

**ALABAMA BOARD OF FUNERAL SERVICES
ADMINISTRATIVE CODE**

**CHAPTER 395-X-12
REQUIRED FUNERAL AND CEMETERY TRANSACTION RECORDS**

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395-X-12-.01 Records Availability.

Certificate holders selling preneed contracts for funeral and cemetery merchandise and services shall maintain accurate and up-to-date types of records specified in this Chapter in a manner so as to be readily retrievable and made available to the Board and his designees for examination or other purposes.

Author: Charles M. Perine

Statutory Authority: Code of Ala. 1975, §§34-13-26, 34-13-27, 34-13-170 to -277.

History: New Rule: Published March 29, 2024; effective May 13, 2024.

**395-X-12-.02 Preneed Contract Log; Cemetery Property Sales Log
- Required.**

(1) Each certificate holder selling funeral preneed contracts shall have and maintain a preneed contract log that includes the information set forth in Rule 395-X-12-.03 for each preneed contract sold.

(2) Each certificate holder selling cemetery preneed contracts shall have and maintain a cemetery property sales log that includes the information set forth in Rule 395-X-12-.04 for each preneed contract sold.

(3) Each certificate holder offering both funeral and cemetery preneed contracts shall have and maintain a preneed contract log and a cemetery property sales log.

(4) Each log must be formatted so that:

(a) The company name is on each page of the log.

(b) Each page of the log is sequentially numbered at the bottom.

(c) The log is typed or printed legibly.

(d) If the log is not being created using a computer spreadsheet, all contract items shall be completed using black or blue ink, except the columns for the current payment status, amount in trust, and cumulative amount in trust, may be written in pencil until the contract is paid in full.

(e) The log can be copied and scanned.

(5) Use of the Board's sample log forms published on the Board's website will be deemed compliance with this Rule. The certificate holder may create its own form of a log as long as all information categories in Rule 395-X-12-.03 or Rule 395-X-12.04, as applicable, appear and the log is formatted as provided in paragraph (4). The certificate holder shall perform such staff training and engage in such oversight as may be necessary to reasonably assure that the log is maintained accurately and updated.

(6) Each log must be readily accessible and updated to current status on a not less than quarterly basis.

Author: Charles M. Perine

Statutory Authority: Code of Ala. 1975, §§34-13-26, 34-13-27, 34-13-170 to -277.

History: New Rule: Published March 29, 2024; effective May 13, 2024.

395-X-12-.03

Preneed Contract Log - Required Content.

(1) If the Board's sample log form is not used, any substitute form of preneed contract log shall include the following information categories:

(a) Sequentially ordered contract number.

(b) Name of purchaser.

(c) Name of beneficiary (i.e., the person for whom the contract will cover at the time of need).

(d) Date of contract.

- (e) Net amount of contract (contract price after insurance credits and all discounts).
- (f) Itemization of purchase price of merchandise and services collected under the contract.
- (g) Amount to be trusted (if applicable).
- (h) Type of payments (paid-in-full or installments).
- (i) Cumulative amount trusted for merchandise and services as of the paid-in-full date.
- (j) Face amount of insurance sold (if applicable).
- (k) Paid-in-full amount or cumulative installment payments.
- (l) Partial delivery (yes/no).
- (m) Date delivered.
- (n) Date of burial (at need).
- (o) Date contract voided or cancelled.
- (p) Last payment date.

Author: Charles M. Perine

Statutory Authority: Code of Ala. 1975, §§34-13-26, 34-13-27, 34-13-170 to -277.

History: New Rule: Published March 29, 2024; effective May 13, 2024.

395-X-12-.04 Cemetery Property Sales Log - Required Content.

- (1) If the Board's sample log form is not used, any substitute form of cemetery property sales log shall include the following information categories:
- (a) Sequentially ordered contract number.
 - (b) Property owner.
 - (c) Date of contract.
 - (d) Net amount of contract (contract price after all discounts; if complimentary or free so designate on the log).
 - (e) Itemization of purchase price of merchandise and services collected under the contract.
 - (f) Amount to be trusted (if applicable).

- (g) Paid-in -full amount or cumulative installment payments.
- (h) Paid-in-full date.
- (i) Cumulative amount due endowment care trust.
- (j) Cumulative amount of endowment care contributions.
- (k) Date of endowment care contributions.
- (l) Date of burial (at need).
- (m) Date contract voided or cancelled.
- (n) Last payment date.

Author: Charles M. Perine

Statutory Authority: Code of Ala. 1975, §§34-13-26, 34-13-27, 34-13-170 to -277.

History: New Rule: Published March 29, 2024; effective May 13, 2024.

395-X-12-.05 Additional Required Preneed Records.

(1) A certificate holder shall maintain detailed records for each preneed contract written. The detailed records shall include, but not be limited to, a preneed contract file that includes all supporting documentation, such as the preneed contract; copies of insurance policies, annuity contracts or proof of deposits in trust; copies of any documentation requesting or authorizing withdrawals from a merchandise and services trust; notices of fulfillment and cancellation; and all correspondence to and from the preneed entity to the purchaser including copies of default notices or cancellation letters. The certificate holder must have available this information on all preneed contracts sold since May 1, 2002.

(2) Funeral merchandise and services certificate holders shall maintain the following:

- (a) The preneed contract log required in paragraph (1) of Rule 395-X-12.02.
- (b) Preneed files and at-need files.
- (c) Monthly death reports. (In lieu thereof, the Board will accept timely reporting of death certificates so long as the Board maintains access to the EDRS system or any successor thereto maintained by the Alabama Department of Public Health.)
- (d) Funeral services log or list.

- (e) Manual cash receipts for preneed and at-need.
- (f) Accounts receivable.
- (g) The current and historical versions of the dated price lists of available services and merchandise required by Code of Ala. 1975, §34-13-9 (2014).
- (h) Advertising
- (i) Bank records and statements.
- (j) Cash disbursement records.
- (k) Balance sheet and financial records.
- (l) Any changes in ownership and control.
- (m) All wholesale price lists utilized.
- (n) For funeral merchandise and services trusts:
 - 1. Quarterly trust statements.
 - 2. Trust transmittal records.
 - 3. Copy of merchandise and services trust agreement.
- (o) For contracts secured under a surety bond:
 - 1. The bond(s).
 - 2. Detailed bond reports.
 - 3. Wholesale price of merchandise.
- (p) For contracts funded by life insurance or annuities:
 - 1. Policy transaction status reports

(3) Cemetery merchandise and services certificate holders shall maintain the following:

- (a) The cemetery property sales log required in paragraph (2) of Rule 395-X-12-.02.
- (b) Preneed contract files and at-need files.
- (c) Interment log or list.
- (d) Manual cash receipts for preneed and at-need.
- (e) Plot maps and Cemetery rules and regulations.

- (f) Pre-construction plans and sales.
- (g) The current and historical versions of the dated price lists of available burial services and merchandise required by Code of Ala. 1975, §8-30-2 (2002).
- (h) Advertising.
- (i) Bank records and statements.
- (j) Cash disbursement records.
- (k) Balance sheet and financial records.
- (l) Stored preneed merchandise.
- (m) Any changes in ownership and control.
- (n) All wholesale price lists utilized.
- (o) For cemetery merchandise and services trusts:
 - 1. Quarterly trust statements.
 - 2. Trust transmittal records.
 - 3. Copy of merchandise and services trust agreement.
- (p) For contracts secured under a surety bond:
 - 1. The bond(s).
 - 2. Detailed bond reports.
 - 3. Wholesale prices of merchandise.
- (q) For contracts funded by life insurance or annuities:
 - 1. Policy status reports.

Author: Charles M. Perine

Statutory Authority: Code of Ala. 1975, §§34-13-26, 34-13-27, 34-13-170 to -277.

History: New Rule: Published March 29, 2024; effective May 13, 2024.

395-X-12-.06 Required Endowment Care Cemetery Records.

(1) In addition to statutory requirements, endowment care cemeteries shall maintain the following records:

- (a) Cemetery property sales log as required in paragraph (2) of Rule 395-X-12-.02.
- (b) At-need files.
- (c) Interment log or list.
- (d) Manual cash receipts.
- (e) Plot maps and Cemetery rules and regulations.
- (f) Pre-construction plans and sales.
- (g) The current and historical versions of the dated price lists of available burial services and merchandise required by Code of Ala. 1975, §8-30-2 (2002).
- (h) Advertising
- (i) Bank records and statements.
- (j) Cash disbursement records.
- (k) Balance sheet and financial records.
- (l) Stored preneed merchandise.
- (m) Any changes in ownership and control.
- (n) Endowment care trust fund board members, if applicable.
- (o) Bond records or exemption notice from the Board, if applicable.
- (p) Quarterly trust statements.
- (q) Trust transmittals.
- (r) Copy of endowment care trust agreement(s).

Author: Charles M. Perine

Statutory Authority: Code of Ala. 1975, §§34-13-26, 34-13-27, 34-13-170 to -277.

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