

Trust Funded Prepaid Funeral Benefits Contract

Contract No. _____

Purchaser: _____

Provider: _____

Contract Beneficiary: _____

Seller: (preprinted name / permit number)

Statement of Funeral Goods and Services Selected

(A) GUARANTEED SERVICES & MERCHANDISE:

The Total Contract Price below includes the goods and services to be delivered at the time of the Contract Beneficiary's death. You are not purchasing goods and services where price is left blank. You can purchase the goods and services left blank at the time of the funeral service. Certain purchases can be required by law or by a cemetery or crematory. This contract allows You to pay in advance and **freeze the costs of the Guaranteed Services and Merchandise selected below.**

BASIC SERVICES OF FUNERAL DIRECTOR AND STAFF, AND OVERHEAD

\$ _____

EMBALMING: (explanation below)

Embalming services \$ _____

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 a direct cremation or immediate burial. If we charged for embalming, we will explain why below.

(describe): _____

OTHER PREPARATION OF THE BODY:

Bathing body \$ _____

Cosmetic/Beautician \$ _____

Dressing/Casketing \$ _____

Refrigeration fee (# days _____) \$ _____

Other \$ _____

USE OF FACILITIES AND STAFF:

Rosary or prayer service \$ _____

Viewing/Visitation (# days _____) \$ _____

Funeral ceremony at funeral home \$ _____

Funeral ceremony at other facility \$ _____

Memorial service at funeral home \$ _____

Memorial service at other facility \$ _____

Use of equipment and staff for

graveside service \$ _____

Other \$ _____

TRANSPORTATION SERVICES:

Transfer of remains to funeral home

(_____ mile radius) \$ _____

Hearse (funeral coach) \$ _____

Funeral Sedan \$ _____

Limousine (# _____) \$ _____

Pallbearer car \$ _____

Clergy car \$ _____

Flower car \$ _____

Other \$ _____

OTHER SERVICES:

Forwarding of remains to another funeral home

(describe) \$ _____

Receiving remains from another

funeral home (describe) \$ _____

Other \$ _____

Immediate Burial (Basic Charge) \$ _____

Direct Cremation (Basic Charge) \$ _____

Disposition: ☐ Burial ☐ Cremation ☐ Other

GOODS:

Casket \$ _____

☐ Wood Type: _____

☐ Steel: ☐ 16 ga ☐ 18 ga ☐ 20 ga ☐ _____ ga ☐ Stainless

☐ Bronze: ☐ 32 oz ☐ 48 oz. ☐ Copper: ☐ 32 oz ☐ 48 oz.

☐ Other: _____

☐ Seal ☐ Nonseal ☐ Gasketed ☐ Nongasketed ☐ N/A

Interior Lining: ☐ Crepe ☐ Velvet ☐ Satin ☐ Other _____

Shell: ☐ Square ☐ Round Exterior color: (opt) _____

Outer burial container (see explanation on page 2) \$ _____

☐ Liner ☐ Vault ☐ Box ☐ Other (describe): _____

☐ Concrete ☐ Wood Type: _____

☐ Steel: ☐ 7 ga ☐ 10 ga ☐ 12 ga ☐ 14 ga ☐ Stainless

☐ Bronze _____ oz. ☐ Copper _____ oz.

☐ Other: _____

☐ Seal ☐ Nonseal ☐ N/A

Alternative Container: (describe) _____ \$ _____

Urn: (Name and Primary Construction) _____ \$ _____

Shipping Container: (describe) _____ \$ _____

Clothing: (describe) _____ \$ _____

Stationery/Cards: (describe) _____

_____ (# _____) \$ _____

Memorial Book: _____ (# _____) \$ _____

Acknowledgement cards: (describe) _____

_____ (# _____) \$ _____

Other _____ \$ _____

Other _____ \$ _____

(A) TOTAL COST OF GUARANTEED ITEMS: \$ _____

Contract No. _____

(B) NON-GUARANTEED CASH ADVANCE ITEMS:

The items and amounts listed below are specified as *Non-Guaranteed*. You understand that these amounts are **ESTIMATES** only and are not frozen in cost. This section is to help You set aside funds for non-guaranteed items. At the time of death, these funds may be used for any cash advance items. **You are not prefunding any items below where price is left blank.**

Initial here to confirm You have read this: _____

We charge You for our services in obtaining the items with the boxes marked:

- ☐ Cemetery Opening & Closing Fee.....\$ _____
- ☐ Cemetery Set-Up (*tent-chairs-carpet*)\$ _____
- ☐ Crematory Fees.....\$ _____
- ☐ Clergy Honorarium\$ _____
- ☐ Death Certificates.....\$ _____
- ☐ Flowers.....\$ _____
- ☐ Obituary Notices\$ _____
- ☐ Organist/Pianist.....\$ _____
- ☐ Outside Facility Rental\$ _____
- ☐ Police Escort\$ _____
- ☐ Transportation\$ _____
- ☐ Vocalist.....\$ _____

- ☐ Other.....\$ _____
- ☐ Other.....\$ _____
- ☐ Other.....\$ _____
- ☐ Other.....\$ _____

(B) TOTAL CASH ADVANCE ITEMS:

\$ _____

Subtotal (A from page 1 + B):\$ _____

(Less): Discounts/Adjustments:\$ _____

TOTAL CONTRACT PRICE:

\$ _____

Explanation of Certain Charges

Charges are 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.

Reason for Outer Burial Container or Other: (describe): _____

Payment Terms

We must deposit your money in a Banking Department approved financial institution within 30 days of receipt. However, We can keep 50% of each payment You make up to 10% of the Total Contract Price for our selling expenses. How You will pay for this contract is shown below:

Cash Contract ____ Retail Installment Contract ____ (check one)

CREDITOR-SELLER

**ANNUAL
PERCENTAGE RATE**
(The cost of your
credit at a yearly rate)

0%

**FINANCE
CHARGE** (The
dollar amount the
credit will cost You)

\$0.00

AMOUNT FINANCED (The
amount of credit provided to
You or on your behalf)

\$ _____

TOTAL OF PAYMENTS (The
amount You will have paid
after You have made all
payments as scheduled)

\$ _____

TOTAL SALE PRICE (The total cost of
your purchase on credit including your
down payment of \$ _____)

\$ _____

Your payment schedule is:

Number of payments	Amount of payments	When payments are due

PREPAYMENT: If You pay off early, You will not have to pay a penalty.

ADDITIONAL INFORMATION: See your contract documents for information about nonpayment, default, the right to accelerate, and the requirement for payment in full before delivery of contracted goods and services by the Seller.

ITEMIZATION OF AMOUNT FINANCED OF \$ _____. The full Amount Financed shall be credited to your account with Seller.

Contract Definitions

Contract Beneficiary - The person for whom this contract is purchased.

Responsible Person - The person who is legally responsible for the disposition of the Contract Beneficiary's remains. (Section 711.002 of the Texas Health and Safety Code defines who has the right to control the disposition of the remains.)

Provider - The person that signs this contract and agrees to deliver the funeral goods and services selected. The Seller and Provider may be the same company. (Section 154.161 of the Texas Finance Code defines the responsibilities of the Provider.)

Purchaser ("You") - The person who is contracting to buy the funeral goods and services. This person may also be the Contract Beneficiary. If You are also the Contract Beneficiary, then after your death "You" means the Responsible Person.

Seller ("We" or "Us") - The company that holds a Texas permit to sell prepaid funeral benefit contracts and signs this contract.

General Provisions

Guaranteed Services and Merchandise (A): As long as You follow the terms and conditions of this contract, and after the death of the Contract Beneficiary, the Provider must deliver all items selected on page 1 of the contract at no additional cost to You. The Provider will receive the money deposited for these items and the proportionate part of the income on deposit to deliver these items. The Provider is not required to refund You any of the proportionate part of the income under the contract on deposit to deliver these items.

Non-Guaranteed Cash Advance Items (B): The prices for these items are estimates only and final costs will be based on the existing prices at the time the items are delivered by the Provider. After the death of the Contract Beneficiary, the Provider pays for these items on Your behalf to third parties. The Provider shall apply the funds and the proportionate part of the income on deposit for these items to the current purchase price for the items. The Provider may collect more money from You if the amounts paid-in and the proportionate part of the income on deposit **is less** than the current purchase price to deliver these items. The Provider shall refund You or Your estate if the amounts paid-in and the proportionate part of the income on deposit **is greater** than the current purchase price to deliver these items.

The Responsible Person may add, surrender, cancel, or modify **any** non-guaranteed cash advance item included under this contract at the time of the funeral. If there is a credit value, it may be:

- (1) refunded to You or Your estate; or,
- (2) used to pay for additional funeral merchandise or services.

Taxes: You or your estate may incur a tax liability for earnings earned on deposits made under this contract. But these earnings are never paid to You. (See Internal Revenue Ruling ("IRS") 87-127 and IRS Code Section 685)

No Warranty: The Seller and Provider make no express or implied warranties of merchantability or fitness for particular purpose for goods purchased under this contract. The only warranties are those expressed or written by the manufacturer. Specific brand name goods will be delivered only where so noted. Further, no representation is made that the specific items selected for the Cash Advance Items will be available at the time of death.

Change of Address: All parties must notify each other in writing of any address change.

Successor Provider: You cannot change the Provider, even if You move away, unless We and the Provider agree in writing.

Loan: You cannot take out a loan against the money deposited for this contract.

Cancellation: You cannot make a partial cancellation of this contract. This means You cannot change the funeral goods and services selected during the duration of this contract, unless a new contract is executed. You may change other contract terms only by written agreement signed by all parties. (For example, changing payment terms.)

Entire Agreement: This contract constitutes the entire agreement among the parties. This contract binds the parties or any other successor who assumes their rights and obligations under this contract.

Changing Contract Beneficiary: You may change the Contract Beneficiary of this contract at any time before your death. You must notify Us and the Provider to this change in writing.

Contract Cancellation

You may choose to give up your right to cancel this contract. You do this by signing a separate Waiver of Right to Cancel. **If you sign a separate Waiver of Right to Cancel, You will not be able to cancel your contract or receive a refund.**

If You cancel this contract WITHIN A YEAR of signing it and your payments are current, We are required to refund the greater of:

- (1) 90% of the actual amount of money You paid, or
- (2) the amount of money We have deposited into the approved financial institution for your contract. Read the Payment Terms section of this contract for the amount of money that will be deposited for You.

If You cancel this contract AFTER THE FIRST YEAR, You will receive the amount of your money deposited, less the amount We can keep, PLUS one-half of the net income earned on it.

If You wish to cancel this contract, the request must be made in writing on forms prescribed by the Banking Department. You must receive your cancellation refund within 30 days of your written notice.

If We request that You cancel this contract, You will receive a refund of all money paid and the net income earned.

Contract Default

If You are more than 30 days late making a scheduled payment, this contract may be considered void and We may:

- (1) cancel this contract and refund the cancellation benefit as described above to You; or,
- (2) apply the money deposited to a new funeral arrangement.

If the Contract Beneficiary dies and You have NOT paid this contract in full, then the Provider is not required to deliver the funeral goods and services selected; unless,

- (1) You have complied with your obligations by making all required payments under the contract; and,
- (2) You pay any remaining balance due on this contract before the funeral service, or, the Provider agrees in writing to another payment arrangement.

If the Provider goes out of business before the death of the Contract Beneficiary or is otherwise unable to honor the contract terms; then,

- (1) You and the Seller may agree to use a Successor Provider who will honor the contract terms;
- (2) You can make a claim to the Prepaid Trust-Funded Guaranty Fund. This Fund guarantees contract performance; or,
- (3) You can cancel the contract and receive a refund based on the cancellation benefit.

The Prepaid Trust-Funded Guaranty Fund covers this contract.

Changes to Disposition at the Time of Death

If You are the Purchaser and the Contract Beneficiary, You are the only person who can change the method of Your disposition selected in this contract. A disposition change can only be made by You signing a written document with new instructions **AFTER** the date of this contract.

If You are the Purchaser but NOT the Contract Beneficiary, You can change the method of disposition unless the Contract Beneficiary has signed written instructions regarding his/her disposition.

Changes to the Guaranteed Services and Merchandise at the Time of Death

Related to contracts not fully funded: If payments are due at the time of death, this contract **is not** fully funded and the final funeral service could be different from the funeral You planned.

Related to fully funded contracts: If no further payments are due at the time of death on the Guaranteed Services and Merchandise, this contract is fully funded. However, the Responsible Person may decide to change Your selections up to 10% of the Guaranteed Services and Merchandise. The Provider must give a credit if the changes result in decreased costs, but is not required to refund any money.

In addition, the Responsible Person and the Provider can agree to changes in excess of 10% of the Guaranteed Services and Merchandise selected. If the Responsible Person and the Provider agree to make changes in excess of 10%, the Provider must give credit for any changes that decrease costs and if applicable, issue a refund to Your estate. The Responsible Person must pay the Provider for any changes that result in increased costs.

You can prevent all changes to the Guaranteed Services and Merchandise that You have selected under a fully funded contract by signing the box below.

I am the Purchaser and the Contract Beneficiary. I **do not** want the Responsible Person to make any changes to the **Guaranteed Services and Merchandise** selected on page 1 of my fully paid contract.
Sign here to confirm this is your choice. _____

Required Signatures and Notices

Do not sign this contract before You have: (1) read it, (2) had an opportunity to ask questions and review the preneed informational website at www.prepaidfunerals.texas.gov, (3) received a copy of the Provider's General Price List, (4) received a copy of the Seller's Information Preneed Brochure (for contracts sold after June 1, 2010), and (5) been offered the Provider's Casket Price List and Outer Burial Container Price List before discussing or being shown these goods. You are to receive a copy of this signed contract. Keep this contract to protect your legal rights.

If You sign this contract at a place other than the Seller/Provider's place of business, You may cancel this contract at any time prior to midnight of the third business day after the date of this contract. See the Notice of Cancellation form provided to You for an explanation of this right. You do not have this right if the contract is signed at the Seller/Provider's place of business.

You certify by signing this contract that the Social Security Number listed below is the correct number issued to You. You also certify that You are not subject to any backup withholding or any other order that requires special reporting to the IRS. You will receive a copy of this contract and the Seller/Provider will retain the original contract. If a Seller's Representative signature is required, You will receive a copy of the dual signature contract within 30 days of final acceptance and execution.

Signed this _____ day of _____, 20____ at: ☐ Seller's / Provider's Location or, ☐ _____ (Place)

Purchaser's Signature

Provider's Signature

Purchaser's Social Security Number

Provider's Printed Name Phone Number

Purchaser's Printed Name Phone Number

Provider's Address

Purchaser's Address

City State Zip

City State Zip

Seller's Signature **Seller's Printed Name**

Contract Beneficiary's Printed Name Date of Birth

Seller's Address Phone Number

Contract Beneficiary's Address

City State Zip

City State Zip

Date and Signature of Seller's Representative (*if required*)

Inquiries should be directed as below. All complaints must be in writing.

Concerning the Prepaid Contract:

Texas Department of Banking
2601 N. Lamar, Austin, Texas 78705
1-877-276-5554 (toll free)
www.dob.texas.gov

Concerning the Funeral Service or Funeral Director:

Texas Funeral Service Commission
P.O. Box 12217, Austin, Texas 78711
1-888-667-4881 (toll free)
www.tfsc.texas.gov