

**ANNUAL REPORT OF 2023 ACTIVITY
FOR TRUST-FUNDED PERMIT
FILING INSTRUCTIONS**

Who must file an Annual Report? An Annual Report must be filed if the permit holder: (1) wishes to continue selling prepaid funeral contracts (PFCs); (2) had outstanding PFCs as of December 31, 2023; or (3) wants to preserve the permit for possible future PFC sales.

Your Annual Report is requested in our office by February 15, 2024 for processing, but must be submitted by no later than March 1, 2024.

Completing the Annual Report

- Pages 1-5 of the Annual Report are to be completed by the permit holder.
- Page 5 of the Annual Report is to be signed by an authorized agent, owner, or officer of the permit holder.
- Page 6 (Exhibit A/Depository Statement) of the Annual Report is to be completed and signed by each depository holding prepaid funeral funds.

Required Exhibits

Exhibit “A” – Trustee/Depository Statement as of December 31, 2023 (Page 6).

Exhibit “B” – The final page of the permit holder’s December 31, 2023 control ledger must be submitted. The ledger must balance to page 3 and page 6 of the Annual Report form. If the data does not balance, an explanation or reconciliation of the variance must be submitted with the filing.

Exhibit “C” – An assumed name certificate(s) filed with the Texas Secretary of State and/or County Clerk must be provided if changes were made or required since the previous year, or if the assumed name certificate(s) on file with the Department have expired. *Note: Assumed name certificates expire ten years after the date of the original filing.*

Exhibit “D” – For corporations, LLCs, and partnerships, proof of “active” account status with the Texas Comptroller of Public Accounts must be provided. You may look up your status and print the verification online at www.comptroller.texas.gov, select “Franchise Tax Account Status” from the Lookup section.

Exhibit “E” – Financial Statements in the name of the permit holder must be provided **if you wish to sell new PFCs**, including a balance sheet and income statement. The date of the financial statements may **not** be older than December 31, 2022. Blank financial statement forms are available on our website and may be used if you do not have a financial statement format. **Submission of financial statements is required to determine the permit holder’s financial fitness and viability under Chapter 154 of the Texas Finance Code, Section 154.103(b).**

- Permit holders may submit a 2022 tax return **with a balance sheet** in lieu of the financial statements.
- Permit holders whose financial capacity is derived from a parent or holding company may submit the financial statements of the parent or holding company along with an organizational chart. To allow the Department to consider the financial capacity of a parent or holding company, a Letter of Guarantee (LOG) is required to be executed and filed with the Department. If not previously provided to the Department, please contact the Department to discuss the applicability.
- The Department reserves the right to request additional financial information if the balance sheet and income statement do not clearly establish the financial capability to discharge the permit holder’s responsibilities.

**TEXAS DEPARTMENT OF BANKING
ANNUAL REPORT OF 2023 ACTIVITY FOR
TRUST-FUNDED PERMIT NUMBER _____**

(Pursuant to the provisions of Chapter 154 of the Texas Finance Code and the rules and regulations of the Texas Department of Banking)

The Texas Department of Banking (Department) relies on the permit holder's statements and all information contained in this Annual Report to be true and correct with no material misrepresentation. A request for additional support may be made in response to this Annual Report and during Departmental examinations.

SECTION I – GENERAL INFORMATION

1. Name of Firm or Corporation _____

“Doing Business As” Name, if applicable _____

2. The current permit issued to my firm is ☐ Restricted from new sales ☐ Unrestricted from new sales

3. Check the applicable response:

☐ I request no change to my permit type.

☐ I request a change from a restricted permit to an unrestricted permit. Financial statements are provided.

☐ I request a change from an unrestricted permit to a restricted permit.

4. Domicile Address _____

City _____ State _____ Zip _____

County _____ Phone _____

5. Mailing Address _____

City _____ State _____ Zip _____

6. Exam Location _____

City _____ State _____ Zip _____

7. Recordkeeper, if applicable Company Name _____

Address _____

Permit No. _____

8. Customer Service Numbers Phone _____ Fax _____

9. Contact Person Name _____

Telephone Number _____

Email Address _____

10. Business Operated As:

☐ Sole Proprietorship owned by _____

☐ Partnership owned by _____

☐ Association/Corporation Charter Number _____ Date Filed _____

Name and percentage of majority owner(s) or stockholder(s) who own 25% or more of the business interest.

Name _____ Percentage Owned _____

Name _____ Percentage Owned _____

Name _____ Percentage Owned _____

Name _____ Percentage Owned _____

If the association/Corporation is owned or controlled by another entity or firm, please explain below:

11. List Current Officers Below or Check if Not Applicable ☐

President _____ Date Appointed _____

Vice President _____ Date Appointed _____

Secretary _____ Date Appointed _____

Treasurer _____ Date Appointed _____

SECTION II – RECAPITULATION OF 2023 PREPAID FUNERAL BENEFIT CONTRACT ACTIVITY

INSTRUCTIONS FOR COMPLETING SECTION II. Keep the principal separate from the interest and place the information on the proper lines. This report should reflect all contracts. (The ending totals MUST balance to your control ledger as of 12/31/23.)

Section (a) – These amounts are the year-end totals as of December 31, 2022. Use your Annual Report from the previous year to get these amounts. If the Report was corrected by the examiner at your last examination, use the adjusted totals.

Section (b) – Any adjustments made during 2023. Additions should be listed as positive amounts and reductions as bracketed amounts. All adjustments must be explained on a separate page.

Section (c) – This will be the total number of new contracts sold in 2023 and the amount of all payments received and required to be deposited into your prepaid trust, including any funds received on new and old accounts and all interest earned during 2023.

Section (d) – This will be any contract that may have been previously withdrawn and is being reinstated.

Section (e) – This will be the total number of contracts matured, canceled, or escheated that have been withdrawn during 2023 and any withdrawals approved by the Department.

Section (f) – The ending amounts are your grand total from prepaid activity in 2023. This line must include all outstanding contracts. Totals in (f) must balance with your enclosed December 31, 2023 control ledger and the “Total on Deposit Book (Cost) Value” on the trustee statement(s). **If the three documents do not agree, an explanation or reconciliation of the variance must be attached.**

		Total Number of Contracts as of 12/31/22	Principal Deposits Required as of 12/31/22	Interest Earned as of 12/31/22	Total Principal and Interest as of 12/31/22	
(a)	BEGINNING TOTALS	_____	\$ _____	\$ _____	\$ _____	(+)
(b)	ADJUSTMENTS	_____	\$ _____	\$ _____	\$ _____	(+/-)
(c)	DEPOSITS	Total Number of Contracts Sold for 2023	Principal Deposits Required 2023	Interest Earned for 2023	Total Principal and Interest Deposited for 2023	
		_____	\$ _____	\$ _____	\$ _____	(+)
(d)	REINSTATEMENTS	_____	\$ _____	\$ _____	\$ _____	(+)
(e)	WITHDRAWALS	Total Number of Contracts Withdrawn 2023	Principal Amount Withdrawn for 2023	Interest Withdrawn for 2023	Total Principal and Interest Withdrawn for 2023	
	Maturity/Cancellations	_____	\$ _____	\$ _____	\$ _____	(-)
	Abandoned Property	_____	\$ _____	\$ _____	\$ _____	(-)
	Other (DOB Approved)	_____	\$ _____	\$ _____	\$ _____	(-)
	Federal Income Taxes			\$ _____	\$ _____	(-)
	Depository/Trustee Fees			\$ _____	\$ _____	(-)
	Annual Assessments			\$ _____	\$ _____	(-)
	Other (provide support)	_____	\$ _____	\$ _____	\$ _____	(-)
(f)	TOTALS	Total Number of Contracts as of 12/31/23	Amount of Principal Required as of 12/31/23	Amount of Interest Required as of 12/31/23	Grand Total Principal and Interest Required as of 12/31/23	
		_____	\$ _____	\$ _____	\$ _____	(=)

The final page of your control ledger as of 12/31/23 must be attached.

SECTION III – QUESTIONNAIRE

1. Has 25 percent or more of the stock or other ownership or membership interest of the permit holder changed since the permit holder's previous annual report filing? Yes ☐ No ☐

If yes, was the Department notified of the ownership change? N/A ☐ Yes ☐ No ☐

If applicable, explain the change in ownership:

2. Is the permit holder selling new contracts under this permit? Yes ☐ No ☐

3. Have all written consumer complaints filed against anyone associated with the permit holder, if any, been resolved? N/A ☐ Yes ☐ No ☐

If no, explain: _____

4. Have all violations cited at the last examination of the permit holder, if any, been corrected? N/A ☐ Yes ☐ No ☐

If no, explain: _____

5. Has the permit holder experienced any defalcation or fraud since the permit holder's previous annual report filing? Yes ☐ No ☐

If yes, explain: _____

6. Has the permit holder been subject to any regulatory actions by any agency (enforcement actions, consent orders, etc.) since the permit holder's previous annual report filing? Yes ☐ No ☐

If yes, explain: _____

7. Has the permit holder had any permit/licensed suspended, revoked, or renewal refused by any agency since the permit holder's previous annual report filing? Yes ☐ No ☐

If yes, explain: _____

8. Has there been any litigation involving the permit holder initiated since the permit holder's previous annual report filing? Yes ☐ No ☐

If yes, explain: _____

9. Does the permit holder currently sell any insurance funded prepaid funeral contracts? Yes ☐ No ☐

If yes, please list each insurance company below or on a separate sheet.

10. Does the permit holder, or affiliate organization of the permit holder, maintain another Prepaid Funeral Benefits permit(s) to sell trust and/or insurance prepaid funeral contracts or maintain a Certificate of Authority to operate a perpetual care cemetery in Texas? Yes ☐ No ☐

If yes, explain: _____

11. Have there been any material changes to the permit holder's business plan, products, services, or financial condition since the previous annual report filing? Yes ☐ No ☐

If yes, explain: _____

SECTION IV ANNUAL REPORT ACKNOWLEDGEMENT

I sign the foregoing Annual Report as an authorized agent or principal officer of the permit holder, having full authority to sign such Annual Report in said capacity. I affirm I have read the Annual Report and the attached exhibits, and all information contained therein is true and correct and no material fact has been omitted. I affirm that the permit holder is familiar with and will abide by the provisions of Chapter 154 of the Texas Finance Code.

By: _____
Name of Permit Holder

Signature of Authorized Agent or Principal Officer

Authorized Agent or Principal Officer Name and Title

Date

EXHIBIT "A" – TRUSTEE/DEPOSITORY STATEMENT

Annual Report of Prepaid Trust Funds as of December 31, 2023

TO BE COMPLETED BY AN OFFICER OF THE FINANCIAL INSTITUTION

Submit this page to your depository for completion. If more than one depository is used, this page may be duplicated. **NOTE: An officer of the financial institution must sign at the bottom of the statement(s).**

Name of Depository: _____

Mailing Address, Line 1: _____

Mailing Address, Line 2: _____

Account Name: _____

Individual(s) name(s) shown on the Signature card of the restricted account(s)

STATEMENT OF BALANCES AS OF DECEMBER 31, 2023. If an itemized listing of accounts is attached, a grand total must be indicated below.

Type of Accounts	Account Numbers	Total on Deposit – Book (Cost) Value
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

If a separate page is necessary to list all accounts, the financial institution must sign each page.

I have verified that the above account(s) is/are styled as preneed funeral funds or prepaid funeral funds and has/have the proper withdrawal restrictions for prepaid funeral benefits funds. I hereby certify that the foregoing statement is true and correct to the best of my knowledge and belief and has been prepared by a representative of my institution.

OFFICER OF DEPOSITORY SIGNATURE: _____

PRINTED NAME AND TITLE: _____

TELEPHONE NUMBER: _____ DATE: _____