the-shelf products from Genworth, since 1999

Our Clients

Our clients are generally middle-income consumers (defined by us to include households with \$30,000 to \$100,000 of annual income, representing approximately 50% of households). We believe that we understand the financial needs of this middle-income segment well:

They have inadequate or no life insurance coverage

They need help saving for retirement and other personal goals

They need to reduce their consumer debt and

They prefer to meet face-to-face when considering financial products

Primerica's educational approach and distribution model best position us to address these needs profitably, which traditional financial services firms have found difficult to accomplish.

** Not available in Canada

Our Distribution Model

The high fixed costs associated with in-house sales personnel and salaried career agents and the smaller-sized sales transactions typical of middle-income consumers have forced many other financial services companies to focus on more affluent consumers. Product sales to affluent consumers tend to be larger, generating more sizable commissions for the selling agent, who usually works on a full-time basis. As a result, this segment has become increasingly competitive. Our distribution model - borrowing aspects from franchising, direct sales and traditional insurance agencies - is designed to reach and serve middle-income consumers efficiently. Key characteristics of our unique distribution model include:

Independent entrepreneurs: Primerica sales representatives are independent contractors, building and operating their own businesses. This “business-within-a-business” approach means that our sales representatives are entrepreneurs who take responsibility for selling products, recruiting sales representatives, setting their own schedules and managing and paying the expenses associated with their sales activities, including office rent and administrative overhead.

Part-time opportunity: Primerica’s compensation approach accommodates varying degrees of individual sales representative activity, which allows us to use part-time representatives and gives us a variable cost structure for product sales. By offering a flexible part-time* opportunity, we are able to attract a significant number of recruits who desire to earn supplemental income and generally concentrate on smaller-sized transactions typical of middle-income consumers. Virtually all of our sales representatives begin selling our products on a part-time basis, which enables them to hold jobs while exploring an opportunity with us.

Incentive to build distribution: When a sale is made, the selling representative receives a commission, (as do certain representatives who train or supervise him or her) which commission we refer to as “override compensation.”

*In Canada, part-time opportunity is not available in all jurisdictions. Where available, it is subject to certain restrictions.

In Conclusion

Primerica offers average and ordinary individuals a chance to build their own business and change their lives. We provide an entrepreneurial business opportunity for individuals to distribute our financial products and help people get on a path to financial independence.

While the lack of start-up capital is a barrier for most would-be entrepreneurs, Primerica representatives can begin with low entry costs and the ability to begin part-time, which allows them to start an independent business without leaving their current jobs.

Our unique compensation structure, cutting-edge technology, extensive training and efficient back-office processing are designed to enable our representatives to successfully grow their independent businesses.

While other companies target the affluent, Primerica helps hardworking middle-market families all across North America. Our market is large and growing every day. Through education, a customized financial strategy, and a source for additional income, our clients are able to take advantage of our common sense solutions and get on the path to financial independence ... and freedom.

PRIMERICA: FREEDOM LIVES HERE®