

**INFLATION-PROOF TRUST PRENEED FUNERAL CONTRACT**  
Chapter 90, Article 13D, North Carolina General Statutes Governs this Contract

**PRENEED FUNERAL ESTABLISHMENT NO.** \_\_\_\_\_

\_\_\_\_\_ (“Funeral Home”) sells, and \_\_\_\_\_ (“Purchaser”) purchases preneed funeral services, facilities and merchandise for \_\_\_\_\_ (“Beneficiary”), whose address is \_\_\_\_\_ (\_\_\_\_\_)  
Street address PO Box City State Zip Code Social Security no.  
Telephone Number Date of Birth

**The entry of Purchaser’s Social Security no. here ( \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ ) means that this purchase is made with Purchaser’s funds and that Purchaser is responsible for income tax on trust income, if any.**

The purchase price is \$ \_\_\_\_\_ as of the date of this contract. Purchase price has been arrived at as itemized on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected, which must be attached.

Purchaser pays Funeral Home the total purchase price in cash, receipt of which is acknowledged this date.

Purchaser pays Funeral Home \_\_\_\_\_, receipt of which is acknowledged this date, and will make further installments as \$ follows:  
 \_\_\_\_\_  
 \_\_\_\_\_ (Balance, if any, becomes due when contract is performed.)

For the purchase price, Funeral Home will provide all services, facilities, and merchandise listed in Sections A and B on the attached Inflation-Proof Preneed Statement of Funeral Goods and Services Selected without regard to future price increases. Funeral Home will be entitled to any unpaid portion of the Purchase Price and to all funds on deposit, including income and any amount retained and not deposited in trust, when Funeral Home has fully performed this contract.

**A filing fee of \$20.00 must be paid to the NC Board of Funeral Service.**

**By writing initials, Purchaser acknowledges that if the Purchaser does not receive written notification from the NC Board of Funeral Service, within 30 days, that the Board has received a copy of this contract, the Purchaser will notify the Board at 1033 Wade Avenue, Suite 108, Raleigh NC 27605 or call 1-800-862-0636 (or local 733-9380 in Raleigh). The filing of this contract with the NC Board of Funeral Service is required by law for the Purchaser’s protection.**

By writing initials, Purchaser acknowledges that Funeral Home will retain, and not deposit in trust, \_\_\_\_\_ % (not more than 10%) of payments made by Purchaser. Purchaser and Funeral Home acknowledge that if the Purchaser (or after death of the Purchaser, the Beneficiary, or the Beneficiary’s legal representative) does not substitute another funeral establishment to furnish funeral services and merchandise, the Funeral Home shall give credit for the amount retained upon the death of the preneed funeral contract beneficiary and the performance of the preneed funeral contract.

By writing initials, Purchaser acknowledges that this sale was made at Funeral Home’s place of business. If this was an off-premises sale, YOU, THE PURCHASER, MAY CANCEL THIS PRENEED CONTRACT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION.

By writing initials, Purchaser chooses to make this contract **revocable or irrevocable**. If revocable, Purchaser has the right to revoke it. If irrevocable, Purchaser **does not** have the right to revoke it unless Purchaser obtains a court order.

Revocable:  Irrevocable:

In accordance with NC Gen. Stat. Sec. 90-210.126(e), if this preneed contract includes a cremation, the purchaser hereby specifies the final disposition of the cremated remains: \_\_\_\_\_

The parties have signed this contract (which includes the provisions on the back) this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
Name of accepting Funeral Home

\_\_\_\_\_  
Address of Funeral Home

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Address where all mail will be sent

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Signature of Funeral Director or FS licensee, binding Funeral Home to contract

\_\_\_\_\_  
Financial Institution, which accepts Trust Fund and provisions of contract

FSL NO. \_\_\_\_\_ FD NO. \_\_\_\_\_

\_\_\_\_\_  
Signature of Authorized representative of Financial Institution

\_\_\_\_\_  
Signature of person who sold contract PN sales license no. \_\_\_\_\_

\_\_\_\_\_  
Account number Trust fund tax I.D. no. \_\_\_\_\_

**Signed and preneed sales license number affixed in presence of Purchaser at time of sale.**

\_\_\_\_\_  
Date funds received by Financial Institution \$ \_\_\_\_\_  
Amount Received

**TRUST FUND.** Funeral Home will deposit the purchase price, less any permitted amount it retains, in Financial Institution in trust. Financial Institution will pay out Trust Fund as provided by Chapter 90, Article 13D, North Carolina General Statutes.

**USE OF PURCHASE PRICE.** Funeral Home shall be entitled to all funds on deposit, along with income and any unpaid balance of the purchase price when Funeral Home has fully performed this contract. If a percentage of the purchase price was paid for Non-Guaranteed Cash Advance Items and NC Sales and Use Tax listed on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected, Funeral Home shall apply up to an equal percentage of the total funds it receives to pay for Non-Guaranteed Cash Advance Items and NC Sales and Use Tax provided in performance of this contract. This percentage is determined by adding the Non-Guaranteed Cash Advance Items and the NC Sales and Use Tax (items C and D on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected) and dividing it by the cost of the Total Funeral Service (items A+B+C+D on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected). If the Trust Fund does not appreciate enough to cover the Non-Guaranteed Cash Advance Items and NC Sales and Use Tax, additional funds may be required to cover these expenses.

**DEFAULT.** If Purchaser does not make a payment when due, Funeral Home may declare this contract terminated, and Funeral Home will be relieved from further liability. Unless withdrawn (if this contract is revocable), Trust Fund will remain in trust, and Funeral Home will keep any amount retained by it, until Beneficiary's death. Then, Funeral Home is not obligated to provide items listed in this contract at the contract purchase price. In such cases of insufficient funds, Funeral Home will credit toward the at-need retail price the available funds. Any remaining balance will be due Funeral Home when the contract is performed.

**REVOCAION.** If this contract is revocable, in order for Purchaser to revoke it Purchaser must deliver to Financial Institution a written demand for a refund and Financial Institution must deliver a written notice of refund to Funeral Home within five business days.

**RIGHTS RESERVED.** If a labor dispute, strike, government action, fire, war, epidemic, other disaster, changes in products or other causes beyond its control prevent or delay Funeral Home from providing the services, facilities or merchandise, Funeral Home may make reasonable substitution of comparable services, facilities or merchandise, and it will not be liable for inconvenience, delay, emotional upset, pain and suffering, loss or damage experienced by Purchaser or Beneficiary, their estates, families, legatees, heirs or legal representatives.

**RETENTION.** If Funeral Home retained and did not deposit in trust a portion of the purchase price, and if there is no substitute funeral home, Funeral Home will give credit for the amount retained at the death of Beneficiary and performance of this contract.

**SUBSTITUTION OF FUNERAL HOME.** If this contract is irrevocable, Purchaser, or, after Purchaser's death, Beneficiary or Beneficiary's legal representative, may direct the substitution of a funeral establishment to provide equal service, facilities and merchandise at substitute funeral establishment's current price.

**TRANSFER OF TRUST FUND TO ANOTHER FINANCIAL INSTITUTION.** Funeral Home has the right to have Trust Fund transferred to another Financial Institution. If this contract is revocable, Funeral Home must notify Purchaser before the transfer. Form PN-4 must be used for this purpose.

**ENTIRE AGREEMENT; AMENDMENTS.** This form, together with the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected, which must be attached to this contract, contains the entire agreement between Purchaser and Funeral Home and supersedes and integrates all communications and other agreements relating to this subject. Any changes to this contract must be filed as a new contract, marked "CONTRACT AMENDMENT," with the NC Board of Funeral Service. Contract amendment shall not change the irrevocable clause or directive by Purchaser that all funds, along with growth, be used for the purchase of funeral services, facilities or merchandise.

**EXCLUSION OF WARRANTIES.** There are no warranties of merchandise or fitness for a particular purpose extended by Funeral Home. The only warranties, express or implied, which are granted in connection with the services and merchandise sold under this contract are the express written warranties, if any, extended by the manufacturers of the merchandise sold, and no warranties are expressed or implied by Funeral Home.

**DISCLOSURE OF TRUST INFORMATION.** The Purchaser and the Funeral Home agree that the Financial Institution is authorized to disclose any and all information concerning the Trust Fund directly to the Purchaser.

**DISCLOSURES BY FUNERAL HOME.** All disclosures required by the Federal Trade Commission or other provisions of federal and North Carolina law are attached to this contract.

**RECOVERY FUND.**

**The NC Board of Funeral Service has a Recovery Fund to reimburse purchasers of preneed contracts who suffer financial loss as a result of the malfeasance, misfeasance, default, failure or insolvency of a preneed licensee.**

**WARNING**

***If this contract is irrevocable and used to qualify Beneficiary for any public assistance benefits, all monies may be required to be used for funeral services, facilities, and merchandise. You should carefully review those laws to assure compliance with those provisions.***

**INFLATION-PROOF PRENEED STATEMENT OF FUNERAL GOODS AND SERVICES SELECTED**

The Federal Trade Commission requires this disclosure. Also, this statement of disclosure is provided pursuant to the requirements of North Carolina G.S. 90-210.25(e). This funeral home is licensed by the North Carolina Board of Funeral Service whose mailing address is 1033 Wade Avenue, Suite 108, Raleigh, NC 27605, 1-800-862-0636 (or local 733-9380 in Raleigh).

While the costs of goods and services are not guaranteed with an Inflation Proof Preneed Funeral Contract, the Funeral Establishment agrees to provide all items, except the Non-Guaranteed Cash Advance Items and NC Sales and Use Tax, without receipt of additional sums from the Purchaser and without regard to whether there are sufficient funds available in the trust or insurance policy when the items are

Funeral Home \_\_\_\_\_ Preneed Establishment License Number \_\_\_\_\_

Name of Beneficiary \_\_\_\_\_ Date \_\_\_\_\_

Charges are made only for those items that you selected or that are required. If we are required by law or by a cemetery or crematory to use any items, we will explain the reasons in writing below. If you selected a funeral that may require embalming, such as a funeral with viewing, you may have to pay for embalming. You do not have to pay for embalming you did not approve if you selected arrangements such as direct cremation or immediate burial. If we charged for embalming, we will explain below.

**A. CHARGE FOR PROFESSIONAL SERVICES, FACILITIES AND EQUIPMENT**

Basic Services of Funeral Director and Staff and Overhead	\$	_____
Embalming	\$	_____
Other Preparation of the Body	\$	_____
Use of Facilities and/or Staff for Visitation/Viewing	\$	_____
Use of Facilities and/or Staff for Funeral Ceremony	\$	_____
Use of Facilities and/or Staff for Memorial Service	\$	_____
Use of Equipment and/or Staff for Graveside Service	\$	_____
Transfer of Remains to Funeral Home _____ miles radius	\$	_____
Hearse	\$	_____
Limousine or other Family Vehicle	\$	_____
Other Autos	\$	_____
Forwarding of Remains to another Funeral Home	\$	_____
Receiving Remains from another Funeral home	\$	_____
Direct Cremation	\$	_____
Immediate Burial	\$	_____
Package Plan _____	\$	_____

(package name)

Additional Services, Facilities, and Equipment (Specify) _____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____

Total Additional Services, Facilities, and Equipment \$ \_\_\_\_\_

**TOTAL SERVICES, FACILITIES AND EQUIPMENT** \$ \_\_\_\_\_

**B. CHARGES FOR MERCHANDISE**

Casket (Specify manufacturer, model, material, color, interior fabric and color) \$ \_\_\_\_\_

Outer Burial Container (Specify manufacturer, model, and material) \$ \_\_\_\_\_

Additional Merchandise (Specify):	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____

**TOTAL MERCHANDISE** \$ \_\_\_\_\_

**C. NON-GUARANTEED CASH ADVANCE ITEMS**

We charge you for our services in obtaining those items marked with an "X"

Obituary notices	\$	_____	\$	_____
Cemetery charges		_____	\$	_____
Certified copies of death certificate	\$	_____	\$	_____
Flowers	\$	_____	\$	_____
Crematory charges	\$	_____	\$	_____
	\$	_____	\$	_____

**TOTAL NON-GUARANTEED CASH ADVANCE ITEMS** \$ \_\_\_\_\_

**D. NC SALES and USE TAX** \$ \_\_\_\_\_

**TOTAL CASH ADVANCE ITEMS AND NC SALES and USE TAX** \$ \_\_\_\_\_

E. OTHER (Specify) \_\_\_\_\_ \$ \_\_\_\_\_

**TOTAL FUNERAL SERVICE (A+B+C+D+E)** \$ \_\_\_\_\_

*Disclosures: NC law does not require the purchase of any funeral goods or services (except a cremation container is required for cremations). If any other cemetery, or crematory requirement has required the purchase of any of the items listed above, we will explain the requirement*

*Reason for embalming* \_\_\_\_\_

By writing initials, Purchaser acknowledges that a current casket and outer burial container price list was shown prior to discussing prices. A current General Price List was given to the purchaser for retention.

Executed at \_\_\_\_\_, NC      Date \_\_\_\_\_

Signature of Purchaser \_\_\_\_\_

Signature of preneed licensee \_\_\_\_\_ License Number \_\_\_\_\_

NCBFS ISG&S 10/03(rev.12/12) Original remains with Funeral Home preneed file. -Copy to Purchaser -Copy to NCBFS -Copy to Financial Institution or Insurance