

SECOND REGULAR SESSION

# SENATE BILL NO. 883

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WASSON.

Read 1st time February 18, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

5855S.02I

## AN ACT

To repeal sections 436.405, 436.430, 436.450, 436.455, 436.456, 436.457, 436.458, and 436.460, RSMo, and to enact in lieu thereof eight new sections relating to preneed funeral contracts.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 436.405, 436.430, 436.450, 436.455, 436.456, 436.457, 2 436.458, and 436.460, RSMo, are repealed and eight new sections enacted in lieu 3 thereof, to be known as sections 436.405, 436.430, 436.450, 436.455, 436.456, 4 436.457, 436.458, and 436.460, to read as follows:

436.405. 1. As used in sections 436.400 to 436.520, unless the context 2 otherwise requires, the following terms shall mean:

3 (1) "Beneficiary", the individual who is to be the subject of the disposition 4 or who will receive funeral services, facilities, or merchandise described in a 5 preneed contract;

6 (2) "Board", the board of embalmers and funeral directors;

7 (3) "Guaranteed contract", a preneed contract in which the seller 8 promises, assures, or guarantees to the purchaser that all or any portion of the 9 costs for the disposition, services, facilities, or merchandise identified in a 10 preneed contract will be no greater than the amount designated in the contract 11 upon the preneed beneficiary's death or that such costs will be otherwise limited 12 or restricted;

13 (4) "Insurance-funded preneed contract", a preneed contract which is 14 designated to be funded by payments or proceeds from an insurance policy or a 15 deferred annuity contract **where the annuitant is the beneficiary of the** 16 **preneed contract**, that is not classified as a variable annuity, and has death

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

17 benefit proceeds that are never less than the sum of premiums paid;

18 (5) "Joint account-funded preneed contract", a preneed contract which  
19 designates that payments for the preneed contract made by or on behalf of the  
20 purchaser will be deposited and maintained in a joint account in the names of the  
21 purchaser and seller, as provided in this chapter;

22 (6) "Market value", a fair market value:

23 (a) As to cash, the amount thereof;

24 (b) As to a security as of any date, the price for the security as of that  
25 date obtained from a generally recognized source, or to the extent no generally  
26 recognized source exists, the price to sell the security in an orderly transaction  
27 between unrelated market participants at the measurement date; and

28 (c) As to any other asset, the price to sell the asset in an orderly  
29 transaction between unrelated market participants at the measurement date  
30 consistent with statements of financial accounting standards;

31 (7) "Nonguaranteed contract", a preneed contract in which the seller does  
32 not promise, assure, or guarantee that all or any portion of the costs for the  
33 disposition, facilities, service, or merchandise identified in a preneed contract will  
34 be limited to the amount designated in the contract upon the preneed  
35 beneficiary's death or that such costs will be otherwise limited or restricted;

36 (8) "Preneed contract", any contract or other arrangement which provides  
37 for the final disposition in Missouri of a dead human body, funeral or burial  
38 services or facilities, or funeral merchandise, where such disposition, services,  
39 facilities, or merchandise are not immediately required. Such contracts include,  
40 but are not limited to, agreements providing for a membership fee or any other  
41 fee for the purpose of furnishing final disposition, funeral or burial services or  
42 facilities, or funeral merchandise at a discount or at a future date;

43 (9) "Preneed trust", a trust to receive deposits of, administer, and disburse  
44 payments received under preneed contracts, together with income thereon;

45 (10) "Purchaser", the person who is obligated to pay under a preneed  
46 contract;

47 (11) "Trustee", the trustee of a preneed trust, including successor trustees;

48 (12) "Trust-funded preneed contract", a preneed contract which provides  
49 that payments for the preneed contract shall be deposited and maintained in  
50 trust.

51 2. All terms defined in chapter 333 shall be deemed to have the same  
52 meaning when used in sections 436.400 to 436.520.

436.430. 1. A trust-funded guaranteed preneed contract shall comply with  
2 sections 436.400 to 436.520 and the specific requirements of this section.

3 2. A seller must deposit all payments received on a preneed contract into  
4 the designated preneed trust within [sixty] **thirty** days of receipt of the funds by  
5 the seller, the preneed sales agent or designee. A seller may not require the  
6 consumer to pay any fees or other charges except as authorized by the provisions  
7 of chapter 333 and this chapter or other state or federal law.

8 3. A seller may request the trustee to distribute to the seller an amount  
9 up to the first five percent of the total amount of any preneed contract as an  
10 origination fee. The seller may make this request at any time after five percent  
11 of the total amount of the preneed contract has been deposited into the  
12 trust. The trustee shall make this distribution to the seller within fifteen days  
13 of the receipt of the request.

14 4. In addition to the origination fee, the trustee may distribute to the  
15 seller an amount up to ten percent of the face value of the contract on a preneed  
16 contract at any time after the consumer payment has been deposited into the  
17 trust. The seller may make written request for this distribution and the trustee  
18 shall make this distribution to the seller within fifteen days of the receipt of the  
19 request or as may be provided in any written agreement between the seller and  
20 the trustee.

21 5. The trustee of a preneed trust shall be a state- or federally-chartered  
22 financial institution authorized to exercise trust powers in Missouri. The trustee  
23 shall accept all deposits made to it for a preneed contract and shall hold,  
24 administer, and distribute such deposits, in trust, as trust principal, under  
25 sections 436.400 to 436.520.

26 6. The financial institution referenced herein may neither control, be  
27 controlled by, nor be under common control with the seller or preneed agent. The  
28 terms "control", "controlled by" and "under common control with" means the direct  
29 or indirect possession of the power to direct or cause the direction of the  
30 management and policies of a person, whether through the ownership of voting  
31 securities, by contract other than a commercial contract for goods or  
32 nonmanagement services, or otherwise, unless the power is the result of an  
33 official position with or corporate office held by the person. Control shall be  
34 presumed to exist if any person, directly or indirectly, owns, controls, holds with  
35 the power to vote, or holds proxies representing ten percent or more of the voting  
36 securities. This presumption may be rebutted by a showing to the board that

37 control does not in fact exist.

38           7. Payments regarding two or more preneed contracts may be deposited  
39 into and commingled in the same preneed trust, so long as the trustee maintains  
40 adequate records that individually and separately identify the payments,  
41 earnings, and distributions for each preneed contract.

42           8. Within a reasonable time after accepting a trusteeship or receiving  
43 trust assets, a trustee shall review the trust assets and make and implement  
44 decisions concerning the retention and disposition of assets in order to bring the  
45 trust portfolio into compliance with the purposes, terms, distribution  
46 requirements, other circumstances of the trust, and all other requirements of  
47 sections 436.400 to 436.520.

48           9. All expenses of establishing and administering a preneed trust,  
49 including trustee's fees, legal and accounting fees, investment expenses, and taxes  
50 may be paid from income generated from the investment of the trust  
51 assets. Principal of the trust shall not be used to pay the costs of administration.  
52 If the income of the trust is insufficient to pay the costs of administration, those  
53 costs shall be paid as per the written agreements between the seller, provider and  
54 the trustee.

55           10. The seller and provider of a trust-funded guaranteed preneed contract  
56 shall be entitled to all income, including, but not limited to, interest, dividends,  
57 capital gains, and losses generated by the investment of preneed trust property  
58 regarding such contract as stipulated in the contract between the seller and  
59 provider. Income of the trust, excluding expenses allowed under [this] subsection  
60 **9 of this section**, shall accrue through the life of the trust, except in instances  
61 when a contract is cancelled. The trustee of the trust may distribute market  
62 value of all income, net of losses, to the seller upon, but not before, the final  
63 disposition of the beneficiary and provision of the funeral and burial services and  
64 facilities, and merchandise to, or for, the benefit of the beneficiary. This  
65 subsection shall apply to trusts established on or after August 28, 2009.

66           11. Providers shall request payment by submitting a certificate of  
67 performance to the seller certifying that the provider has rendered services under  
68 the contract or as requested. The certificate shall be signed by both the provider  
69 and the person authorized to make arrangements on behalf of the beneficiary. If  
70 there is no written contract between the seller and provider, the provider shall  
71 be entitled to the market value of all trust assets allocable to the preneed  
72 contract. Sellers shall remit payment to the provider within sixty days of

73 receiving the certificate of performance.

74           12. If a seller fails to make timely payment of an amount due a provider  
75 under sections 436.400 to 436.520, the provider shall have the right, in addition  
76 to other rights and remedies against such seller, to make demand upon the  
77 trustee of the preneed trust for the contract to distribute to the provider from the  
78 trust all amounts to which the seller would be entitled to receive for the preneed  
79 contract.

80           13. The trustee of a preneed trust, including trusts established before  
81 August 28, 2009, shall maintain adequate books and records of all transactions  
82 administered over the life of the trust and pertaining to the trust generally. The  
83 trustee shall assist the seller who established the trust or its successor in interest  
84 in the preparation of the annual report described in section 436.460. The seller  
85 shall furnish to each contract purchaser, within thirty days after receipt of the  
86 purchaser's written request, a written statement of all deposits made to such  
87 trust regarding such purchaser's contract including the principal and interest  
88 paid to date.

89           14. A preneed trust, including trusts established before August 28, 2009,  
90 shall terminate when the trust principal no longer includes any payments made  
91 under any preneed contract, and upon such termination the trustee shall  
92 distribute all trust property, including principal and undistributed income, to the  
93 seller which established the trust.

436.450. 1. An insurance-funded preneed contract shall comply with  
2 sections 436.400 to 436.520 and the specific requirements of this section **except**  
3 **that in the case where the sole consideration for the preneed contract**  
4 **is an assignment of an insurance policy or a change of beneficiary of an**  
5 **insurance policy where said insurance policy was not sold in**  
6 **conjunction with the preneed contract or sold to the purchaser or**  
7 **beneficiary by the provider, seller, or any person or entity employed by**  
8 **the seller or provider or any person with an ownership interest in the**  
9 **seller or provider, then all that shall be required of the preneed**  
10 **contract is that it contain sufficient information to identify the**  
11 **beneficiary of the preneed contract, sufficient information to be able**  
12 **to make a claim on the insurance policy at the time of need and a**  
13 **statement of goods and services selected should the purchaser choose**  
14 **to select goods and services. It shall be presumed that any insurance**  
15 **policy purchased within ninety days of the date of the preneed contract**

16 **was purchased in conjunction with the preneed contract.**

17           2. A seller, provider, or any preneed agent shall not receive or collect from  
18 the purchaser of an insurance-funded preneed contract any amount in excess of  
19 what is required to pay the premiums on the insurance policy as assessed or  
20 required by the insurer as premium payments for the insurance policy except for  
21 any amount required or authorized by this chapter or by rule. A seller shall not  
22 receive or collect any administrative or other fee from the purchaser for or in  
23 connection with an insurance-funded preneed contract, other than those fees or  
24 amounts assessed by the insurer. As of August 29, 2009, no preneed seller,  
25 provider, or agent shall use any existing preneed contract as collateral or security  
26 pledged for a loan or take preneed funds of any existing preneed contract as a  
27 loan for any purpose other than as authorized by this chapter.

28           3. Payments collected by or on behalf of a seller for an insurance-funded  
29 preneed contract shall be promptly remitted to the insurer or the insurer's  
30 designee as required by the insurer; provided that payments shall not be retained  
31 or held by the seller or preneed agent for more than thirty days from the date of  
32 receipt.

33           4. It is unlawful for a seller, provider, or preneed agent to procure or  
34 accept a loan against any insurance contract used to fund a preneed contract.

35           5. Laws regulating insurance shall not apply to preneed contracts, but  
36 shall apply to any insurance or annuity sold with a preneed contract; provided,  
37 however, the provisions of sections 436.400 to 436.520 shall not apply to annuities  
38 or insurance policies regulated by chapters 374, 375, and 376 used to fund preneed  
39 funeral agreements, contracts, or programs.

40           6. This section shall apply to all preneed contracts including those entered  
41 into before August 28, 2009.

42           7. For any insurance-funded preneed contract sold after August 28, 2009,  
43 the following shall apply:

44           (1) The purchaser or beneficiary **of the preneed contract** shall be the  
45 owner of the insurance policy purchased to fund a preneed contract; and

46           (2) An insurance-funded preneed contract shall be valid and enforceable  
47 only if the seller or provider is named as the beneficiary or assignee of the life  
48 insurance policy funding the contract.

49           8. If the proceeds of the life insurance policy exceed the actual cost of the  
50 goods and services provided pursuant to the nonguaranteed preneed contract, any  
51 overage shall be paid to the [estate of the beneficiary] **purchaser**, or, if the

52 **[beneficiary] purchaser and the beneficiary of the preneed contract are**  
53 **the same person and that person is deceased and that person** received  
54 public assistance, to the state of Missouri.

436.455. 1. A joint account-funded preneed contract shall comply with  
2 sections 436.400 to 436.520 and the specific requirements of this section.

3 2. In lieu of a trust-funded or insurance-funded preneed contract, the  
4 seller and the purchaser may agree in writing that all funds paid by the  
5 purchaser or beneficiary for the preneed contract shall be deposited with a  
6 financial institution chartered and regulated by the federal or state government  
7 authorized to do business in Missouri in an account in the joint names and under  
8 the joint control of the seller and purchaser, beneficiary or party holding power  
9 of attorney over the beneficiary's estate, or in an account titled in the  
10 beneficiary's name and payable on the beneficiary's death to the seller. There  
11 shall be a separate joint account established for each preneed contract sold or  
12 arranged under this section. Funds shall only be withdrawn or paid from the  
13 account upon the signatures of both the seller and the purchaser or under a  
14 pay-on-death designation or as required to pay reasonable expenses of  
15 administering the account.

16 3. All consideration paid by the purchaser under a joint account-funded  
17 contract shall be deposited into a joint account as authorized by this section  
18 within **[ten] thirty** days of receipt of payment by the seller.

19 4. The financial institution shall hold, invest, and reinvest funds  
20 deposited under this section in other accounts offered to depositors by the  
21 financial institutions as provided in the written agreement of the purchaser and  
22 the seller, provided the financial institution shall not invest or reinvest any funds  
23 deposited under this section in term life insurance or any investment that does  
24 not reasonably have the potential to gain income or increase in value.

25 5. Income generated by preneed funds deposited under this section shall  
26 be used to pay the reasonable expenses of administering the account as charged  
27 by the financial institution and the balance of the income shall be distributed or  
28 reinvested upon fulfillment of the contract, cancellation or transfer pursuant to  
29 the provisions of this chapter.

30 6. Within **[fifteen] thirty** days after a provider delivers a copy of a  
31 certificate of performance to the seller, signed by the provider and the person  
32 authorized to make arrangements on behalf of the beneficiary, certifying that the  
33 provider has furnished the final disposition, funeral, and burial services and

34 facilities, and merchandise as required by the preneed contract, or has provided  
35 alternative funeral benefits for the beneficiary under special arrangements made  
36 with the purchaser, the seller shall take whatever steps are required by the  
37 financial institution to secure payment of the funds from the financial  
38 institution. The seller shall pay the provider within ten days of receipt of funds.

39 7. Any seller, provider, or preneed agent shall not procure or accept a loan  
40 against any investment, or asset of, or belonging to a joint account. As of August  
41 28, 2009, it shall be prohibited to use any existing preneed contract as collateral  
42 or security pledged for a loan, or take preneed funds of any existing preneed  
43 contract as a loan or for any purpose other than as authorized by this chapter.

436.456. At any time before final disposition, or before the funeral or  
2 burial services, facilities, or merchandise described in a preneed contract are  
3 furnished, the purchaser may cancel the contract, if designated as revocable,  
4 without cause. In order to cancel the contract the purchaser shall:

5 (1) In the case of a joint account-funded preneed contract, deliver written  
6 notice of the cancellation to the seller. Within fifteen days of receipt of notice of  
7 the cancellation, the seller shall take whatever steps may be required by the  
8 financial institution to obtain the funds from the financial institution. Upon  
9 receipt of the funds from the financial institution, the seller shall distribute the  
10 principal to the purchaser. Interest shall be distributed as provided in the  
11 agreement with the seller and purchaser;

12 (2) In the case of an insurance-funded preneed contract, deliver written  
13 notice of the cancellation to the seller. Within fifteen days of receipt of notice of  
14 the cancellation, the seller shall notify the purchaser that the cancellation of the  
15 contract shall not cancel any life insurance funding the contract and that  
16 insurance cancellation is required to be made in writing to the insurer;

17 (3) In the case of a trust-funded preneed contract, deliver written notice  
18 of the cancellation to the seller and trustee. Within fifteen days of receipt of  
19 notice of the cancellation, the trustee shall distribute one hundred percent of the  
20 trust property including any percentage of the total payments received on the  
21 trust-funded contract that have been withdrawn from the account under  
22 subsection 4 of section 436.430 but excluding the income, to the purchaser of the  
23 contract;

24 (4) In the case of a guaranteed installment payment contract where the  
25 beneficiary dies before all installments have been paid, the purchaser shall pay  
26 the seller the amount remaining due under the contract in order to receive the

27 goods and services set out in the contract, otherwise the purchaser or their estate  
28 will receive full credit for all payments the purchaser has made towards the cost  
29 of the beneficiary's funeral at the [provider] **provider's** current prices.

436.457. 1. A seller shall have the right to cancel a trust-funded or  
2 joint-account funded preneed contract if the purchaser is in default of any  
3 installment payment for over sixty days.

4 2. Prior to cancelling the contract, the seller shall notify the purchaser  
5 and provider in writing that the contract shall be cancelled if payment is not  
6 received within thirty days of the postmarked date of the notice. The notice shall  
7 include the amount of payments due, the date the payment is due, and the date  
8 of cancellation.

9 3. If the purchaser fails to remit the payments due within thirty days of  
10 the postmarked date of the notice, then the seller, at its option, may either cancel  
11 the contract or may continue the contract as a nonguaranteed contract where the  
12 purchaser will receive full credit for all payments the purchaser has made into  
13 the trust towards the cost of the beneficiary's funeral service or merchandise from  
14 the provider.

15 4. Upon cancellation by the seller under this section, eighty-five percent  
16 of the contract payments shall be refunded to the purchaser. All remaining funds  
17 shall be distributed to the seller.

18 **5. Where the consideration for a preneed contract includes the**  
19 **seller or provider being made the beneficiary or assignee of a life**  
20 **insurance policy, should that life insurance policy have lapsed, no**  
21 **longer be in force, or have had loans taken against it, the seller may**  
22 **cancel the contract and shall refund to the purchaser other payments**  
23 **in accordance with this section apart from insurance premiums that**  
24 **were made by the purchaser of the contract.**

436.458. 1. A purchaser may select an alternative provider as the  
2 designated provider under the original contract if the purchaser notifies the seller  
3 and original provider in writing of the purchaser's intent, stating the name of the  
4 alternative provider and the alternative provider consents to the new  
5 designation. Purchasers shall not be penalized or assessed any additional fee or  
6 cost for such transfer of the provider designation.

7 2. The seller shall pay the newly designated provider all payments owed  
8 to the original provider under the contract. The newly designated provider shall  
9 assume all rights, duties, obligations, and liabilities as the original provider

10 under the contract. Interest shall continue to be allocated to the seller as  
11 provided under the contract.

12           3. In the case of a trust-funded contract and upon written notice to the  
13 seller of the purchaser's intent to select an alternative provider under subsection  
14 1 of this section, the seller shall either continue the trust with the new provider  
15 in place of, and to receive all payment owed to, the original provider under the  
16 original agreement, or pay to the new trust all of the trust property, including  
17 principal and income.

18           **4. If the provider listed on the preneed contract is no longer in**  
19 **existence or is not a licensed provider at the time of death of the**  
20 **preneed beneficiary, the seller shall pay the sums available to another**  
21 **licensed provider, as selected by the person making the arrangements**  
22 **for the beneficiary. In the alternative, if the establishment selected by**  
23 **the person making the arrangements for the beneficiary to provide**  
24 **final disposition of the preneed beneficiary's body is not licensed as a**  
25 **provider or if the seller and the new provider cannot reach agreement**  
26 **as to payment by the seller to the provider, the seller shall pay the**  
27 **amounts that would have been paid to the original provider to the**  
28 **person who has financial responsibility for the final disposition of the**  
29 **beneficiary's body. Any person wishing to make such a claim to a**  
30 **seller, shall provide a written request for payment to the seller that**  
31 **includes sufficient evidence to show who is taking financial**  
32 **responsibility for the final disposition, the relationship of that person**  
33 **to the decedent, and the name, address, and telephone number of the**  
34 **person making such claim. No funeral establishment nor any owner,**  
35 **employee, or agent of a funeral establishment shall make this request**  
36 **for payment from the seller unless that person shows evidence that he**  
37 **or she has the legal right of sepulcher over the preneed beneficiary's**  
38 **body in accordance with section 194.119.**

          436.460. 1. Each seller shall file an annual report with the board which  
2 shall contain the following information:

3           (1) The contract number of each preneed contract sold since the filing of  
4 the last report with an indication of, and whether it is funded by a trust,  
5 insurance or joint account;

6           (2) The total number and total face value of preneed contracts sold since  
7 the filing of the last report;

8 (3) The contract amount of each preneed contract sold since the filing of  
9 the last report, identified by contract;

10 (4) The name, address, and license number of all preneed agents  
11 authorized to sell preneed contracts on behalf of the seller;

12 (5) The date the report is submitted and the date of the last report;

13 (6) The list including the name, address, contract number and whether it  
14 is funded by a trust, insurance or joint account of all Missouri preneed contracts  
15 fulfilled, cancelled or transferred by the seller during the preceding calendar year;

16 (7) The name and address of each provider with whom it is under  
17 contract;

18 (8) The name and address of the person designated by the seller as  
19 custodian of the seller's books and records relating to the sale of preneed  
20 contracts;

21 (9) Written consent authorizing the board to order an investigation,  
22 examination and, if necessary, an audit of any joint or trust account established  
23 under sections 436.400 to 436.520, designated by depository or account number;

24 (10) Written consent authorizing the board to order an investigation,  
25 examination and if necessary an audit of its books and records relating to the sale  
26 of preneed contracts; and

27 (11) Certification under oath that the report is complete and correct  
28 attested to by an officer of the seller. The seller or officer shall be subject to the  
29 penalty of making a false affidavit or declaration.

30 2. A seller that sells or has sold trust-funded preneed contracts shall also  
31 include in the annual report required by subsection 1 of this section:

32 (1) The name and address of the financial institution in which it  
33 maintains a preneed trust account and the account numbers of such trust  
34 accounts;

35 (2) The trust fund balance as reported in the previous year's report;

36 (3) The current [face] **market** value of the trust fund;

37 (4) Principal contributions received by the trustee since the previous  
38 report;

39 (5) Total trust earnings and total distributions to the seller since the  
40 previous report;

41 (6) Authorization of the board to request from the trustee a copy of any  
42 trust statement, as part of an investigation, examination or audit of the preneed  
43 seller;

44 (7) Total expenses, excluding distributions to the seller, since the previous  
45 report; and

46 (8) Certification under oath that the information required by subdivisions  
47 (1) to (7) of this subsection is complete and correct and attested to by a corporate  
48 officer of the trustee. The trustee shall be subject to the penalty of making a  
49 false affidavit or declaration.

50 3. A seller that sells or who has sold joint account-funded preneed  
51 contracts shall also include in the annual report required by subsection 1 of this  
52 section:

53 (1) The name and address of the financial institution in Missouri in which  
54 it maintains the joint account and the account numbers for each joint account;

55 (2) The amount on deposit in each joint account;

56 (3) The joint account balance as reported in the previous year's report;

57 (4) Principal contributions placed into each joint account since the filing  
58 of the previous report;

59 (5) Total earnings since the previous report;

60 (6) Total distributions to the seller from each joint account since the  
61 previous report;

62 (7) Total expenses deducted from the joint account, excluding distributions  
63 to the seller, since the previous report; and

64 (8) Certification under oath that the information required by subdivisions  
65 (1) to (7) of this subsection is complete and correct and attested to by an  
66 authorized representative of the financial institution. The affiant shall be subject  
67 to the penalty of making a false affidavit or declaration.

68 4. A seller that sells or who has sold any insurance-funded preneed  
69 contracts shall also include in the annual report required by subsection 1 of this  
70 section:

71 (1) The name and address of each insurance company issuing insurance  
72 to fund a preneed contract sold by the seller during the preceding year;

73 (2) The status and total face value of each policy **as requested by the**  
74 **board;**

75 (3) The amount of funds the seller directly received on each contract and  
76 the date the amount was forwarded to any insurance company; and

77 (4) Certification under oath that the information required by subsections  
78 1 to 3 of this section is complete and correct [attested to by an authorized  
79 representative of the insurer. The affiant shall be subject to the penalty of

80 making a false affidavit or declaration].

81           5. Each seller shall remit an annual reporting fee in an amount  
82 established by the board by rule for each preneed contract sold in the year since  
83 the date the seller filed its last annual report with the board. This reporting fee  
84 shall be paid annually and may be collected from the purchaser of the preneed  
85 contract as an additional charge or remitted to the board from the funds of the  
86 seller. The reporting fee shall be in addition to any other fees authorized under  
87 sections 436.400 to 436.520.

88           6. All reports required by this section shall be filed by the thirty-first day  
89 of October of each year or by the date established by the board by rule. Annual  
90 reports filed after the date provided herein shall be subject to a late fee in an  
91 amount established by rule of the board.

92           7. If a seller fails to file the annual report on or before its due date, his  
93 or her preneed seller license shall automatically be suspended until such time as  
94 the annual report is filed and all applicable fees have been paid.

95           8. This section shall apply to contracts entered into before August 28,  
96 2009.

Bill ✓

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