ARTICLE 6. FUNERAL TRUST FUNDS

Rule 1. Trust Fund Agreements; Contract Provisions

832 IAC 6-1-1 Notifications affecting preneed contracts
Authority: IC 25-15-9-8
Affected: IC 1-1-7-1; IC 25-15-8-5; IC 30-2

Sec. 1. When a funeral home is sold or when the preneed contracts established under IC 30-2 that names licensees as beneficiaries are sold, the seller is responsible to notify the purchasers of all such preneed contracts affected by the sale, advising them of the transaction. Notification must be in writing and provided by the seller to the purchasers by regular mail or by any method permitted by IC 1-1-7-1. *(State Board of Funeral and Cemetery Service; 832 IAC 6-1-1; filed Jan 30, 1986, 2:23 p.m.: 9 IR 1372; readopted filed May 10, 2001, 2:39 p.m.: 24 IR 3237; readopted filed Jul 19, 2007, 12:52 p.m.: 20070808-IR-832070048RFA; filed Mar 11, 2013, 2:50 p.m.: 20130410-IR-832120198FRA; readopted filed Nov 25, 2013, 9:23 a.m.: 20131225-IR-832130288RFA)*

832 IAC 6-1-2 Restrictions on increased pre-need contract prices
Authority: IC 25-15-9-8
Affected: IC 30-2-9

Sec. 2. If the funeral trust contract executed pursuant to IC 30-2-9 does not specifically allow for increases in the total stated price of the services, the beneficiary of the funeral trust may provide the agreed upon funeral and burial services at no greater cost than the total specified in the funeral service contract. Even if a funeral trust contract described in IC 30-2-9 includes a provision for increases in the total price of the funeral service, the beneficiary of the trust may not charge or collect any total price for the service selected by the settlor of the trust greater than that specified in the last written notification to the settlor or the settlor's guardian before the settlor's demise. *(State Board of Funeral and Cemetery Service; 832 IAC 6-1-2; filed Jan 30, 1986, 2:23 pm: 9 IR 1372; readopted filed May 10, 2001, 2:39 p.m.: 24 IR 3237; readopted filed Jul 19, 2007, 12:52 p.m.: 20070808-IR-832070048RFA; readopted filed Nov 25, 2013, 9:23 a.m.: 20131225-IR-832130288RFA)*

832 IAC 6-1-3 Payment of trust and escrow funds; documentation required
Authority: IC 30-2
Affected: IC 25-15-9-8; IC 25-15-9-18

Sec. 3. (a) A trustee or escrow agent acting as a fiduciary, as defined at IC 30-2-13-11 and including an insurance company holding prepaid funeral funds, that disburses funds in a funeral trust or escrow account established under IC 30-2-9, IC 30-2-10, or IC 30-2-13 may do so only when documentation is submitted to the trustee or escrow agent acting as a fiduciary verifying both:
  (1) the death of the individual for whom services were to be provided under contract; and
  (2) that the beneficiary of the trust has fully performed all funeral and burial services provided for in the contract.
  (b) Presentation of one (1) of the following documents shall be satisfactory verification of proof of death under subsection (a)(1):
  (1) A completed and executed copy of a death certificate.
  (2) Certification of proof of death from the coroner pending issuance of a death certificate.
  (3) For burial purposes only, a burial permit.
  (c) Presentation of one (1) of the following documents shall be satisfactory verification of performance of services under subsection (a)(2):
  (1) In the event of a merchandise sale only, an invoice for merchandise that reflects the name of the purchaser or beneficiary and the contract number.
  (2) Acknowledgment signed by the purchaser, next of kin, or a person who has authority to designate final disposition of remains, acknowledging that merchandise was delivered or services were performed, as permitted by IC 25-15-9-18.
  (d) The beneficiary of the trust shall maintain documentation, in original or electronic format, for at least three (3) years after the date of full performance of the contract. *(State Board of Funeral and Cemetery Service; 832 IAC 6-1-3; filed Mar 11, 2013,*

2:50 p.m.: 20130410-IR-832120198FRA; readopted filed Nov 25, 2013, 9:23 a.m.: 20131225-IR-832130288RFA)

*