

PURCHASE OF INSURANCE

This contract is funded through the purchase of a life insurance policy or product, with premiums equal to the amount of money paid under the terms of the life insurance policy or product. The insurance policy or product is regulated by the North Carolina Department of Insurance.

Funeral Home agrees that it will not transfer, assign, cash in, encumber or otherwise divert from its intended purpose any policy or product, which funds, in whole or part, this contract.

USE OF INSURANCE PROCEEDS

Funeral Home will be entitled to all funds from the insurance policies or products when Funeral Home has fully performed this contract. If Purchaser has failed to make any of the premium payments due and causes the policy or product to lapse, OR if insurance policy or product does not pay the full amount of death benefit because of terms and conditions found in the policy, Funeral Home is not obligated to provide items listed in contract at the contract purchase price. If the death benefit of the insurance policy or product is not sufficient to secure the guarantees set forth in this contract, Funeral Home will credit toward the at-need retail price the available death benefit. Any remaining balance will be due Funeral Home when contract is performed. If a percentage of the purchase price was paid for Non-Guaranteed Cash Advance Items and NC Sales and Use Tax listed on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected, Funeral Home shall apply up to an equal percentage of the total funds it receives to pay for Non-Guaranteed Cash Advance Items and NC Sales and Use Tax provided in performance of this contract. This percentage is determined by adding the Non-Guaranteed Cash Advance Items and the NC Sales and Use Tax (items C and D on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected) and dividing it by the cost of the Total Funeral Service (items A+B+C+D on the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected). If the Insurance does not appreciate enough to cover the Non-Guaranteed Cash Advance Items and NC Sales and Use Tax, additional funds may be required to cover these expenses

REVOCATION

If this contract is revocable, you may revoke this contract at any time prior to the provision of goods and services by the Funeral Home. Designating Funeral Home to receive the proceeds of the life insurance policy or product does not restrict any right to purchase funeral merchandise or services in the open market, with the advantages of competition, at any time before Funeral Home delivers the funeral goods and services.

RIGHTS RESERVED

If a labor dispute, strike, government action, fire, war, epidemic, other disaster, changes in products or other causes beyond its control prevents or delays Funeral Home from providing the services, facilities or merchandise, Funeral Home may make reasonable substitution of comparable services, facilities or merchandise, and it will not be liable for inconvenience, delay, emotional upset, pain and suffering, loss or damage experienced by Purchaser or Beneficiary, their estates, families, legatees, heirs or legal representatives.

SUBSTITUTION OF FUNERAL HOME

If this contract is irrevocable, Purchaser, or, after his or her death, Beneficiary or his or her legal representative, may direct the substitution of another funeral home to provide equal service, merchandise and facilities at substitute funeral home's current price.

ENTIRE AGREEMENT

This form, together with the Inflation-Proof Preneed Statement of Funeral Goods and Services Selected, contains the entire agreement between Purchaser and Funeral Home and supersedes and integrates all communications and other agreements relating to this subject.

AMENDMENTS

Any changes to this contract must be filed as a new contract, marked "CONTRACT AMENDMENT," with the NC Board of Funeral Service and shall not change the irrevocable clause or directive by Purchaser that all funds along with growth be used for the purchase of funeral services, facilities or merchandise.

EXCLUSION OF WARRANTIES

There are no warranties of merchandise or fitness for a particular purpose extended by Funeral Home. The only warranties, express or implied, which are granted in connection with the services and merchandise sold under this contract are the express written warranties, if any, extended by the manufacturers of the merchandise sold, and no warranties are expressed or implied by Funeral Home.

DISCLOSURES BY FUNERAL HOME

All disclosures required by the Federal Trade Commission or other provisions of federal and North Carolina law are attached to this contract.

WARNING

If you have received, are applying to receive, or are receiving public assistance benefits, state and federal laws may restrict the use of the life insurance policy or product that is purchased to fund this contract. You should carefully review those laws to assure compliance with those provisions.

INFLATION-PROOF PRENEED STATEMENT OF FUNERAL GOODS AND SERVICES SELECTED

The Federal Trade Commission requires this disclosure. Also, this statement of disclosure is provided pursuant to the requirements of North Carolina G.S. 90-210.25(e). This funeral home is licensed by the North Carolina Board of Funeral Service whose mailing address is 1033 Wade Avenue, Suite 108, Raleigh, NC 27605, 1-800-862-0636 (or local 733-9380 in Raleigh).

While the costs of goods and services are not guaranteed with an Inflation Proof Preneed Funeral Contract, the Funeral Establishment agrees to provide all items, except the Non-Guaranteed Cash Advance Items and NC Sales and Use Tax, without receipt of additional sums from the Purchaser and without regard to whether there are sufficient funds available in the trust or insurance policy when the items are

Funeral Home _____ Preneed Establishment License Number _____

Name of Beneficiary _____ Date _____

Charges are made only for those items that you selected or that are required. If we are required by law or by a cemetery or crematory to use any items, we will explain the reasons in writing below. If you selected a funeral that may require embalming, such as a funeral with viewing, you may have to pay for embalming. You do not have to pay for embalming you did not approve if you selected arrangements such as direct cremation or immediate burial. If we charged for embalming, we will explain below.

A. CHARGE FOR PROFESSIONAL SERVICES, FACILITIES AND EQUIPMENT

Basic Services of Funeral Director and Staff and Overhead	\$	_____
Embalming	\$	_____
Other Preparation of the Body	\$	_____
Use of Facilities and/or Staff for Visitation/Viewing	\$	_____
Use of Facilities and/or Staff for Funeral Ceremony	\$	_____
Use of Facilities and/or Staff for Memorial Service	\$	_____
Use of Equipment and/or Staff for Graveside Service	\$	_____
Transfer of Remains to Funeral Home _____ miles radius	\$	_____
Hearse	\$	_____
Limousine or other Family Vehicle	\$	_____
Other Autos	\$	_____
Forwarding of Remains to another Funeral Home	\$	_____
Receiving Remains from another Funeral home	\$	_____
Direct Cremation	\$	_____
Immediate Burial	\$	_____
Package Plan _____	\$	_____

(package name)

Additional Services, Facilities, and Equipment (Specify) _____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____

Total Additional Services, Facilities, and Equipment \$ _____

TOTAL SERVICES, FACILITIES AND EQUIPMENT \$ _____

B. CHARGES FOR MERCHANDISE

Casket (Specify manufacturer, model, material, color, interior fabric and color) \$ _____

Outer Burial Container (Specify manufacturer, model, and material) \$ _____

Additional Merchandise (Specify):	_____	\$	_____	
_____	\$	_____	\$	_____
_____	\$	_____	\$	_____
_____	\$	_____	\$	_____
_____	\$	_____	\$	_____
_____	\$	_____	\$	_____

TOTAL MERCHANDISE \$ _____

C. NON-GUARANTEED CASH ADVANCE ITEMS

We charge you for our services in obtaining those items marked with an "X"

Obituary notices	\$	_____	\$	_____
Cemetery charges	_____	_____	\$	_____
Certified copies of death certificate	\$	_____	\$	_____
Flowers	\$	_____	\$	_____
Crematory charges	\$	_____	\$	_____
	\$	_____	\$	_____

TOTAL NON-GUARANTEED CASH ADVANCE ITEMS \$ _____

D. NC SALES and USE TAX \$ _____

TOTAL CASH ADVANCE ITEMS AND NC SALES and USE TAX \$ _____

E. OTHER (Specify) _____ \$ _____

TOTAL FUNERAL SERVICE (A+B+C+D+E) \$ _____

Disclosures: NC law does not require the purchase of any funeral goods or services (except a cremation container is required for cremations). If any other cemetery, or crematory requirement has required the purchase of any of the items listed above, we will explain the requirement

Reason for embalming _____

By writing initials, Purchaser acknowledges that a current casket and outer burial container price list was shown prior to discussing prices. A current General Price List was given to the purchaser for retention.

Executed at _____, NC Date _____

Signature of Purchaser _____

Signature of preneed licensee _____ License Number _____

NCBFS ISG&S 10/03(rev.12/12) Original remains with Funeral Home preneed file. -Copy to Purchaser -Copy to NCBFS -Copy to Financial Institution or Insurance