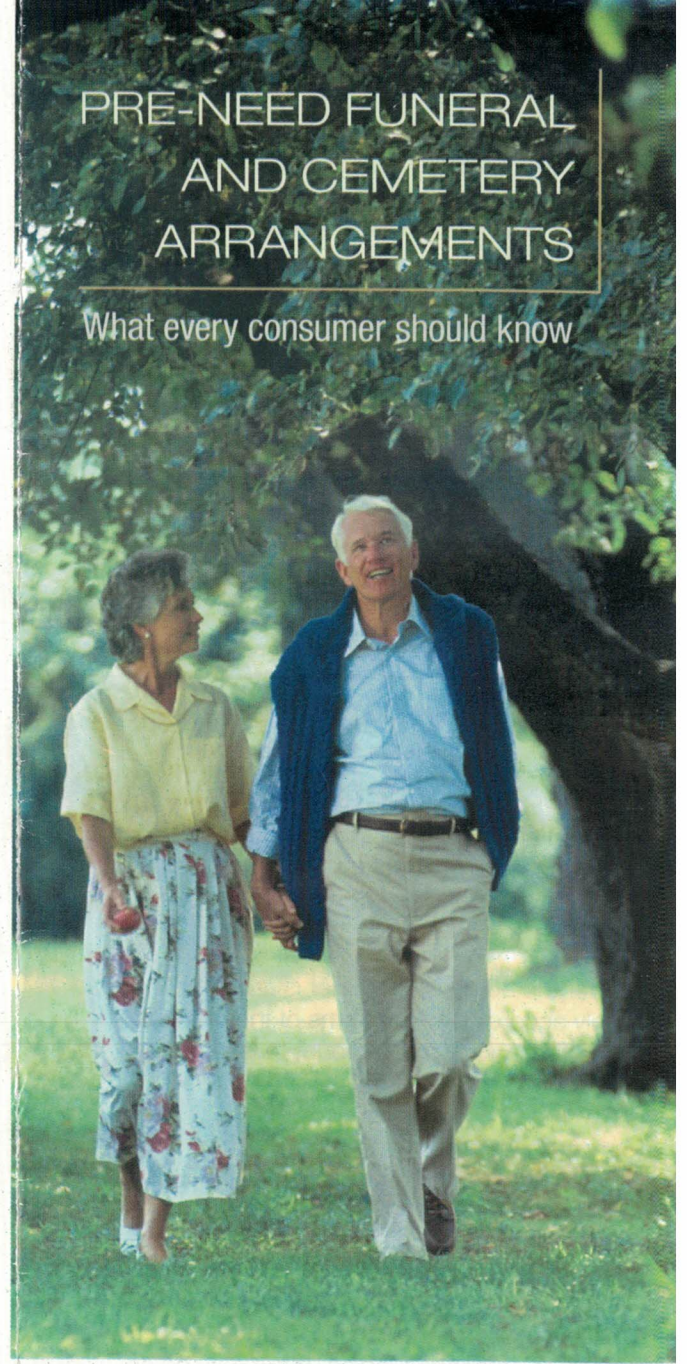


PRE-NEED FUNERAL AND CEMETERY ARRANGEMENTS

What every consumer should know



Why should I read this?

Florida law requires that any potential buyer of a prepaid contract for funeral and/or cemetery services or merchandise be given this brochure. The contract you are considering purchasing - or have purchased - is commonly called a "preneed contract."

There may be many reasons to purchase a preneed contract, but you must keep in mind that you are engaged in a business transaction. Statistics tell us that the expense of a single funeral can be the third largest purchase of a given household - right behind the purchase of a house or an automobile. So think carefully about all aspects of your decision.

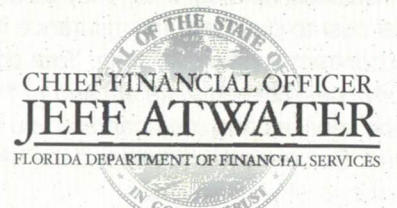
Your preneed contract is a legally enforceable contract for any funeral and cemetery

merchandise and/or services that you choose to purchase. It will impose conditions on you (the buyer) and on the funeral home or cemetery with whom you are contracting (the seller).

You will have - or have already had - an interview with someone who represents the seller. If you decide to purchase, you will be presented with a preneed contract. It is your responsibility to understand the provisions of this contract, and that the money you are paying provides specifically for the funeral and/or cemetery services and merchandise you desire. Be sure you know if there are contract items whose price is not guaranteed and for which further payment may be required. Never sign a contract with blank spaces, and always demand and keep a copy of any contract that you sign.

CHIEF FINANCIAL OFFICER
JEFF ATWATER

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
200 East Gaines Street
Tallahassee, Florida 32399-0323



What happens to the money I have paid in advance?

The seller must be able to deliver the funeral arrangements for which you have prepaid, no matter how much time elapses before these are needed.

Florida law requires that the seller secure a sufficient amount of the money you pay in advance to guarantee the fulfillment of your contract. This can be done in different ways: for example, by placing some or all of the money in trust; or by purchasing insurance that secures the money needed to fulfill the contract. Your contract specifies how the money will be secured. Be sure you understand these provisions, and ask questions about anything that you don't understand.

What happens if I change my mind?

Under Florida law, you have a 30-day grace period after you have signed a preneed contract to cancel the contract for any reason, or for no reason at all, and get all the money you have paid back.

After the 30 days, the seller is required to refund only according to the terms of the preneed contract, which may amount to less money than you have paid.

What happens if I don't pay in full at the time of purchase?

Many funeral homes and cemeteries offer installment plans for preneed contracts. Some sellers may impose finance charges or, in the case of insurance funding, there may be an additional cost to purchase the insurance if the preneed contract is paid over time. Your contract will specify how payments are applied to the cost of the services and merchandise you have purchased. Be sure you understand the terms and conditions of your contract.

What about purchasing interment rights?

Not all cemeteries in Florida are licensed and regulated by the state. Municipalities, counties, religious institutions, fraternal and veteran's organizations, etc., may own and operate cemeteries that are not licensed and regulated by the state. However, most cemeteries that offer preneed contracts must have a license from the State of Florida and are therefore regulated by the state. Before you buy a preneed cemetery contract, ask if the cemetery is licensed and regulated by the state, or call the Division of Funeral, Cemetery and Consumer Services hotline at 1-800-323-2627 to ask for information and assistance, or go to our Web site at www.MyFloridaCFO.com. Please note: The sale of burial rights in and of themselves is not considered a preneed sale. There must also be the sale of merchandise and/or services to require a preneed license. Licensed cemeteries, as well as municipal cemeteries or certain religious cemeteries, may sell spaces preneed without a preneed license.

What are "interment rights?"

When you prepay for a burial plot, mausoleum crypt or columbarium niche for an urn containing cremated remains, you are purchasing what are called "interment rights." Unlike buying real estate, you do not own the actual property. What you purchase is, in legal jargon, a "right of sepulcher" (or entombment, or inurnment) in that property. Under Florida law, money paid for interment rights is not refundable if you choose to cancel such a contract after the 30-day grace period. However - assuming that the contract for interment rights is paid in full - you do have the legal right to sell, trade or exchange your interment rights. Brokers licensed in Florida can handle such transactions.

How much money will be refunded if I must cancel the contract?

If you are buying your preneed contract on an installment plan, how much money you have paid at the time of cancellation is a critical determinant of how much money you may receive in refund. Otherwise, refund terms are specified in your preneed contract, and will vary from seller to seller. Some contracts are 100-percent refundable, while others may refund only a portion of what you have paid. For example, some sellers consider the purchase of merchandise final and offer no refund amount. If you cancel your contract, the seller may choose to deliver the merchandise purchased rather than refund the purchase price. Caskets, burial vaults and grave markers are examples of merchandise that can be delivered if you cancel your contract. You should ask, specifically, "If I have to cancel this contract for a legitimate reason, how much of the money I paid will I get back?"

What if I must default on a prepayment contract?

Default terms are specified in your preneed contract and may vary from seller to seller. "Default" means that you, the buyer, do not fulfill the terms of the contract. Should this occur, the seller may be entitled to "liquidated damages" and keep all money paid for merchandise, and the merchandise being purchased. The purchaser is generally in default if they are 90 days past due in making payments. The seller must provide the purchaser with 30 days written notice of its intent to exercise any of its rights pertaining to default.

Technically, canceling any installment contract constitutes a default. However, when the cancellation is due to circumstances other than inability to fulfill the contract terms - such as moving away from the area - some sellers are willing to negotiate a partial refund or to make other arrangements for the buyer to fulfill the contract terms. Should this circumstance occur, you should discuss your options with the seller.



Any further advice?

First - and by far most important! - read your preneed contract carefully, and be sure you understand all its terms and conditions before you sign it. Ask questions about anything that you do not understand. If you are not satisfied with the answers, don't sign the contract.

Second, keep in mind that prices and contract terms vary from seller to seller, including refund amounts if you should have to cancel. Become an informed and assertive buyer. This will empower you to comparison shop for only the services and merchandise you want, under a contract that you understand serves your own best interests.

Third, you can seek help. Even after you have purchased a preneed contract for funeral arrangements, if you have any problems, or are worried about anything that you don't understand, contact the seller for additional clarification. If you are still concerned, call the Division of Funeral, Cemetery and Consumer Services hotline at 1-800-323-2627 to ask for additional information or assistance, or go to our Web site at www.MyFloridaCFO.com.