

# Pre-arranged Funerals

A pre-arranged funeral plan is a contract with a funeral home that lets you plan and pay for your funeral in advance. You can pay in either a lump sum payment or installments. Your funds are held in a trust account until the services are needed. To protect you and your money FCNB has requirements for how these contracts are made and requires that each funeral home and the funeral home's manager be licensed.



## What agreements do the requirements apply to?

The requirements for pre-arranged funerals apply only to contracts paid for by funds that are deposited into a trust account. The rules do not apply to:

- pre-arranged funeral plans purchased through contracts for insurance;
- or the purchase of services offered at a cemetery.

## How is your money protected?

Whenever you make a payment towards your pre-arranged funeral plan, the funeral home must give you a receipt and deposit your money into a trust account within 10 working days. Then the funeral home has 15 working days to provide you with proof that the funds have been deposited in trust, in your name, at a financial institution.

## What your contract must tell you

When you buy a pre-arranged funeral plan, the funeral home must use a pre-numbered standard form of contract provided by FCNB. The standard contract makes sure that you are given all important information about the transaction such as:

- Name and date of birth of the person the plan was bought for (beneficiary)
- Name of the person who bought the plan (if different from the beneficiary)
- Description of the goods and services to be included in the plan
- Description of goods and services that are not included in the plan
- The place where the funeral services are to be performed
- Your rights and the rights of the funeral home if you terminate or cancel the contract
- The amount of money paid toward the plan
- The date that the remaining balance is owing

## Cancelling a contract

You have the right to change your mind and cancel your contract without penalty within 7 days of entering into the agreement. If you change your mind after 7 days you can still cancel but may have to pay a fee of up to \$250. By law funeral homes are allowed to charge up to \$250, but if the cancellation fee in your contract is lower they must only charge you that amount.

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