

## Kansas Cemetery Association

September 11, 2013

### Current Legal Issues for Cemeteries and their Trustees

#### NPS and Investment Advisors: Who is the trust beneficiary for investment purposes?

Two years ago, the US attorney indicted the NPS investment advisor for having failed to discharge duties to funeral homes. When the investment adviser was convicted two weeks ago, the US Attorney stated Mr. Wulf failed his duties to consumers. When the investment advisor appeals his conviction in November, he will claim that he owed his duties only to his client, National Prearranged Services.

So, who is the client: the program sponsor, the death operator or the consumer?

#### Cemetery Regulators and the Jurisdiction Gap

Whether you own and operate a cemetery in Kansas or Missouri, your authority to run the cemetery is dependent upon keeping your trusts in compliance with the law. Who is responsible when the trustee makes a mistake?

#### Your Care Fund and What's Income

Fixed income rates are down, and will remain so for the foreseeable future. So, let's diversify! But wait, capital gains are taxable and therefore, must be income, right?

#### Master trusts and the Reserve Approach

Illinois and Wisconsin, what do they have in common besides bad baseball teams?  
Master trusts with some major deficiencies. How can paying a small, fixed return go so bad?