

**Article 23 – Miscellaneous Companies**

165B.

(c) (1) Except as provided herein, a contract entered into may not contain any interest or finance charges.

(i) A cemetery entering into a contract for the sale of goods or services may impose an interest or finance charge for any goods delivered or services performed prior to need or death.

(ii) A cemetery may sell a contract for the sale of goods or services to a commercial lending institution provided the contract signed by the original purchaser of the goods or services contains the following clause in 12-point type or larger:

“Notice to consumers: This contract of sale may be sold to a commercial lending institution. Upon such sale an interest or finance charge on the remaining balance due may be imposed by the purchaser of this contract.”

(2) Any preneed burial contract in which the goods and services are not to be delivered or performed within 120 days after receipt of payment shall have a portion of the payments received placed in a trust account as provided in subparagraph (3) of this subsection.

(3) Payments received for goods and services that are not to be delivered within 120 days after receipt of payment are subject to the following escrow requirements:

(i) The seller shall not be required to escrow the first 50% of the total retail contract price.

(ii) The seller shall be required to escrow the second 50% of the total retail contract price as payments thereon are received from the buyer.

(iii) Within 30 days following receipt of the last payment on the contract price, the seller shall deposit an additional sum to make the balance in the escrow account sufficient to equal 67% of the total retail price of the contract.

(e) (4) In any preneed burial contract where delivery of the goods and services are delivered or performed within 120 days after receipt of the first 50% of the total contract price, the escrow requirements provided for herein shall not be applicable. Delivery of [a vault means emplacement, storage on the cemetery property identified by a record kept by the cemetery, or a certificate of ownership to the buyer issued by the cemetery or the vault manufacturer.] PRENEED BURIAL GOODS SHALL BE AS PROVIDED IN SUBSECTION (H) OF THIS SECTION.

(h) A preneed burial contract shall be executed in duplicate, dated, and a signed copy given to the purchaser. The contract shall contain the names of the purchaser, the seller, and any other individual, if other than the purchaser, who is to receive the goods and services contracted for and a description of the goods and services and the amount of the purchaser's financial obligation. A preneed burial contract may provide that delivery of goods may be accomplished by any of the following: