

PRE-NEED FUNERAL AGREEMENT
EXHIBIT 1 — STATEMENT OF FUNERAL MERCHANDISE AND FUNERAL SERVICES
NOTE: THIS AGREEMENT IS TO BE FUNDED BY THE ASSIGNMENT OF INSURANCE BENEFITS

FOR THE BENEFIT OF _____ (Funeral Recipient/Insured) _____ (Address if different than below) _____ (Phone)

IN AGREEMENT WITH _____ (Funeral Provider Name)

SECTION 1: GUARANTEED PROFESSIONAL SERVICES
 Services of Funeral Director and Staff \$ _____
 Embalming (See Agreement and * Below) \$ _____
 Other Preparation _____ \$ _____
 Visitation _____ Days at \$ _____/Day \$ _____
 Funeral Ceremony/Memorial Service \$ _____
 Other Use of Facilities and Staff (Specify) _____ \$ _____
 _____ \$ _____
 Transfer of Remains to Funeral Home \$ _____
 If beyond a _____ mile radius, which is our service area, there will be a charge of \$ _____ per mile one way.
 Family Car(s) _____ at \$ _____ each \$ _____
 Limousine _____ Hearse _____ \$ _____
 Cremation \$ _____
 Forwarding/Receiving Remains \$ _____
 Other Services/Facilities/Equipment (Specify) _____ \$ _____
 _____ \$ _____
 _____ \$ _____
TOTAL SECTION 1 \$ _____

SECTION 2: GUARANTEED MERCHANDISE
 Casket/Urn \$ _____
 Manufacturer _____
 Model Name _____
 Model Number _____
 Exterior Description _____
 Interior Description _____
 Outer Burial Container \$ _____
 Model Name _____
 Model Number _____
 Manufacturer _____
 Constructed of _____
 Other Merchandise (Specify) _____ \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____
TOTAL SECTION 2 \$ _____

SECTION 3: NON-GUARANTEED CASH ADVANCES

Death Certificates _____ at \$ _____ each	\$ _____	Escort	\$ _____
Flowers	\$ _____	Grave Opening and Closing	\$ _____
Music	\$ _____	Memorial Cards/Book	\$ _____
Honorariums	\$ _____	Clothing (Specify) _____	\$ _____
Obituaries	\$ _____	Monument/Marker	\$ _____
Hairdresser	\$ _____	Engraving	\$ _____
Shipping Container	\$ _____	Sales Tax Estimate	\$ _____
Other (Specify) _____	\$ _____	Other (Specify) _____	\$ _____
_____	\$ _____	_____	\$ _____

We charge You for our services in obtaining: _____

TOTAL SECTION 3	\$ _____
ADJUSTMENTS _____	\$ _____
TOTAL FUNERAL PRICE	\$ _____

***REQUIRED PURCHASES**—Charges are 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. _____

MEDICAID QUALIFICATION—Initial here (_____) to make the Insurance Policy funding this Agreement irrevocable to qualify for Medicaid or other public assistance. By making the Insurance Policy irrevocable You waive any rights to cancel the Insurance Policy or receive a refund of monies paid. **SEE REVERSE SIDE FOR TERMS.**

THIS EXHIBIT AND THE AGREEMENT ON THE REVERSE SIDE SHALL CONSTITUTE THE TERMS AND CONDITIONS OF THIS AGREEMENT.

X _____ (Signature of Purchaser)	_____ (Date)	X _____ (Signature of Provider's Authorized Representative)	_____ (Date)
_____ (Address)	_____ (Phone)	_____ (Funeral Provider's Address)	_____ (Phone)
_____ (City, State)	_____ (Zip)	_____ (City, State)	_____ (Zip)

HOME SALES ONLY: You, the Buyer, may cancel this transaction at any time prior to the third business day after the date of this transaction. See the attached Notice of Cancellation form for an explanation of this right.

PRE-NEED FUNERAL AGREEMENT

DEFINITIONS—"You" means the purchaser or insured; "We/Our" means the funeral home; "Insurance Policy" means a life insurance policy or an annuity used to fund this Agreement.

AGREEMENT—Except as otherwise specified in this Agreement, the funeral home will provide the funeral services and merchandise shown on Exhibit 1 in exchange for the total death benefit of the Insurance Policy. All benefits under the Insurance Policy will become available for disbursement upon the death of the insured. The items selected on Exhibit 1 will be provided unless unavailable at the time of delivery, in which case items similar in style, quality and of equal or greater value will be provided.

ASSIGNMENT—You agree that You will assign to the funeral home the death benefit of the Insurance Policy issued by Homesteaders Life Company in conjunction with this Agreement, which shall be paid to the funeral home upon the funeral home providing the funeral services and merchandise shown on Exhibit 1. The assignment remains in effect until revoked.

AUTHORIZATION—By signing this Agreement, You authorize the assigned funeral home to receive any and all information regarding the Insurance Policy. The authorization remains in effect until it is either 1) revoked by You in writing, or 2) the insurance policy is re-assigned to another funeral home.

CANCELLATION—You may cancel this Agreement at any time prior to performance by the funeral home. The cancellation of this Agreement does not cancel the Insurance Policy. The Insurance Policy may only be canceled under the terms of the Insurance Policy. The Insurance Policy contains a 30-day Right to Cancel provision. If You cancel after 30 days, only the surrender value will be refunded, which may be considerably less than the premiums paid.

FREEDOM OF CHOICE—You have the right to choose the funeral home of your choice. If a different funeral home is chosen, the price guarantee under this Agreement **will not** be enforceable. The death benefit of the Insurance Policy will then be paid to the beneficiary of the Insurance Policy.

FTC DISCLOSURES—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 a direct cremation or immediate burial. If We charged for embalming, We will explain why below (or on reverse side).

Charges are only for those items that are used. If required by law to use any items, the provider will explain the reasons in writing.

GUARANTEES—The prices shown on Exhibit 1 are used for the sole purpose of establishing the initial amount of insurance required to fund this Agreement. At the time of need, the funeral home will provide the merchandise and services specified on Exhibit 1 in exchange for the total death benefits of the Insurance Policy.

If You fund this Agreement with an Insurance Policy or annuity with an initial death benefit that is at least equal to the face amount of the Insurance Policy, the guarantees on Exhibit 1 become effective immediately when the insurance coverage is issued. If You fund this Agreement with limited benefit life insurance coverage which does *NOT* have an initial death benefit that is at least equal to the face amount of the Insurance Policy, the guarantees on Exhibit 1 become effective only when the limited benefit provisions of the coverage expire.

If You die during a limited death benefit period, or You purchase an Insurance Policy with an initial face amount less than the Total Funeral Price on Exhibit 1, the parties responsible for the payment of the funeral expenses will be required to pay the difference between the at-need price and the death benefit paid under the terms of the Insurance Policy.

The parties responsible for the payment of the funeral expenses may also be required to pay additional funds for the non-guaranteed cash advances listed on Exhibit 1 if the amount allocated and the current retail price at-need are different. Cash advances are amounts estimated to pay for items that are not guaranteed. The following formula is used to determine the allocated amount: Total Section 3 divided by the Total Funeral Price multiplied by the Policy Death Value. **No portion of the allocated cash advances can be used to pay for guaranteed items.**

MEDICAID QUALIFICATION/IRREVOCABILITY—If initialed on Exhibit 1, You irrevocably assign ownership of the Insurance Policy used to fund this Agreement to the funeral home. If assigned to the funeral home, the funeral home irrevocably assigns ownership of the Insurance Policy to the Trustees of the Funeral Assurance Trust. **By irrevocably assigning ownership of the Insurance Policy, You cannot access the cash value of the Insurance Policy by surrendering the Insurance Policy, taking out a loan or receiving a refund of premiums after the 30-day Right to Cancel period expires.**

PURCHASER'S ACKNOWLEDGMENT—You acknowledge by your signature on Exhibit 1, that You have received a completed copy of this Agreement. You also acknowledge by your signature that a current General Price List, a current Casket Price List, a current Outer Burial Container Price List, and the Disclosures Regarding Insurance Funding were made available to You prior to the selection of merchandise and services.

PURCHASER'S OBLIGATIONS—You must apply for and have the Insurance Policy issued. You must pay all premiums due, fully maintain the cash values intact, and assign the death benefits of the Insurance policy to the funeral home. If You fail to complete any of these obligations, the funeral home has no obligation to perform this Agreement.

SEE THE OTHER SIDE FOR ADDITIONAL TERMS AND PROVISIONS