

SMITH THOMAS W
Form 4
March 17, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
SMITH THOMAS W

2. Issuer Name and Ticker or Trading Symbol
PRE PAID LEGAL SERVICES INC
[PPD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

323 RAILROAD AVENUE

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/15/2010

____ Director 10% Owner
____ Officer (give title below) Other (specify below)
Member of Section 13(d) Group

GREENWICH, CT 06830

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	03/15/2010		S	15,000 D \$ 38.97	59,500	I ⁽¹⁾	By Smith Family Accounts ⁽¹⁾
Common Stock	03/16/2010		S	59,500 D \$ 38.94	0	I ⁽¹⁾	By Smith Family Accounts ⁽¹⁾
Common Stock					807,500	D	
Common Stock					488,434	I ⁽²⁾	by Idoya Partners L.P. ⁽²⁾

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Common Stock		1,014,675	I ⁽³⁾	By Prescott Associates L.P. ⁽³⁾
Common Stock		41,306	I ⁽⁴⁾	By Prescott International Partners L.P. ⁽⁴⁾
Common Stock		65,000	I ⁽⁵⁾	By Prescott Investors Profit Sharing Trust ⁽⁵⁾

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH THOMAS W 323 RAILROAD AVENUE GREENWICH, CT 06830		X		Member of Section 13(d) Group

Signatures

/s/ Thomas W.
Smith

03/17/2010

__Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) These shares are owned directly by accounts established for the benefit of certain family members of the Reporting Person. The inclusion of these shares in this report shall not be deemed an admission of beneficial ownership for purposes of Section 16 or any other purpose and the Reporting Person disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.

(2) These shares are owned directly by Idoya Partners L.P.("Idoya"), a private investment limited partnership, and indirectly by the Reporting Person as general partner of Idoya. The Reporting Person disclaims beneficial ownership of these shares in excess of his pecuniary interest under Rule 16a-1(a)(2)(ii)(B). The address for Idoya is 323 Railroad Avenue, Greenwich, CT 06830

(3) These shares are owned directly by Prescott Associates L.P.("Prescott Associates"), a private investment limited partnership, and indirectly by the Reporting Person as general partner of Prescott Associate. The Reporting Person disclaims beneficial ownership of these shares in excess of his pecuniary interest under Rule 16a-1(a)(2)(ii)(B). The address for Prescott Associates is 323 Railroad Avenue, Greenwich, CT 06830

(4) These shares are owned directly by Prescott International Partners L.P.("PIP"), a private investment limited partnership, and indirectly by the Reporting Person as general partner of PIP. The Reporting Person disclaims beneficial ownership of these shares in excess of his pecuniary interest under Rule 16a-1(a)(2)(ii)(B). The address for PIP is 323 Railroad Avenue, Greenwich, CT 06830

(5) These shares are owned directly by the Prescott Investors Profit Sharing Trust("Trust") and indirectly by the Reporting Person as trustees of the Trust. The Reporting Person disclaims beneficial ownership of these shares in excess of his pecuniary interest under 16a-8(b)(2)(ii). The address for the Trust is 323 Railroad Avenue, Greenwich, CT 06830

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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