

National Prearranged Services, Inc.

Letter of Understanding

On this date, _____, 20____, _____ (Funeral Home) and National Prearranged Services, Inc. (NPS) have entered into an Understanding wherein NPS will secure and manage a preneed program for Funeral Home.

NPS AGREES TO:

1. Provide well trained counselors who will service the community with needed information while respecting and protecting the reputation of the Funeral Home.
2. Utilize service and merchandise prices determined by Funeral Home.
3. Communicate with the Funeral Home by local manager on the activity and progress of the program.
4. Offer the benefits of the NPS preneed program to the people of the community on behalf of the Funeral Home.
5. Assume all training, administrative, and printing cost.
6. (a) NPS Standard Option:
Purchase a service based on your retail price at the date of prearrangement, plus an annual inflation factor on the amounts assigned to trust. The inflation factor is increased annually by the Gross National Product (GNP) deflator increase, up to an annual maximum of 12%; or
(b) Wholesale Protection Option:
NPS shall pay the retail price described in the preneed contract, plus the actual dollar increase of the wholesale cost of said casket and vault from the date of preneed sale until the date of death. In addition, NPS will pay the GNP Inflation Factor (up to 12% per year) as of date of contract, on your professional services.
7. At no time, during the enforceability of this Letter of Understanding, will NPS postulate or hire away from the Funeral Home, any Funeral Home employee for the purpose of exclusively working for and representing NPS.

(c) Some as Advantage agreement regarding retail price

FUNERAL HOME AGREES TO:

1. Be supportive of the program benefits, and of the counselor's activity within the community.
2. Assist NPS in promoting the concept of preneed.
3. Give NPS prices on services and merchandise as requested and give NPS 30 days notice in advance of anticipated price changes.
4. Allow NPS, where necessary, to place an authorized facsimile Funeral Home signature on necessary preneed instruments. NPS will provide Funeral Home with a copy of each preneed contract and memorial information.
5. At no time, during the enforceability of this Letter of Understanding, or at any time within two (2) years of termination of this Letter of Understanding, should such occur, will Funeral Home postulate or hire away from NPS, any NPS counselor for the purpose of exclusively working for the Funeral Home; and, expressly, Funeral Home agrees and understands that NPS counselors are under a contractual relationship with NPS, which contractual relationship contains an all inclusive "no-compete" clause to which the counselor as an individual is bound.

If, at any time, either party is not satisfied with the performance of the other, this Understanding shall be immediately cancelled by written notice of the other party.

FUNERAL HOME REPRESENTATIVE

NPS, INC. REPRESENTATIVE

SOCIAL SECURITY # OR FEDERAL ID#

FUNERAL HOME MAILING ADDRESS AND STREET ADDRESS

CITY STATE ZIP PHONE

NPS, INC. • 10 SOUTH BRENTWOOD • ST. LOUIS, MISSOURI 63105
314-726-5706 • FAX 314-726-5760 • MO 800-392-6706 • US 800-334-3851