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INDEPENDENT REGULATORY
REVIEW COMMISSION

2604

May 11, 2007

Michelle Smey, Administrator
State Board of Funeral Directors
P.O. Box 2649
Harrisburg, PA 17105-2649

Re: Proposed Rulemaking to 49 Pa. Code, §13.204 and §13.224

Dear Ms. Smey:

The Pennsylvania Funeral Directors Association is submitting the within written comments pursuant to the 30 day public comment period as noticed in the Pennsylvania Bulletin.

PFDA is in agreement with the proposed amendments to the above named sections of the code. However, it is not sufficient for the Board to review only the form for the Statement of Funeral Goods and Services.

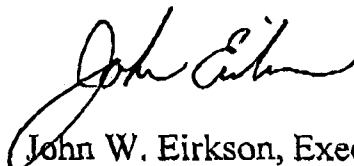
PFDA has been in the preneed trust and insurance business for over two decades. We currently hold over \$70 million in trust and insurance preneed funds. The Board and IRRC should be aware that there are two other documents that dictate the terms of the agreement between the consumer and the funeral director. Those documents are the individual trust agreement between the consumer and the funeral director and the master trust agreement between the funeral director and the bank. Both of these documents detail terms such as how the monies can be invested and in what vehicle; what happens in the event of cancellation or non-performance or if the consumer moves to another funeral home; what fees and expenses can be

taken from the account; and in some cases, whether or not the funeral director can receive monies back from the bank (such as 30% on the merchandise sale).

PFDA has never permitted funeral directors to receive anything back from the bank. However, there are currently programs in this Commonwealth that do allow such returns, which we believe violates the spirit, if not the letter of the 100% trusting requirement. Therefore, PFDA's position that the State Board should include in any forms review, the requirement of all documents that effect the transaction between the consumer and the funeral director in order to eliminate programs that are not in compliance with the law and that have the potential for ultimately harming the consumer.

I have attached a copy of the documents used by our trust program for your review. Should you have any questions, please do not hesitate to contact me.

Very truly yours,



John W. Eirkson, Executive Director
PFDA

Encs.

Smey corr re 13.204 and 13.224

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SecurChoice™

MASTER PRE-NEED TRUST AGREEMENT ("Agreement")

THIS AGREEMENT made this _____ day of _____, 20____, BETWEEN _____

organized under the laws of Pennsylvania, with its principal office _____

_____ Pennsylvania ("Funeral Home") AND

PNC BANK, National Association, with an office at Ninth and State Streets, Erie, Erie County, Pennsylvania ("Trustee").

Funeral Director is licensed to provide funeral services in the Commonwealth of Pennsylvania, and from time to time enters into a Pre-Need and Individual Trust Agreement with living persons for the provision of funeral services and merchandise. The Funeral Director desires to establish separate trusts to receive and safeguard certain monies paid to Funeral Home under such contracts, and it also desires to combine the separate trust under this Agreement for administrative and investment purposes, and the Trustee has agreed to act as trustee under this Agreement and the separate trusts.

WITNESSETH:

NOW THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound, the Funeral Home and the Trustee hereby agree as follows:

1. Definitions: Unless the context clearly indicates otherwise, the following terms as used in this Agreement shall have the following meanings:

- (a) **Trustee:** The Trustee named above, its successors in interest and assigns, or any successor trustee appointed pursuant to this Agreement.
- (b) **Funeral Home:** The proprietorship, partnership or corporation whose name appears at the heading of this Agreement, its successors and assigns.
- (c) **Association:** The Pennsylvania Funeral Directors Association, a Pennsylvania nonprofit corporation with offices at 1441 Allentown Blvd., Harrisburg, PA 17112, its successors and assigns.
- (d) **Master Trust:** This Agreement and each individual Trust governed by this Agreement and the Pre-Need and Individual Trust Agreement created by the Purchaser.
- (e) **Pre-Need and Individual Trust Agreement:** A Pre-Need and Individual Trust Agreement (in the form of Exhibit "1" attached hereto) entered into by Funeral Home with a Purchaser for the provision of funeral services and merchandise to the Beneficiary.
- (f) **Trust:** The separate trust to be created and held hereunder for each Pre-Need and Individual Trust Agreement entered into by Funeral Home for safekeeping of payments received by Funeral Home under a Pre-Need and Trust Agreement.
- (g) **Purchaser and Beneficiary:** The Purchaser and Beneficiary designated as such in the Pre-Need and Individual Trust Agreement.
- (h) **Law:** The Pennsylvania Funeral Director Law (Act of January 14, 1952, P.L. 1899, as amended) and all applicable rules and regulations thereunder.
- (i) **Certificate of Certification:** The document or documents which must be delivered to the Trustee in order to obtain payment from the Trust. Forms of Certificate which will generally be used hereunder are attached hereto as Exhibit 2. To the extent permitted by law, the Trustee may also accept other forms.
- (j) **Payment:** Amount paid by the Purchaser under a Pre-Need and Individual Trust Agreement and delivered by the Funeral Home to the Trustee.
- (k) **Principal:** The Payment plus any income previously allocated to the Payment under any Trust at any time plus any income thereon which has been heretofore added to Principal.
- (l) **Income:** All income earned by a Trust, including any realized gain or loss on investments, Administrative, and other Expenses, any taxes paid or payable, and investment fees of the Trustee Investment Manager which has not heretofore added to the Principal.
- (m) **Investment Manager:** A person or entity (other than the Trustee) designated by the Funeral Home on an investment direction form who has the power to manage, acquire, or dispose of the assets of any Trust, whether or not such person or entity is registered as an investment advisor under the Investment Advisor's Act of 1940.
- (n) **Investment Direction Form:** Form executed by the Funeral Home for each Trust. The Trustee shall invest each Trust only as specified on the investment direction form pertaining thereto. The investment direction form to be used hereunder is attached hereto as Exhibit 3.

2. **Establishment of Master Trust.** The parties hereby establish the Master Trust, which shall be known as the "SecurChoice Master Trust." The Master Trust shall be administered and the funds, held and invested pursuant to the terms of this Agreement.

3. **Creation of Trusts.** A separate trust shall be established hereunder upon the execution by the Funeral Home and the Trustee of a Pre-Need and Individual Trust Agreement, substantially in the form attached hereto as Exhibit 1. The parties intend that a separate trust be created for each Pre-Need and Individual Trust Agreement entered into by Funeral Home. Trustee reserves the right to refuse to accept any Trust.

4. **Deposits.** Funeral Home shall deposit in the Trust all Payments received under a Pre-Need and Individual Trust Agreement. Trustee shall have no obligation to enforce any duty of Funeral Home under the Law to make any deposit or to determine the amount or adequacy of any such deposit. Upon the initial deposit with Trustee of any monies or life insurance policies received by the Funeral Home under a Pre-Need and Individual Trust Agreement, the Funeral Home shall deliver to the Trustee the following:

- (a) A copy of the duly executed Pre-Need and Individual Trust Agreement.
- (b) The name, address and social security number of the Purchaser.
- (c) The name, address and social security number of the Beneficiary (if different from the Purchaser).
- (d) A statement setting forth the amount of the deposit and indicating whether it represents payment in full. For any subsequent deposits under the same Pre-Need and Individual Trust Agreement, the Funeral Home shall furnish to the Trustee the information set forth in subparagraphs (b), (c) and (d) at the time of delivery of the deposit to the Trustee.
- (e) A duly executed Investment Direction Form.
- (f) The original life insurance policy and policy certificate assigned to the Trust, together with copies of all assignment forms submitted to the insurance company and Limited Power of Attorney relative to the insurance policy.

5. **Maintenance of Separate Trust Accounts.** Trustee shall maintain separate accounts for each Trust created hereunder and, at least at the end of each month, shall add income earned by the Trust to the Principal of the Trust. It so provided on the investment direction form or by appointment of an investment manager, the Trustee shall have the power to invest any or all of the Trust hereunder on a commingled basis, and to invest in any common trust fund maintained by the Trustee or its affiliates, mutual funds (including those managed by the Trustee or any of its affiliates), annuities, or any other deposit account or instrument, whether or not issued by the Trustee.

6. **Application for Life Insurance Death Benefit or Withdrawal from a Trust.** Upon receipt of notification or the death of Beneficiary, the Trustee shall apply for the proceeds of any life insurance policy in the Trust. The Trustee shall only make payments from a Trust upon receipt of the Death Certificate (non-certified) and the SecurChoice Standard Withdrawal Certificate. The Trustee shall transmit payment as follows:

- (a) If the Funeral Home has fully performed its obligations under the Pre-Need and Individual Trust Agreement, the Trustee shall disburse all the funds in the Trust to the Funeral Home.
- (b) If the Pre-Need and Individual Trust Agreement is being terminated or revoked by the Purchaser, if permitted, or if the Purchaser or Beneficiary has moved from the Commonwealth of Pennsylvania, the Trustee shall pay to the Purchaser the current market value of all the monies paid under this Agreement together with income earned less fees and taxes and shall reassign any insurance policies in the Trust to the Beneficiary. If the monies were placed in an annuity contract there may be penalties for early withdrawal.
- (c) If funeral services have been provided to the Beneficiary by a funeral home other than the Funeral Home or no funeral services were performed upon the death of the Beneficiary, then the Trustee shall pay the Purchaser or Purchaser's personal representative the current market value of all the monies paid under this Agreement together with income earned less fees and taxes.

7. **Trustee's Administrative Powers and Duties.** In the administration of the Master Trust and of each Trust held hereunder, the Trustee shall have the following power and duties:

- (a) To invest and reinvest each Trust in such investments as directed by Funeral Home (subject to the provisions of each Investment Direction Form) as are allowed by law for trustees, to commingle trusts for management and investment, and to invest in accounts, deposits and common funds of Trustee or any of its affiliates or in an annuity, and mutual funds including those managed by Trustee or any of its affiliates if directed to do so by Funeral Home.
- (b) To reinvest net income received, and to credit income to each Trust monthly or more frequently as determined by the Trustee.
- (c) To engage Agents to perform any service the Trustee is permitted by law to delegate.
- (d) To pay all fees, expenses and costs of the Trustee incurred in the management and investment of the Master Trust and each Trust, including but not limited to reasonable counsel fees, Agent's fees and the Trustee's own fees in accordance with its fee schedule in effect, from time to time and to charge such fees as set forth herein when services are performed.
- (e) To pay any and all taxes or other obligations imposed upon the Trust, or imposed upon the Trustee while acting as such, which taxes or obligations shall be charged to each Trust as reasonably determined by the Trustee.
- (f) To file such reports, records, or accounts with the State Board of Funeral Directors, or the Orphan's Court Division or the Court of Common Pleas of Erie County, Pennsylvania, as may be required by the law.
- (g) To provide to persons required to pay the tax on any Trust the information required by law to be so furnished, and to file whatever tax returns or information statements that may be required to be filed by any Trust.
- (h) To exercise such other powers as are granted to trustees under Pennsylvania law, and to do any and all other acts as may be necessary or appropriate to carry out the terms of this Agreement.
- (i) The Funeral Home may direct Trustee as to the investment of any Trust hereunder, or may appoint an investment manager, who shall have the exclusive authority to direct the acquisition or disposition of any assets of any Trust hereunder. Upon receipt by Trustee of an investment direction form, in form similar to Exhibit 3 attached hereto, Trustee shall invest the Trust in accordance with any such direction. Trustee shall have no responsibility for investing any of the assets controlled by the investment manager and shall have no duties with respect to the administration of such assets other than set forth herein. Trustee shall not be liable for any loss resulting from an action taken or omitted by reason of compliance with Funeral Home's investment direction or the investments of an investment manager appointed by Funeral Home. The Trustee shall be entitled to rely on the direction made on the investment direction form until receipt of a revised investment direction form. Funeral Home releases Trustee from any liability, claims, damages or demands arising from any investment directed by Funeral Home or arising from any action of an investment manager appointed by the Funeral Home.
- (j) The Trustee shall have no duty to (a) review any insurance policy; (b) investigate the company issuing any insurance policy; or (c) determine whether any insurance policy is at any time a proper investment.

8. **Reports of Trustee.** Trustee shall furnish to Funeral Home quarterly reports in each fiscal year which shall show the aggregate investments, income, fees and other transactions relative to the Master Trust, and statements for each Trust which show the market value of, and income earned and expenses charged by each Trust. Such reports shall be in the form that Trustee customarily provides to its trust customers. Trustee shall use reasonable efforts to cause its reports to be able to be used by Funeral Home to comply with the regulations of the State Board of Funeral Directors of the Commonwealth of Pennsylvania relating to prepaid funerals.

9. **Fees.** Trustee shall deduct investment fees from income earned from all Trusts before crediting income to any Trust. The Trustee shall charge its other customary and usual fees and expenses, as well as any unusual fees and expenses which are attributable only to an individual Trust or group of Trusts. Fees and expenses shall not be charged to Principal in such a way as to reduce the amount of any Trust or Trusts below the amount of the Payment. If fees and expenses are charged to income exceed the amount which is permitted to be charged to Principal, then the Trustee shall bill the Funeral Home directly for such fees and expenses. Funeral Home agrees to pay such fees and expenses. Fees and expenses

10. **Registration or Removal of Trust.** Trustee shall register any Trust by filing with the Funeral Home at least 45 days written notice of its intention to do so, and Trustee may

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- (a) The information set forth in subparagraphs (b), (c) and this subparagraph (d) at the time of delivery of the deposit to the Trustee.
- (b) A duly executed Investment Direction Form.
- (c) The original life insurance policy and policy certificate assigned to the Trust, together with copies of all assignment forms submitted to the insurance company and Limited Power of Attorney relative to the insurance policy.
5. **Maintenance of Separate Trust Accounts.** Trustee shall maintain separate accounts for each Trust created hereunder and, at least at the end of each month, shall add income earned by the trust to the principal of the Trust. If so provided on the Investment Direction Form or by appointment of an Investment Manager, the Trustee shall have the power to invest any or all of the Trust hereunder on a commingled basis, and to invest in any common trust fund maintained by the trustee or its affiliates, mutual funds, (including those managed by the trustee or any of its affiliates), annuities, or any other deposit account or instrument, whether or not issued by the Trustee.
6. **Application for Life Insurance Death Benefit or Withdrawal from a Trust.** Upon receipt of notification of the death of Beneficiary, the Trustee shall apply for the proceeds of any life insurance policy in the Trust. The Trustee shall only make payments from a Trust upon receipt of the Death Certificate (non-certified) and the Secured Standard Withdrawal Certificate. The Trustee shall transmit payment as follows:
- (a) If the Funeral Home has fully performed its obligations under the Pre-Need and Individual Trust Agreement, the Trustee shall disburse all the funds in the Trust to the Funeral Home.
- (b) If the Pre-Need and Individual Trust Agreement is being terminated or revoked by the Purchaser, if permitted, or if the Purchaser or Beneficiary has moved from the Commonwealth of Pennsylvania, the Trustee shall pay to the Purchaser the current market value of all the money paid under this Agreement together with income earned less fees and taxes and shall reassign any insurance policies in the Trust to the Beneficiary, if the monies were placed in an annuity contract there may be penalties for early withdrawal.
- (c) If funeral services have been provided to the Beneficiary by a funeral home other than the Funeral Home or no funeral services were performed upon the death of the Beneficiary, then the Trustee shall pay the Purchaser or Purchaser's personal representative the current market value of all the money paid under this Agreement together with income earned less fees and taxes.
7. **Trustee's Administrative Powers and Duties.** In the administration of the Master Trust and each Trust held hereunder, the Trustee shall have the following power and duties:
- (a) To invest and reinvest each Trust in such investments as directed by Funeral Home (subject to the provisions of each investment Direction Form) as are allowed by law for trustees, to commingle trusts for management and investment, and to invest in accounts, deposits and common funds or Trustee or any of its affiliates or in an annuity, and mutual funds including those managed by Trustee or any of its affiliates if directed to do so by Funeral Home.
- (b) To reinvest net income received, and to credit income to each Trust monthly or more frequently as determined by the Trustee.
- (c) To engage Agents to perform any service the Trustee is permitted by law to delegate.
- (d) To pay all fees, expenses and costs of the Trustee incurred in the management and investment of the Master Trust and each Trust, including but not limited to reasonable counsel fees, Agent's fees and the Trustee's own fees in accordance with its fee schedule in effect, from time to time and to charge such fees as set forth herein when services are performed.
- (e) To pay any and all taxes or other obligations imposed upon the Trust, or imposed upon the Trustee while acting as such, which taxes or obligations shall be charged to each Trust as reasonably determined by the Trustee.
- (f) To file such reports, records, or accounts with the State Board of Funeral Directors, or the Orphan's Court Division of the Court of Common Pleas of Erie County, Pennsylvania, as may be required by the law.
- (g) To provide to persons required to pay the tax on any Trust the information required by law to be so furnished, and to file whatever tax returns or information statements that may be required to be filed by any Trust.
- (h) To exercise such other powers as are granted to trustees under Pennsylvania law, and to do any and all other acts as may be necessary or appropriate to carry out the terms of this Agreement.
- (i) The Funeral Home may direct Trustee as to the investment of any trust hereunder, or may appoint an Investment Manager, who shall have the exclusive authority to direct the acquisition or disposition of any assets of any Trust hereunder. Upon receipt by Trustee of an Investment Direction Form, in form similar to Exhibit 3 attached hereto, Trustee shall invest the Trust in accordance with any such direction. Trustee shall have no responsibility for investing any of the assets controlled by the Investment Manager and shall have no duties with respect to the administration of such assets other than set forth herein. Trustee shall not be liable for any loss resulting from an action taken or limited by reason of compliance with Funeral Home's investment direction or the investments of an Investment Manager appointed by Funeral Home. The Trustee shall be entitled to rely on the direction made on the Investment Direction Form until receipt of a revised Investment Direction Form. Funeral Home releases Trustee from any liability, claims, damages or demands arising from any investment directed by Funeral Home or arising from any actions of an Investment Manager appointed by the Funeral Home. Funeral Home hereby indemnifies and holds Trustee harmless from any loss, liability, expense (including legal fees and expenses), claims or demands, including, but not limited to, claims by Purchaser against Trustee arising from any directed investment or arising from any action of Investment Manager appointed by the Funeral Home.
- (j) The Trustee shall have no duty to (a) review any insurance policy; (b) investigate the company issuing any insurance policy; or (c) determine whether any insurance policy is at any time a proper investment.
8. **Reports of Trustee.** Trustee shall furnish to Funeral Home quarterly reports in each fiscal year which show the aggregate investments, income, fees and other transactions relative to the Master Trust, and statements for each Trust which show the market value of, and income earned and expenses charged by each Trust. Such reports shall be in the form that Trustee customarily provides to its trust customers. Trustee shall use reasonable efforts to cause its reports to be used by Funeral Home to comply with the regulations of the State Board of Funeral Directors of the Commonwealth of Pennsylvania relating to prepaid funerals.
9. **Fees.** Trustee shall deduct investment fees from income earned from all Trusts before crediting income to any Trust. The Trustee shall charge its other customary and usual fees and expenses, as well as any unusual fees and expenses which are attributable only to an individual Trust or group of Trusts. Fees and expenses shall not be charged to Principal in such a way as to reduce the amount of any Trust or Trusts below the amount of the Payment. It fees and expenses not charged to income exceed the amount which is permitted to be charged to Principal, then the Trustee shall bill the Funeral Home directly for such fees and expenses. Funeral Home agrees to pay such fees and expenses. Fees and expenses may be accrued on a daily, weekly or month basis, and may be charged on such basis to any Trust which is established or terminated during a billing period.
10. **Registration or Removal of Trusts.** Trustee may resign as Trustee under the Master Trust or as Trustee under any Trust by giving to the Funeral Home at least 45 days written notice of its intention to do so, and Trustee may be removed by Funeral Home by giving to Trustee at least 45 days written notice of its intention to do so. Upon such resignation or removal, Funeral Home shall appoint a successor trustee who is qualified under the Law to act as Trustee, and who undertakes to act as successor Trustee, whereupon Trustee shall deliver the assets in the Trust or Trusts affected by such resignation or removal to the successor. If Funeral Home fails to appoint a Trustee, or if no successor is qualified, then the Trustee shall remain as Trustee hereunder and may apply to any court of competent jurisdiction to appoint such successor, in which case all costs, expenses and fees of the Trustee shall be paid by the Trusts or Funeral Home as provided in Paragraph 9 hereof. Upon delivery of the assets comprising a Trust or Trusts to a successor, the Trustee shall be relieved of any further obligation or liability with respect to such trust or trusts.
11. **Removal of Trustee by Association.** Under the terms of an Agreement between Trustee and the Association, the Association possesses certain right to replace Trustee. The terms of such Agreement are incorporated herein by reference. Funeral Home acknowledges receipt of a copy of such Agreement and agrees to be bound by its terms.
12. **Assignment.** This Agreement and the trusts hereunder may only be assigned by Funeral Home upon prior written consent of Trustee, which consent shall not unreasonably be withheld.
13. **Reliance and Protection of Trustee.** Trustee shall be entitled to rely upon any statement, certification or Certificate delivered to it, and no claim or demand of liability may be made or asserted, directly or indirectly, against Trustee by the Funeral Home, the Purchaser or the Beneficiary as a result of any action taken or not taken by Trustee in reliance upon any such affidavit, certification or Certificate.
14. **Agreement to Govern.** In the case of any conflict between the terms of this Agreement and the terms of any Pre-Need and Individual Trust Agreement, the provision of this Agreement shall control, and in the event of such conflict, Trustee shall have no liability to any person for complying with the terms of this Agreement.
15. **Compliance with Law.** This Agreement and each Trust hereunder shall be governed by and construed in accordance with Pennsylvania law. This Agreement and each Trust hereunder are intended to comply with the Law, and shall be construed so as to give effect to the provisions of the Law; and the Trustee may deal with any Trust in order to comply with the Law. Without limiting the generality of the foregoing the interest or earnings on all payments received and invested by the Trustee shall be retained in the Trust with the principal amount and shall be held, accounted for and transferred in the same manner as the principal amount.
16. **Fiscal Year.** The fiscal year of each Trust hereunder shall end on December 31st.
17. **Provisions Regarding Insurance Policies.**
- (a) The Trustee agrees to take all reasonable actions necessary to obtain the death benefits under any insurance policy assigned to a Trust and apply policy dividends to the death benefit under the life insurance policy, and otherwise take such actions as it deems necessary regarding any such insurance policies.
- (b) Under no circumstances will the Funeral Home or Trustee be responsible to pay any premiums on any life insurance policies assigned to the Trust. It is intended that the Trust be funded only with full "paid up" life insurance on the life of the Beneficiary.
- (c) The Trustee shall own all incidents or ownership, rights, powers, interest and benefits or any kind on account of any insurance policies assigned to the Trust.
- (d) Upon the death of the Beneficiary, the Trustee shall collect the proceeds and the benefits thereof. The Trustee shall furnish the necessary proofs of death to the insurance companies. The Trustee may, but shall have no duty to, take any and all steps which it deems necessary or appropriate for the collection of such proceeds and benefits or to keep the contract in effect during the lifetime of the Beneficiary, including the institution of proceedings at law or in equity, and it shall be entitled to indemnify itself out of any property held in trust for all expenses incurred by it in connection therewith. The Trustee is further authorized to compromise and settle any and all claims arising out of the insurance contracts or any of them on such terms and conditions as they deem advisable, and the decision of the Trustee shall be binding upon all interested parties. The Trustee shall be authorized to give the respective insurance companies all the necessary and proper releases and acquittances in full discharge of all of their liabilities under such policies. No insurance company that has issued or shall issue a contract of insurance subject to this Agreement shall have any obligation to inquire into the terms of this Agreement or see to the application of the proceeds or benefits of such contract. The receipt of the Trustee to any such insurance company shall effectively release the insurance company from any liability as a result of such contract and shall be binding upon all parties.
18. **Notices.** All notices shall be in writing and shall be deemed to have been made if delivered in person or by mail, first class, postage prepaid, at the address set forth above or to such other address as any person may subsequently designate in writing, and deliver as provided herein.
19. **General Release and Indemnification.** Trustee shall not be liable to anyone for any action taken or not taken under this Agreement except for its own bad faith, willful misconduct, or gross negligence. Funeral Home shall indemnify Trustee against all claims, liabilities, causes of action and damages (collectively, "claims") including attorneys' fees, arising out of Trustee's actions or inactions under this Agreement, except for claims determined by a court to have arisen from the negligence, gross negligence, willful misconduct, or bad faith of the Trustee, or a breach of this Agreement or the Pre-Need and Individual Trust Agreement by Trustee.

IN WITNESS WHEREOF, this Agreement is executed the day and year first above written.

Witness: _____

By: _____
Signature of Authorized Person

Printed Name of Authorized Person

TRUSTEE
PNC BANK, National Association

By: _____

Attest: _____

SecurChoice™

(a pre-arranged funeral program administered and endorsed
by the Pennsylvania Funeral Directors Association)

PART I

Pre-Need and Individual Trust Agreement ("The Agreement")

This Agreement is made this ____ / ____ / ____ by and between
DATE

Funeral Home _____
NAME

Address _____
BUSINESS ADDRESS

and the Purchaser _____ (M) (F)
(hereinafter "You") NAME D/O/B SOCIAL SECURITY #

ADDRESS

for the Benefit of _____ (M) (F)
(if Beneficiary's NAME D/O/B SOCIAL SECURITY #
is different from ADDRESS
the Purchaser)

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of Your Credit as a yearly rate	The dollar amount the credit will cost You	The amount of credit provided to You or on Your behalf.	The amount You will have paid after You have made All payments as scheduled.	The total cost of Your purchase on Credit, including Your down- Payment of \$
0.00%	0.00%	\$	\$	\$

If not paid in full, Your Payment Schedule will be:

No. of payments	Amount of payments	When Payments Are Due
\$		Monthly beginning ____ Mo. ____ Day ____ Year

See reverse side for any additional information
about Nonpayment and default.

Itemization of Amount Financed	
Cash Price	\$
Total Downpayment	
(a) Cash	\$
(b) Death Benefit of Paid Up Life Insurance	
Policy Assigned:	\$
Unpaid Balance of Cash Price & Amount Financed	= \$

You hereby agree to buy and Funeral Home hereby agrees to sell the funeral goods ("Merchandise"), funeral services ("Services") and cash advance items for 3rd party charges ("Cash Advances") which are described in itemized list attached as Exhibit A for a Total Sale Price of \$ ____ (see paragraph 5 on the reverse side for price details)

After payment of the Total Sale Price and all other payments required to be made, the Funeral Home will render, upon the death of the Beneficiary, all the Merchandise, Services and Cash Advances described on attached Exhibit A. This Agreement is subject to the terms and conditions shown above and on the reverse side of this page, which you have read and accepted.

You hereby elect that this Agreement shall be:

_____ Irrevocable upon payment in full of the Total Sale Price

_____ Revocable by You at Your option at all times

You and the Funeral Home agree that Services and Merchandise shown on Exhibit A are:

_____ Guaranteed by the Funeral Home upon timely payment of the Total Sale Price

_____ Not Guaranteed by the Funeral Home

You and the Funeral Home agree that Cash Advances shown on Exhibit A are:

_____ Guaranteed by the Funeral Home upon timely payment of the Total Sale Price

_____ Not Guaranteed by the Funeral Home

EXCLUSION WARRANTIES: THE FUNERAL HOME IS NOT PROVIDING TO YOU ANY WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE FOR THE MERCHANDISE. The only warranties You are receiving for the Merchandise are the express written warranties, if any, which are provided by the manufacturers of the Merchandise sold to You under this Agreement. Only the manufacturer shall have any liability to You under such warranties.

You and the Funeral Home have signed this Agreement on the day and year written above and intend to be legally bound. By signing this Agreement, the Funeral Home, as agent for the Purchaser, hereby agrees to establish an individual trust with the Trustee under the Master Pre-Need Trust Agreement (the "Master Trust") between the Funeral Home and the Trustee (the "Trust").

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for the Benefit of
(if Beneficiary's
is different from
the Purchaser)

NAME

D/O/B

SOCIAL SECURITY #

(M) (F)

ADDRESS

ADDRESS

ANNUAL PERCENTAGE RATE

The cost of Your Credit
as a yearly rate

0.00%

FINANCE CHARGE

The dollar amount the
credit will cost You.

0.00%

Amount Financed

The amount of credit
provided to You or on
Your behalf.

\$

Total of Payments

The amount You will have
paid after You have made
All payments as scheduled.

\$

Total Sale Price

The total cost of Your
purchase on Credit,
including Your down-
Payment of \$

\$

If not paid in full, Your Payment Schedule will be:

No. of payments	Amount of payments	When Payments Are Due
	\$	Monthly beginning
		Mo. Day Year

See reverse side for any additional information
about Nonpayment and default.

Itemization of Amount Financed

Cash Price

\$

Total Downpayment

(a) Cash - \$

(b) Death Benefit of Paid Up Life Insurance

Policy Assigned; - \$

Unpaid Balance of Cash Price &

Amount Financed = \$

You hereby agree to buy and Funeral Home hereby agrees to sell the funeral goods ("Merchandise"), funeral services ("Services") and cash advance items for 3rd party charges ("Cash Advances") which are described in itemized list attached as Exhibit A for a Total Sale Price of \$ (see paragraph 5 on the reverse side for price details)

After payment of the Total Sale Price and all other payments required to be made, the Funeral Home will render, upon the death of the Beneficiary, all the Merchandise, Services and Cash Advances described on attached Exhibit A. This Agreement is subject to the terms and conditions shown above and on the reverse side of this page, which you have read and accepted.

You hereby elect that this Agreement shall be:

Irrevocable upon payment in full of the Total Sale Price

Revocable by You at Your option at all times

You and the Funeral Home agree that Services and Merchandise shown on Exhibit A are:

Guaranteed by the Funeral Home upon timely payment of the Total Sale Price

Not Guaranteed by the Funeral Home

You and the Funeral Home agree that Cash Advances shown on Exhibit A are:

Guaranteed by the Funeral Home upon timely payment of the Total Sale Price

Not Guaranteed by the Funeral Home

EXCLUSION WARRANTIES: THE FUNERAL HOME IS NOT PROVIDING TO YOU ANY WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE FOR THE MERCHANDISE. The only warranties You are receiving for the Merchandise are the express written warranties, if any, which are provided by the manufacturers of the Merchandise sold to You under this Agreement. Only the manufacturer shall have any liability to You under such warranties.

You and the Funeral Home have signed this Agreement on the day and year written above and intend to be legally bound. By signing this Agreement, the Funeral Home, as agent for the Purchaser, hereby agrees to establish an individual trust with the Trustee under the Master Pre-Need Trust Agreement (the "Master Trust") between the Funeral Home and the Trustee (the "Trust").

Signature of Licensed Funeral Director

Signature of Purchaser

License Number of Funeral Director

SUBJECT TO TERMS AND CONDITIONS ON REVERSE SIDE: You acknowledge receipt of a completed copy hereof. You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the day of this transaction. See the attached Notice of Cancellation form for an explanation of this right.

PART II

FOR OFFICE USE ONLY

The Trustee hereby accepts the Trust herein created for the Beneficiary under the Master Pre-Need Trust Agreement with the Funeral Home.

By:

BANK

AUTHORIZED PERSON

DATE

White Copy - PFDA Yellow Copy - Funeral Home Pink Copy - Purchaser

PF 501-05-06

RECEIVED TIME MAY. 22. 1:02PM

PART II**OTHER TERMS AND CONDITIONS OF THE
PRE-NEED AND INDIVIDUAL TRUST AGREEMENT**

In addition to the terms and conditions of the other side of this Agreement, You and the Funeral Home also agree to the following:

1. Creation of Trust. You authorize and direct the Funeral Home, as Your Agent, to establish an individual trust (the "Trust") with a bank as trustee (the "Trustee") on Your behalf. The Funeral Home will transfer all cash payments You make and life insurance policies You assign under this Agreement into the Trust. The Trust will be administered and the money in the Trust invested under a master pre-need agreement (the "Master Trust"). If the Funeral Home so directs the Trustee, such investments may include investment in annuity contracts issued by insurance companies. Under the Master Trust the Trustee, at the direction of the Funeral Home or appointment of an Investment Manager, invests the funds of a number of separate Pre-Need Funeral Trusts which have been established through the Funeral Home. The Funeral Home will provide You with a copy of Trustee's acceptance of the Trust and the Master Trust if You ask for one. Any dividends paid on any life insurance policies assigned to the Trust will be used to acquire additional insurance under the policy if the policy so provides.

2. Transfer of Payments. The Funeral Home will transfer the total amount of each payment received to the Trustee within ten (10) calendar days after You pay the Funeral Home. After the money is deposited in the Trust, it is invested under the terms of the Master Trust and this Agreement. The terms of the Master Trust apply to this Agreement and the money You pay to the Funeral Home pursuant to this Agreement.

3. Default. If you fail to make any installment payment and your contract is revocable, the Funeral Home will instruct the Trustee to refund to You the current market value of all the monies, together with income earned less fees. The trust will reassign any insurance policies in the Trust to You.

If you fail to make any installment payment and your contract is irrevocable and the funeral home chooses not to perform or if you choose the monies may be moved to a successor trustee of your choice within 30 days of notification to such trustee by you. The trust will reassign any insurance policies in the Trust to you. In the event of death the monies will be paid to the performing funeral director or dispersed by Order of Court.

4. Termination of Trust Agreement. An irrevocable trust created by You cannot be terminated unless by Order of Court.

The Statement of Funeral Goods and Services can be cancelled or terminated by You at any time prior to the death. If the trust agreement is irrevocable and you choose to move your funds, all monies in the trust must be transferred to another qualified Trustee within 30 days of notification by Your Notice of termination/cancellation as well as instructions regarding the successor Trustee must be mailed to the Funeral Home and Funeral Home must acknowledge same in writing.

If the Trust is revocable and you choose to terminate/cancel the Trust and the Statement of Funeral Goods and Services, all monies in the Trust will be returned to you within 45 working days of written notice to the Funeral Home. If your monies were placed in an annuity contract You may incur penalties for early withdrawal.

Important Notice: If you are pre-planning in conjunction with the spend down process in order to qualify for Medicaid or other government benefits, you should be aware that cancellation of this contract may jeopardize your eligibility and/or result in the government's entitlement to a refund.

5. Price Protection Option. If the funeral selected is "Guaranteed", then the Funeral Home must provide the Services and Merchandise or the Cash Advances set forth on The Statement of Funeral Goods and Services form (Exhibit A), but only if all the payments to be received from You and other sources listed in this Agreement are received by the Funeral Home. If all of those amounts are not received by the Funeral Home, then You must pay the difference between all amounts listed on the front of this Agreement and the amounts actually received by the Funeral Home. You must pay the Total Sale Price on or before the date the Services are rendered, Merchandise is provided and arrangements are made for the Cash Advance items. The Funeral Home will receive all amounts in the Trust whether or not such amounts are more or less than the prevailing charges for the Services and Merchandise or the Cash Advances.

If the funeral selected is "Not Guaranteed", then the Funeral Home will provide the Services and Merchandise or the Cash Advances listed on Exhibit A at the prices prevailing when the Services and Merchandise or the Cash Advances are provided. You will receive credit against the prevailing prices for all payments You have made under this Agreement, for all net income earned by the Trust, the death benefit and any other amounts paid under any insurance policy assigned to the Trust, and all other amounts received by the Funeral Home on Your behalf. The Funeral Home does not have to perform the Services or deliver the Merchandise or make arrangements for the Cash Advance items unless there are sufficient funds available to pay for such Services and Merchandise or the Cash Advances at the time they are to be provided.

6. Services Not Covered. This Agreement is not for the purchase or care of a cemetery lot, mausoleum space, columbarium space or other places of burial.

In addition to the Purchaser's payment of the Total Sales Price, the Beneficiary's estate or survivors will be responsible for the following:

someone else as the "Beneficiary" on the front of this Agreement. If You checked the "Revocable" box on the front of this Agreement, then You may change the Beneficiary of this Agreement and Trust at any time by providing written notice to the Funeral Home and the Trustee unless the Trust's assets are invested in an annuity contract or unless the Trust is funded with a life insurance policy on the life of the original Beneficiary.

10. Change of Trustee. The Funeral Home and the Pennsylvania Funeral Directors Association (PFDA) and the purchaser may change the Trustee to a qualified successor trustee. In the event of such change, the consumer will be notified of the name and address of the new Trustee by the prior Trustee. Change of Trustee by the consumer will occur pursuant to the procedure outlined in Paragraph 4.

11. Appointment of Agent. You appoint the Funeral Home as Your agent to do the following things on behalf of You or the Beneficiary:

- (a) Execute and establish the Trust under the Master Trust with the Trustee;
- (b) Change the Trustee as permitted under the Master Trust or this Agreement;
- (c) Amend the Master Trust as permitted under the Master Trust Agreement or this Agreement;
- (d) Make certifications to the Trustee for the withdrawal of funds as permitted under the Master Trust; and
- (e) Take all actions necessary to obtain the death benefits under any insurance policy assigned to this Trust, apply policy dividends to the death benefit under the life insurance policy, and otherwise take such actions as it deems necessary regarding any such insurance policies.
- (f) Take any other action that may be necessary or appropriate to carry out this Agreement or the Master Trust.

12. Substitution of Merchandise. If the Merchandise is not readily available at the time of death of the Beneficiary, the Funeral Home may substitute other merchandise that is of substantially similar or better quality. The Funeral Home will determine whether the substitute merchandise is of substantially similar or better quality.

13. Taxes. Under the current Internal Revenue Service rulings, You may be subject to federal and state income taxes on any income earned by the Trust during the life of the Beneficiary. No distributions will be made from the Trust to enable You to pay such taxes.

You hereby authorize the Trustee to pay any taxes that may be imposed on the Trust or its assets. You agree that neither the Trustee or the Funeral Home shall be liable for any payment of taxes by the Trust.

14. Change of Address. You agree to promptly notify the Funeral Home and Trustee of any change of Your address or the Beneficiary's address.

15. Protection of Trustee. You agree for Yourself and the Beneficiary that no claim of any kind shall be made against the Trustee for anything the Trustee does in reliance on any written instruction that appears to be binding on the Trustee including the Trustee's compliance with the Funeral Home's or Investment Manager's investment directions. You agree for Yourself and the Beneficiary that the Trustee will not be liable to anyone for any action taken or not taken under this Agreement unless the Trustee acts in a grossly negligent manner or intentionally does something the Trustee knows to be unauthorized.

16. Provision Regarding Life Insurance Policies:

(a) Under no circumstances will the Funeral Home or Trustee be responsible to pay any premiums on any life insurance policies assigned to the Trust; it is intended that this Trust be funded only with fully "paid-up" life insurance on the life of the Beneficiary.

(b) The Trustee shall own all incidents of ownership, rights, powers, interest and benefits of any kind on account of any insurance policies assigned this Trust.

(c) Upon the death of the Beneficiary or the earlier maturity of any insurance contracts payable to the Trustee, the Trustee shall collect the proceeds and the benefits thereof. The Trustee shall furnish the necessary proofs of death to the insurance companies. The Trustee may, but shall have no duty to, take any and all steps which it deems necessary or appropriate for the collection of such proceeds and benefits or to keep the contracts in effect during the lifetime of the Beneficiary, including the institution of proceedings at law or in equity, and it shall be entitled to indemnify itself out of any property held in trust for all expenses incurred by it in connection therewith. The Trustee is further authorized to compromise and settle any and all claims arising out of the insurance contracts or any of them on such terms and conditions as it deems advisable, and the decision of the Trustee shall be binding on all interested parties. The Trustee shall be authorized to give the respective insurance companies all of the necessary and proper releases and acquittances in full discharge of all of their liabilities under such policies. No insurance company that has issued or shall issue a contract of insurance subject to this Agreement shall have any obligation to inquire into the terms of this Agreement or see to the application of the proceeds or benefits of such contract. The receipt of the Trustee to any such insurance company shall effectively release the insurance company from any liability as a result of such contract and shall be binding upon all parties.

17. Miscellaneous.

(a) This Agreement and Trust is made in the Commonwealth of Pennsylvania. It

RECEIVED TIME MAY. 22. 1:02PM

the Funeral Home. After the money is deposited in the Trust, it is invested under the terms of the Master Trust and this Agreement. The terms of the Master Trust apply to this Agreement and the money You pay to the Funeral Home pursuant to this Agreement.

3. Default. If you fail to make any installment payment and your contract is revocable, the Funeral Home will instruct the Trustee to refund to You the current market value of all the monies, together with income earned less fees. The trust will reassign any insurance policies in the Trust to You.

If you fail to make any installment payment and your contract is irrevocable and the funeral home chooses not to perform or if you choose the monies may be moved to a successor trustee of your choice within 30 days of notification to such trustee by you. The trust will reassign any insurance policies in the Trust to you. In the event of death the monies will be paid to the performing funeral director or dispersed by Order of Court.

4. Termination of Trust Agreement. An irrevocable trust created by You cannot be terminated unless by Order of Court.

The Statement of Funeral Goods and Services can be cancelled or terminated by You at any time prior to the death. If the trust agreement is irrevocable and you choose to move your funds, all monies in the trust must be transferred to another qualified Trustee within 30 days of notification by You. Notice of termination/cancellation as well as instructions regarding the successor Trustee must be mailed to the Funeral Home and Funeral Home must acknowledge same in writing.

If the Trust is revocable and you choose to terminate/cancel the Trust and the Statement of Funeral Goods and Services, all monies in the Trust will be returned to you within 45 working days of written notice to the Funeral Home. If your monies were placed in an annuity contract You may incur penalties for early withdrawal.

Important Notice: If you are pre-planning in conjunction with the spend down process in order to qualify for Medicaid or other government benefits, you should be aware that cancellation of this contract may jeopardize your eligibility and/or result in the government's entitlement to a refund.

5. Price Protection Option. If the funeral selected is "Guaranteed", then the Funeral Home must provide the Services and Merchandise or the Cash Advances set forth on The Statement of Funeral Goods and Services form (Exhibit A), but only if all the payments to be received from You and other sources listed in this Agreement are received by the Funeral Home. If all of those amounts are not received by the Funeral Home, then You must put the difference between all amounts listed on the front of this Agreement and the amounts actually received by the Funeral Home. You must pay the Total Sale Price on or before the date the Services are rendered. Merchandise is provided and arrangements are made for the Cash Advance items. The Funeral Home will receive all amounts in the Trust whether or not such amounts are more or less than the prevailing charges for the Services and Merchandise or the Cash Advances.

If the funeral selected is "Not Guaranteed", then the Funeral Home will provide the Services and Merchandise or the Cash Advances listed on Exhibit A at the prices prevailing when the Services and Merchandise or the Cash Advances are provided. You will receive credit against the prevailing prices for all payments You have made under this Agreement, for all net income earned by the Trust, the death benefit and any other monies paid under any insurance policy assigned to the Trust, and all other amounts received by the Funeral Home on Your behalf. The Funeral Home does not have to perform the Services or deliver the Merchandise or make arrangements for the Cash Advance items unless there are sufficient funds available to pay for such Services and Merchandise or the Cash Advances at the time they are to be provided.

6. Services Not Covered. This Agreement is not for the purchase or care of a cemetery lot, mausoleum space, columbarium space or other places of burial.

In addition to the Purchaser's payment of the Total Sales Price, the Beneficiary's estate or survivors will be responsible, under the circumstances described below, for paying the additional fee, if any, that the Funeral Home customarily charges at the time of the Beneficiary's death for providing service on a Saturday, Sunday or a legal holiday if the Beneficiary's funeral is held on one of those days.

7. Death Outside of Service Area. You authorize the Funeral Home to make transportation arrangements to the Funeral Home if the Beneficiary dies outside the Service Area. The actual cost of transportation and any other reasonable amounts paid by the Funeral Home in connection with such arrangements will be paid by the Beneficiary's estate or survivors.

8. Rights Reserved. If the Funeral Home is prevented from or delayed in providing the Services because of circumstances beyond its control, such as a labor dispute, strike, government action, epidemic, fire, or other disaster or the unavailability of Merchandise, it may make a reasonable substitution of comparable Services and Merchandise and will not be responsible for any inconvenience, delay, loss or damage to You, the Beneficiary's family, or their legal representatives caused by such substitution.

9. Change of Beneficiary. The Beneficiary of this Agreement and Trust created pursuant to it is the person for whom the funeral Services and Merchandise will be provided upon his or her death. You are the Beneficiary unless You designated

under the Master Trust; and

(e) Take all actions necessary to obtain the death benefits under any insurance policy assigned to this Trust, apply policy dividends to the death benefit under the life insurance policy, and otherwise take such actions as it deems necessary regarding any such insurance policies.

(f) Take any other action that may be necessary or appropriate to carry out this Agreement or the Master Trust.

12. Substitution of Merchandise. If the Merchandise is not readily available at the time of death of the Beneficiary, the Funeral Home may substitute other merchandise that is of substantially similar or better quality. The Funeral Home will determine whether the substitute merchandise is of substantially similar or better quality.

13. Taxes. Under the current Internal Revenue Service rulings, You may be subject to federal and state income taxes on any income earned by the Trust during the life of the Beneficiary. No distributions will be made from the Trust to enable You to pay such taxes.

You hereby authorize the Trustee to pay any taxes that may be imposed on the Trust or its assets. You agree that neither the Trustee or the Funeral Home shall be liable for any payment of taxes by the Trust.

14. Change of Address. You agree to promptly notify the Funeral Home and Trustee of any change of Your address or the Beneficiary's address.

15. Protection of Trustee. You agree for Yourself and the Beneficiary that no claim of any kind shall be made against the Trustee for anything the Trustee does in reliance on any written instruction that appears to be binding on the Trustee including the Trustee's compliance with the Funeral Home's or Investment Manager's investment directions. You agree for Yourself and the Beneficiary that the Trustee will not be liable to anyone for any action taken or not taken under this Agreement unless the Trustee acts in a grossly negligent manner or intentionally does something the Trustee knows to be unauthorized.

16. Provision Regarding Life Insurance Policies:

(a) Under no circumstances will the Funeral Home or Trustee be responsible to pay any premiums on any life insurance policies assigned to the Trust; it is intended that this Trust be funded only with fully "paid-up" life insurance on the life of the Beneficiary.

(b) The Trustee shall own all incidents of ownership, rights, powers, interest and benefits of any kind on account of any insurance policies assigned this Trust.

(c) Upon the death of the Beneficiary or the earlier maturity of any insurance contracts payable to the Trustee, the Trustee shall collect the proceeds and the benefits thereof. The Trustee shall furnish the necessary proofs of death to the insurance companies. The Trustee may, but shall have no duty to, take any and all steps which it deems necessary or appropriate for the collection of such proceeds and benefits or to keep the contracts in effect during the lifetime of the Beneficiary, including the institution of proceedings at law or in equity, and it shall be entitled to indemnify itself out of any property held in trust for all expenses incurred by it in connection therewith. The Trustee is further authorized to compromise and settle any and all claims arising out of the insurance contracts or any of them on such terms and conditions as it deems advisable, and the decision of the Trustee shall be binding on all interested parties. The Trustee shall be authorized to give the respective insurance companies all of the necessary and proper releases and acquittances in full discharge of all of their liabilities under such policies. No insurance company that has issued or shall issue a contract of insurance subject to this Agreement shall have any obligation to inquire into the terms of this Agreement or see to the application of the proceeds or benefits of such contract. The receipt of the Trustee to any such insurance company shall effectively release the insurance company from any liability as a result of such contract and shall be binding upon all parties.

17. Miscellaneous.

(a) This Agreement and Trust is made in the Commonwealth of Pennsylvania. It is intended to comply with the Pennsylvania Funeral Director Law (Act of January 14, 1952, P.L. 1898, as amended) and the rules and regulations issued under that Law and shall be interpreted in accordance with such Laws. Any questions about the terms of this Agreement will be interpreted so as to comply with Pennsylvania Law. Without limiting the generality of the foregoing, the interest or earnings on all payments received and invested by the Trustee shall be retained in the Trust with the principal amount and shall be held, accounted for and transferred in the same manner at the Trustee's address which has been given to You with this Agreement.

(b) All notices that You and the Funeral Home send to each other must be in writing. Any notices must be delivered in person or mailed by first class mail. Notices to the Trustee must be given in a similar manner at the Trustee's address which has been given to You with this Agreement.

(c) This Agreement and the documents referenced in this Agreement contain the entire contract between You and the Funeral Home. This Agreement binds You and Your heirs and personal representatives and the Beneficiary. It also binds the Funeral Home, its successors and anyone to whom the Funeral Home assigns this Agreement.

NOTE: If no option is selected, funds will be invested in the money market fund.

SecurChoice™

(a pre-arranged funeral program administered and endorsed by the Pennsylvania Funeral Directors Association)

PART III

Pre-Need and Individual Trust Agreement ("The Agreement")

This Agreement is made this ____ / ____ / ____ by and between
DATE

Funeral Home _____
NAME

Address _____
BUSINESS ADDRESS

and the Purchaser (hereinafter "You") _____ (M) (F)
NAME D/O/B SOCIAL SECURITY #
ADDRESS

for the Benefit of (if Beneficiary's is different from the Purchaser) _____ (M) (F)
NAME D/O/B SOCIAL SECURITY #
ADDRESS

Investment Direction Form

MONEY MARKET FUND, PNC SHORT TERM INVESTMENT FUND & MUTUAL FUND OPTIONS

Indicate below (X) your Investment Direction for the funds deposited to the above-captioned SecurChoice™ Pre-Need and Individual Trust Agreement held by PNC Bank, National Association (PNC Bank) under agreement with the Pennsylvania Funeral Directors Association. Funds may be placed in one investment or split among two or three options and one of the options must be the BlackRock T-Fund, even if the investment percentage is zero. Indicate below the percentage you would like invested in each of the options; the percentages must total 100%. If you are interested in a sample allocation investment approach to decrease volatility please contact our office. *(does not include annuity options)*

- _____ BlackRock T-Fund – PNC Bank, trustee & investment manager (formerly the "PNC Money Market Fund")
- _____ BlackRock Low Duration Bond Fund – PNC Bank, trustee & investment manager
- _____ BlackRock INTERMEDIATE GOVERNMENT BOND PORTFOLIO – PNC Bank, trustee & investment manager
- _____ Fidelity's INVESTMENT GRADE BOND FUND* – PNC Bank, trustee; Fidelity Investments, investment manager
- _____ Fidelity's ASSET MANAGER FUND* – PNC Bank, trustee; Fidelity Investments, investment manager
- _____ American Century's STRATEGIC ALLOCATION FUND* – PNC Bank, trustee; American Century investment mgr.
- _____ Gabelli's UTILITIES AAA FUND* – PNC Bank, trustee; Gabelli's investment manager
- _____ Federated Capital's APPRECIATION A FUND* – PNC Bank, trustee; Federated Capital investment manager
- _____ Fidelity's MAGELLAN FUND* – PNC Bank, trustee; Fidelity Investments, investment manager

(* I understand these "funds" or portfolios in these funds are not managed by PNC Bank and I and/or my successors hereby hold harmless and indemnify PNC Bank of any and all liability and responsibility due to investment in these "funds" or portfolios in these funds. I understand that the investment style of these "funds" or portfolios in these funds may cause fluctuation of market value including the potential of significant realized or unrealized losses. I understand and am willing to accept the higher degree of risk inherent by investing in these "funds" or portfolios in these funds.)

I understand that securities available through PNC Bank are not backed by or guaranteed by PNC Bank, National Association or its affiliates and are not bank deposits, nor are they insured by, issued by, guaranteed by or obligations of the FDIC or Federal Reserve Board. Such securities involve investment risks, including possible loss of value. For more complete information about any mutual fund selected, including charges and expenses, refer to the prospectus. I acknowledge (i) that I understand the information set forth herein and (ii) receipt and review of the prospectus for any mutual fund selected.

I understand that this selection will remain in effect until changed by me by submitting a revised Investment Direction Form (properly executed) to PNC Bank, National Association, trustee.

ANNUITY OPTIONS

_____ The RECEIVED TIME by MAY 22, 2007 at 1:02 PM of all funds in an individual annuity contract issued by Funeral Directors Life Insurance Company, check payable to PNC Bank.

(hereinafter "You")

NAME

ADDRESS

for the Benefit of
(if Beneficiary's
is different from
the Purchaser)

NAME

D/O/B

SOCIAL SECURITY #

(M) (F)

ADDRESS

Investment Direction Form

MONEY MARKET FUND, PNC SHORT TERM INVESTMENT FUND & MUTUAL FUND OPTIONS

Indicate below (X) your Investment Direction for the funds deposited to the above-captioned SecurChoice™ Pre-Need and Individual Trust Agreement held by PNC Bank, National Association (PNC Bank) under agreement with the Pennsylvania Funeral Directors Association. Funds may be placed in one investment or split among two or three options and one of the options must be the BlackRock T-Fund, even if the investment percentage is zero. Indicate below the percentage you would like invested in each of the options; the percentages must total 100%. If you are interested in a sample allocation investment approach to decrease volatility please contact our office. (does not include annuity options)

- ☐ BlackRock T-Fund – PNC Bank, trustee & investment manager (formerly the "PNC Money Market Fund")
- ☐ BlackRock Low Duration Bond Fund – PNC Bank, trustee & investment manager
- ☐ BlackRock INTERMEDIATE GOVERNMENT BOND PORTFOLIO – PNC Bank, trustee & investment manager
- ☐ Fidelity's INVESTMENT GRADE BOND FUND* – PNC Bank, trustee; Fidelity Investments, investment manager
- ☐ Fidelity's ASSET MANAGER FUND* – PNC Bank, trustee; Fidelity Investments, investment manager
- ☐ American Century's STRATEGIC ALLOCATION FUND* – PNC Bank, trustee; American Century investment mgr.
- ☐ Gabelli's UTILITIES AAA FUND* – PNC Bank, trustee; Gabelli's investment manager
- ☐ Federated Capital's APPRECIATION A FUND* – PNC Bank, trustee; Federated Capital investment manager
- ☐ Fidelity's MAGELLAN FUND* – PNC Bank, trustee; Fidelity Investments, investment manager

(* I understand these "funds" or portfolios in these funds are not managed by PNC Bank and I and/or my successors hereby hold harmless and indemnify PNC Bank of any and all liability and responsibility due to investment in these "funds" or portfolios in these funds. I understand that the investment style of these "funds" or portfolios in these funds may cause fluctuation of market value including the potential of significant realized or unrealized losses. I understand and am willing to accept the higher degree of risk inherent by investing in these "funds" or portfolios in these funds.)

I understand that securities available through PNC Bank are not backed by or guaranteed by PNC Bank, National Association or its affiliates and are not bank deposits, nor are they insured by, issued by, guaranteed by or obligations of the FDIC or Federal Reserve Board. Such securities involve investment risks, including possible loss of value. For more complete information about any mutual fund selected, including charges and expenses, refer to the prospectus. I acknowledge (i) that I understand the information set forth herein and (ii) receipt and review of the prospectus for any mutual fund selected.

I understand that this selection will remain in effect until changed by me by submitting a revised Investment Direction Form (properly executed) to PNC Bank, National Association, trustee.

ANNUITY OPTIONS

- ☐ The Funeral Home hereby directs the investment of all funds in an individual annuity contract issued by Funeral Directors Life Insurance Company, PNC Bank, Trustee. Make check payable to PNC Bank.
- ☐ The Funeral Home hereby directs the investment in an individual annuity contract issued by TransAmerica Life Insurance Company, Mellon Bank, Trustee. Make check payable to Mellon Bank.

The Funeral Home hereby agrees that no claim or demand of any kind or nature whatsoever shall be made upon or asserted against the Trustee as a result of any direction with respect to such annuity given by the Funeral Home of P.F.D.A. and should any such demand or claim be made, the Funeral Home shall defend, indemnify, and hold Trustee harmless.

I understand that this selection will remain in effect until the death of the annuitant. A change of investment before the death of the annuitant will most likely result in a penalty assessed by the insurance company for early withdrawal.

FUNERAL DIRECTOR'S SIGNATURE

PRINTED NAME & TITLE