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**Rules of**  
**Department of Insurance,**  
**Financial Institutions and**  
**Professional Registration**  
**Division 2120—State Board of Embalmers and**  
**Funeral Directors**  
**Chapter 3—Preneed**

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**Title 20—DEPARTMENT OF  
INSURANCE, FINANCIAL  
INSTITUTIONS AND  
PROFESSIONAL REGISTRATION  
Division 2120—State Board of  
Embalmers and Funeral Directors  
Chapter 3—Preneed**

**20 CSR 2120-3.010 Preneed Seller  
Registration**

*PURPOSE: Under Chapter 436, RSMo, the State Board of Embalmers and Funeral Directors is directed to register persons as preneed sellers. Under section 333.III.1., RSMo, the State Board of Embalmers and Funeral Directors is directed to promulgate rules. . . “for the transaction of its business. . . .” This rule complies with the statutory directive that the board promulgate rules for the transaction of its business in registering persons as preneed sellers.*

(1) Whenever used in this rule, the word person means any individual, partnership, corporation, cooperative, association or other entity.

(2) Applications for registration as preneed sellers must be made on the forms provided by the board and must be accompanied by the applicable preneed seller registration fee.

(3) The board office will contact persons who have submitted applications for registration as preneed sellers whenever it appears that a slight change or modification on the form is necessary to accomplish registration. No such change or modification will be made without the consent of the person submitting the application. If telephone contact is impossible, the application form and the tendered seller registration fee will be returned to the applicant with instructions for completing the form properly.

(4) The board office will accept seller registration applications even though certain information is not provided, if the application is accompanied by a statement that the information will be provided as soon as it is known to the applicant. If the information is not provided in a timely fashion, the registration will be cancelled.

(5) Each person seeking registration as a preneed seller will be required to submit a partial annual report at the time of registration, containing—1) the name and address of the financial institution in Missouri in which it will maintain the trust accounts required under Chapter 436, RSMo and the account

numbers of those trust accounts, 2) a consent authorizing the state board to order an examination and, if necessary, an audit by the staff of the Division of Professional Registration who are not connected with the state board, of the trust account designated by depository and account number and 3) a consent authorizing the state board to order an examination and, if necessary, an audit by the staff of the Division of Professional Registration who are not connected with the state board, of its books and records relating to the sale of preneed contracts and name and address of the person designated by the seller as custodian of those books and records.

(6) The board will acknowledge receipt of each application for registration as a preneed seller if the application is completed properly and is accompanied by the preneed registration fee. A registration number will be assigned.

(7) Application forms for registration as preneed contract sellers will be provided to any person upon request.

*AUTHORITY: section 333.III.1, RSMo 1986.\* This rule originally filed as 4 CSR 120-3.010. Original rule filed Jan. 7, 1983, effective June 11, 1983. Moved to 20 CSR 2120-3.010, effective Aug. 28, 2006.*

*\*Original authority: 333.III.1, RSMo 1965, amended 1981.*

**20 CSR 2120-3.020 Preneed Provider  
Registration**

*PURPOSE: Under Chapter 436, RSMo, the State Board of Embalmers and Funeral Directors is directed to register persons as preneed providers. Under section 333.III.1., RSMo, the State Board of Embalmers and Funeral Directors is directed to promulgate rules. . . “for the transaction of its business. . . .” This rule complies with the statutory directive that the board promulgate rules for the transaction of its business in registering persons as preneed providers.*

(1) Whenever used in this rule, the word person means any individual, partnership, corporation, cooperative, association or other entity.

(2) Applications for registration as preneed providers must be made on the forms provided by the board and must be accompanied by the applicable preneed provider registration fee.

(3) The board office will contact persons who have submitted applications for registration as preneed providers whenever it appears that a slight change or modification on the form is necessary to accomplish registration. No such change or modification will be made without the consent of the person submitting the application. If telephone contact is impossible, the application form and the tendered provider registration fee will be returned to the applicant with instructions for completing the form properly.

(4) The board office will accept provider registration applications even though certain information is not provided, if the application is accompanied by a statement that the information will be provided as soon as it is known to the applicant. If the information is not provided in a timely fashion, the provider registration will be cancelled.

(5) Each establishment which is licensed separately by the state board as a funeral establishment must register separately as a preneed provider, if the establishment will perform or agree to perform the obligations of, or be designated as, the provider under a preneed contract. Nothing in this rule will require registration of funeral establishments as preneed providers if the establishment will not perform or agree to perform the obligations of, or be designated as, the provider under a preneed contract.

(6) The board will acknowledge receipt of each application for registration as a preneed provider, if the application is completed properly and is accompanied by the preneed provider registration fee. A registration number will be assigned.

(7) Application forms for registration as preneed providers will be provided to any person upon request.

*AUTHORITY: section 333.III.1, RSMo 1986.\* This rule originally filed as 4 CSR 120-3.020. Original rule filed Jan. 7, 1983, effective June 11, 1983. Moved to 20 CSR 2120-3.020, effective Aug. 28, 2006.*

*\*Original authority: 333.III.1, RSMo 1965, amended 1981.*

**20 CSR 2120-3.030 Notification of Intent  
to Sell Assets or Cease Doing Business  
(Seller or Provider)**

*PURPOSE: Under Chapter 436, RSMo, the State Board of Embalmers and Funeral Directors is directed to accept notification of*



*intent to sell assets or cease doing business from persons registered as preneed sellers or preneed providers, or both. Under section 333.III.1., RSMo, the State Board of Embalmers and Funeral Directors is directed to promulgate rules. . . “for the transaction of its business. . .” This rule complies with the statutory directive that the board promulgate rules for the transaction of its business in accepting notifications of intent to sell assets or cease doing business from registered preneed sellers or providers, or both.*

(1) Whenever used in this rule, the word person means any individual, partnership, corporation, cooperative, association or other entity.

(2) Notification of intent to sell assets or cease doing business must be made on the forms provided by the board.

(3) As part of the notification, each registered seller must inform the board of the actions it has taken or will take to ensure that the trust assets of the seller will be set aside and used to serve outstanding preneed contracts sold by the seller and each registered provider must inform the board of the actions it has taken or will take to ensure that the provider's obligations under preneed contracts will be satisfied.

(4) In its discretion, the board may take reasonable and necessary actions to ensure that the provider's obligations under preneed contracts will be satisfied or that the trust assets of the seller will be set aside and used to service outstanding preneed contracts sold by the seller.

(5) Failure of the board to take action regarding any sale or termination of business within thirty (30) days of receipt of notification for providers and within sixty (60) days of receipt of notification for sellers will constitute a waiver of the board's authority under Chapter 436, RSMo.

(6) Forms for submitting notifications of intent to sell assets or cease doing business will be provided upon request.

*AUTHORITY: section 333.III.1, RSMo 1986.\* This rule originally filed as 4 CSR 120-3.030. Original rule filed Jan. 7, 1983, effective June 11, 1983. Moved to 20 CSR 2120-3.030, effective Aug. 28, 2006.*

*\*Original authority: 333.III.1, RSMo 1965, amended 1981.*



STATE OF MISSOURI  
STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

**NOTIFICATION OF INTENT TO SELL ASSETS OR CEASE DOING BUSINESS (SELLER)**

SELLER NAME (AS REGISTERED WITH MISSOURI STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS)	
REGISTRATION NUMBER	ISSUE DATE
<p>At least sixty days prior to selling or otherwise disposing of its business assets, or its stock if a corporation, or ceasing to do business, the above named seller hereby informs the State Board of Embalmers and Funeral Directors of its intent to:</p> <p><input type="checkbox"/> Sell the business assets of the seller.</p> <p><input type="checkbox"/> Sell the stock in the seller corporation. Please indicate the percentage of the stock being sold _____ %.</p> <p><input type="checkbox"/> Cease business as a seller.</p> <p><input type="checkbox"/> Other. Please explain: _____</p> <p>_____</p>	
THIS TRANSACTION IS EXPECTED TO BECOME FINAL ON ► _____ 19	
IF THIS NOTIFICATION INVOLVES THE SALE OF ASSETS OR STOCK, PLEASE COMPLETE THE NAME AND ADDRESS OF THE INTENDED PURCHASER BELOW:	
NAME	ADDRESS
<p>The above named seller has taken or will take action to ensure that the trust assets of the seller will be set aside and used to service outstanding preneed contracts sold by the seller. I understand that the State Board of Embalmers and Funeral Directors may take reasonable and necessary action to determine that proper plans to assure that the assets of the seller will be set aside and used to service outstanding preneed contracts sold by seller. If applicable, I have attached hereto an affidavit from a registered seller who has agreed to assume the seller's responsibility under the preneed contracts.</p> <p>I do hereby certify that I have given written notification of my intentions expressed herein to all providers with whom seller has one or more preneed contracts.</p>	
<b>MUST BE COMPLETED IN PRESENCE OF NOTARY</b>	SIGNATURE AND TITLE ► _____
DATE	_____
NOTARY PUBLIC EMBOSSEER SEAL	STATE OF _____
	COUNTY (OR CITY OF ST. LOUIS) _____
	SUBSCRIBED AND SWORN BEFORE ME, THIS _____ DAY OF _____ 19 _____
	<b>USE RUBBER STAMP IN CLEAR AREA BELOW.</b>
	NOTARY PUBLIC SIGNATURE _____ MY COMMISSION EXPIRES _____
	NOTARY PUBLIC NAME (TYPED OR PRINTED) _____



STATE OF MISSOURI  
STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS  
**NOTIFICATION OF INTENT TO SELL ASSETS OR CEASE DOING BUSINESS (PROVIDER)**

PROVIDER NAME (AS REGISTERED WITH MISSOURI STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS)	
REGISTRATION NUMBER	ISSUE DATE

At least 30 days prior to selling or otherwise disposing of its business assets, or its stock if a corporation, or ceasing to do business, the above named provider hereby informs the State Board of Embalmers and Funeral Directors of its intent to:

- Sell the business assets of the provider.
- Sell the stock in the provider corporation. Please indicate the percentage of the stock being sold \_\_\_\_\_ %.
- Cease business as a provider.
- Other. Please explain: \_\_\_\_\_  
\_\_\_\_\_

THIS TRANSACTION IS EXPECTED TO BECOME FINAL ON ► \_\_\_\_\_ 19

IF THIS NOTIFICATION INVOLVES THE SALE OF ASSETS OR STOCK, PLEASE COMPLETE THE NAME AND ADDRESS OF THE INTENDED PURCHASER BELOW:

NAME	ADDRESS
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The above named provider has taken or will take action to ensure that all outstanding preneed contracts which the provider is obligated to service will be satisfied at the time of need. I understand that the State Board of Embalmers and Funeral Directors may take reasonable and necessary action to determine that any outstanding preneed contracts which the provider is obligated to service will be satisfied at the time of need. If applicable, I have attached hereto an affidavit from a registered provider who has agreed to assume such obligation.

I do hereby certify that I have given written notification of my intentions expressed herein to all sellers with whom provider has one or more preneed contracts.

NOTARY PUBLIC EMBOSSEER SEAL	SIGNATURE AND TITLE ►		DATE
	STATE OF	COUNTY (OR CITY OF ST. LOUIS)	
	SUBSCRIBED AND SWORN BEFORE ME, THIS DAY OF _____ 19		<b>USE RUBBER STAMP IN CLEAR AREA BELOW.</b>
	NOTARY PUBLIC SIGNATURE	MY COMMISSION EXPIRES	
NOTARY PUBLIC NAME (TYPED OR PRINTED)			



### 20 CSR 2120-3.105 Filing of Annual Reports

*PURPOSE:* This rule prescribes the board's process for the filing of annual reports under the revised sections of Chapters 333 and 436, RSMo.

(1) For sellers:

(A) For the annual report due on October 31, 2009, sellers registered with the board prior to August 28, 2009, in lieu of filing the annual report required by section 436.460, RSMo, may file an annual report, on the form provided by the board, containing all the information required by section 436.021.2, RSMo 2000. This report shall report all pre-need contracts executed since the reporting period the seller reported in its report due on October 31, 2008, through August 27, 2009. This annual report shall be accompanied by a fee of two dollars (\$2) per preneed contract sold for the reporting period; and

(B) For the annual report due on October 31, 2010, sellers shall report all contracts executed from August 28, 2009, through August 31, 2010. Thereafter, the annual report shall report all contracts sold between September 1 of the year preceding the annual report through August 31 of the reporting year. Each annual report filed for reporting years ending October 31, 2010, and thereafter shall also be accompanied by the annual fee as established in 20 CSR 2120-2.100.

(2) For providers:

(A) For the annual report due as set out below, providers shall file an annual report as provided by section 333.315.3(4), RSMo, covering the reporting period as set out below:

1. For report due October 31, 2009, the reporting period shall be from the date of the provider's last annual report through August 27, 2009. No annual fee shall be required for this reporting period;

2. For report due October 31, 2010, the reporting period shall be August 28, 2009, through August 31, 2010, and accompanied by the renewal fee in 20 CSR 2120-2.100; and

3. For reports due successive years, reporting period shall be September 1 through August 31 and shall be accompanied by the renewal fee established in 20 CSR 2120-2.100.

*AUTHORITY:* sections 333.315, 333.320, 333.340, 436.460, and 436.520, RSMo Supp. 2009.\* *Emergency rule filed Sept. 24, 2009, effective Oct. 4, 2009, expired April 1, 2010. Original rule filed Sept. 24, 2009, effective April 30, 2010.*

*\*Original authority:* 333.315, RSMo 2009; 333.320, RSMo 2009; 333.340, RSMo 2009; 436.460, RSMo 2009; and 436.520, RSMo 2009.

### 20 CSR 2120-3.115 Contact Information

*PURPOSE:* This rule details the requirements for preneed providers, sellers, and agents for providing the board with current contact information.

(1) Preneed providers, sellers, and agents shall keep the board notified of their current address, telephone number, facsimile number, and email address, as applicable, at all times.

(2) Preneed providers, sellers, and agents shall notify the board within thirty (30) days of any such change by submitting written notice with the new information. The written notice shall comply with the board's rules regarding written notice.

*AUTHORITY:* sections 333.320, 333.340, and 436.520, RSMo Supp. 2009.\* *Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority:* 333.320, RSMo 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.

### 20 CSR 2120-3.120 Display of License

*PURPOSE:* This rule states that preneed sellers, providers, and preneed agents must prominently display their license or registration to practice issued by the Missouri State Board of Embalmers and Funeral Directors.

(1) All licenses or registrations, and any and all duplicate copies thereof, issued by the Missouri State Board of Embalmers and Funeral Directors shall be prominently displayed at all times in a conspicuous location or manner easily accessible to the public for each office or place of business of the licensee or registrant.

(2) All licenses or registrations shall be available at all times for inspection by any duly authorized agent of the Missouri State Board of Embalmers and Funeral Directors.

(3) The Missouri State Board of Embalmers and Funeral Directors may cause a complaint to be filed with the Administrative Hearing Commission pursuant to section 333.330, RSMo, for failure of a licensee or registrant to display his or her license or registration as

required by section 333.091, RSMo, and this regulation.

*AUTHORITY:* sections 333.330, 333.340, and 436.520, RSMo Supp. 2009.\* *Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority:* 333.330, RSMo 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.

### 20 CSR 2120-3.125 Corporate Ownership of a Licensee

*PURPOSE:* This rule prescribes the requirements regarding corporation applications for a preneed provider or seller's license.

(1) A corporate applicant for either a seller or provider license shall certify to the board that each of its officers, directors, managers, and controlling shareholders would be eligible for licensure under section 333.330, RSMo, if he or she applied for licensure as an individual.

(2) In any proceeding, the applicant shall have the burden to demonstrate to the board that its officers, directors, managers, and controlling shareholders would be eligible for licensure under section 333.330, RSMo.

*AUTHORITY:* sections 333.315, 333.320, 333.340, and 436.456, RSMo Supp. 2009.\* *Emergency rule filed Sept. 24, 2009, effective Oct. 4, 2009, expired April 1, 2010. Original rule filed Sept. 24, 2009, effective April 30, 2010.*

*\*Original authority:* 333.315, RSMo 2009; 333.320, RSMo 2009; 333.340, RSMo 2009; and 436.456, RSMo 2009.

### 20 CSR 2120-3.200 Seller Obligations

*PURPOSE:* This rule clarifies the duties of the seller of a preneed contract.

(1) Except as otherwise provided in sections 436.400 to 436.520, RSMo, and any rules validly promulgated pursuant to those sections—

(A) The seller shall be obligated to collect and properly deposit and disburse all payments made by, or on behalf of, a purchaser of a preneed contract;

(B) A purchaser may make payments on any preneed contract by making the payment directly to the trustee, the insurance company, or the financial institution where the joint account is held, as applicable, in lieu of paying the seller; and



(C) All sellers shall designate an individual to serve as manager in charge of the seller's business. This individual shall either reside or work within the state of Missouri. The seller shall designate the manager in charge in its initial application for licensure. If the manager in charge changes, the seller shall provide written notice to the board within thirty (30) days of the change.

*AUTHORITY: sections 333.340, 436.415, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.340, RSMo 2009; 436.415, RSMo 2009; and 436.520, RSMo 2009.*

#### 20 CSR 2120-3.300 Provider Includes Funeral Establishment

*PURPOSE: This rule establishes that a provider in a preneed contract includes, but is not limited to, a funeral establishment that has agreed to undertake the obligations of a preneed contract under sections 436.400 to 436.520, RSMo.*

(1) As defined by section 333.011(10), RSMo, the provider of services under any preneed contract pursuant to sections 436.400 to 436.520, RSMo, shall include any licensed funeral establishment that has agreed to undertake the obligations of a preneed contract pursuant to sections 436.400 to 436.520, RSMo.

(2) Any provider who is a licensed funeral establishment who has agreed to undertake the obligations of a preneed contract pursuant to sections 436.400 to 436.520, RSMo, must meet all requirements of both a licensed funeral establishment and a preneed provider pursuant to Chapter 333, RSMo, and sections 436.400 to 436.520, RSMo.

*AUTHORITY: sections 333.011(10), 333.340, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.011, RSMo 1965, amended 2007, 2008, 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.*

#### 20 CSR 2120-3.305 Funeral Director Agent Registration

*PURPOSE: This rule establishes the reporting requirement for any funeral directors serving as preneed agents.*

(1) Any funeral director acting as a preneed agent shall report the name and address of each preneed seller for whom the funeral director is authorized to sell, negotiate, or solicit preneed contracts to the board on a form prescribed by the board.

(2) Any funeral director shall also identify himself or herself as acting as a preneed agent on his or her biennial report form to the board by checking the appropriate box on the form prescribed by the board.

*AUTHORITY: sections 333.325.4, 333.340, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.325, RSMo 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.*

#### 20 CSR 2120-3.310 Change in Seller Affiliation

*PURPOSE: This rule explains the provider's obligation for a change in seller affiliation under a preneed contract.*

(1) After initial application, if there is a change in seller affiliation, the provider shall provide written notice to the board, pursuant to section 436.420.3, RSMo, that the provider has authorized a new seller to designate the provider on the seller's preneed contracts. This notice shall be provided to the board within fifteen (15) days after the provider authorizes the seller to act, and the notice shall contain, at least:

- (A) Name and address of the provider;
- (B) License number of the provider;
- (C) Name and address of the seller; and
- (D) Effective date of the authorization or agreement.

(2) This notice may be provided to the board electronically, but the original signed document shall be provided to the board by mail or hand delivery.

*AUTHORITY: sections 333.325.4, 333.340, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.325, RSMo 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.*

#### 20 CSR 2120-3.400 Preneed Agents—Requirements of Agent's Seller

*PURPOSE: This rule explains that any licensed preneed agent in the state of Missouri must be selling preneed contracts on behalf of a seller who is licensed in the state of Missouri.*

(1) Any preneed agent registered by the Missouri State Board of Embalmers and Funeral Directors to sell a preneed contract for or on behalf of a seller must be the agent of a seller who is licensed to sell preneed contracts by the State Board of Embalmers and Funeral Directors.

*AUTHORITY: sections 333.011(9), 333.320, 333.325, 333.340, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.011, RSMo 1965, amended 2007, 2008, 2009; 333.320, RSMo 2009; 333.325, RSMo 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.*

#### 20 CSR 2120-3.405 Preneed Agents—Missouri Law Exam

*PURPOSE: This rule prescribes the process for certifying preneed seller agents to take the Missouri Law exam as a requirement for registration.*

(1) All preneed agents registering with the board shall achieve a grade of seventy-five percent (75%) or greater on the Missouri Law exam.

(2) Successful completion of the Missouri Law exam shall be a prerequisite to registration.

(3) This exam may be taken any time after filing the Notice of Intent to Apply.

(4) Preneed agent applicants must successfully complete the Missouri Law exam on or before March 31, 2010, prior to the expiration of the Notice of Intent to Apply.

(5) The Missouri Law exam covers the following:

- (A) Knowledge of Chapter 333, RSMo;
- (B) Rules governing the practice of embalming, funeral directing, and funeral home licensing along with government benefits, statutes, and rules governing the care, custody, shelter, disposition, and transportation of dead human bodies;



(C) Knowledge of sections 436.400 to 436.520, RSMo, relating to preneed statutes;

(D) Knowledge of Chapters 193 and 194, RSMo, relating to the Missouri Department of Health and Senior Services statutes; and

(E) Questions regarding Federal Trade Commission rules and regulations and Occupational Safety and Health Administration (OSHA) requirements as they apply to Missouri licensees.

(6) Notification of intent to take this examination shall be received by the board at least fifteen (15) working days prior to the date the candidate plans to sit for the examination.

*AUTHORITY: sections 333.325.5 and 333.340, RSMo Supp. 2009.\* Emergency rule filed Sept. 24, 2009, effective Oct. 4, 2009, terminated Nov. 2, 2009. Emergency rule filed Oct. 23, 2009, effective Nov. 2, 2009, expired April 1, 2010. Original rule filed Sept. 24, 2009, effective April 30, 2010.*

*\*Original authority: 333.325, RSMo 2009 and 333.340, RSMo 2009.*

#### **20 CSR 2120-3.410 Preneed Agent's Seller Must Be Licensed**

*PURPOSE: This rule explains that any licensed preneed agent in the state of Missouri must be selling preneed contracts on behalf of a seller who is licensed in the state of Missouri.*

(1) Any preneed agent registered by the Missouri State Board of Embalmers and Funeral Directors to sell a preneed contract for or on behalf of a seller must be the agent of a seller who is licensed to sell preneed contracts by the Missouri State Board of Embalmers and Funeral Directors.

*AUTHORITY: sections 333.011(9), 333.320, 333.325, 333.340, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.011, RSMo 1965, amended 2007, 2008, 2009; 333.320, RSMo 2009; 333.325, RSMo 2009; 333.340, RSMo 2009; and 436.520, RSMo 2009.*

#### **20 CSR 2120-3.505 Types of Financing; Other Financing Still Preneed**

*PURPOSE: This rule identifies the acceptable funding mechanisms for preneed contracts.*

(1) Preneed contracts shall only be funded

by:

(A) A preneed trust as defined by section 436.405.1(8), RSMo;

(B) An insurance policy or single premium annuity contract as defined by section 436.405.1(3), RSMo; or

(C) A joint account as defined by section 436.405.1(4), RSMo.

(2) Preneed contracts funded by any other mechanism shall be non-compliant with the requirements of sections 436.400 to 436.520, RSMo. All non-compliant preneed contracts shall still be subject to regulation by the board under sections 436.400 to 436.520, RSMo.

*AUTHORITY: sections 333.340, 436.405, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.340, RSMo 2009; 436.405, RSMo 2009; and 436.520, RSMo 2009.*

#### **20 CSR 2120-3.515 Single Premium Annuity Contracts**

*PURPOSE: This rule states that while only single premium annuity contracts can fund an insurance-funded preneed contract, purchasers may purchase replacement single premium annuity contracts during the contract period.*

(1) An insurance-funded preneed contract may be funded by an insurance policy or a single premium annuity contract.

(2) An insurance-funded preneed contract may not be funded by an annuity other than a single premium annuity contract.

(3) If a purchaser funds an insurance-funded preneed contract with a single premium annuity contract, the purchaser may replace the single premium annuity contract with another single premium annuity contract at any time in the duration of the preneed contract.

(4) Any replacement single premium annuity contract must meet all the requirements of the initial annuity contract, Chapter 333, RSMo, and sections 436.400 to 436.520, RSMo, and any other requirements under state or federal law.

*AUTHORITY: sections 333.340, 436.405, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.340, RSMo 2009; 436.405, RSMo 2009; and 436.520, RSMo 2009.*

#### **20 CSR 2120-3.525 Independent Financial Advisor is Agent of Trustee**

*PURPOSE: This rule clarifies that an independent financial advisor is an agent of the trustee in a trust-funded preneed contract.*

(1) An independent financial advisor, as provided in section 436.440.6, RSMo, is an agent, as provided in section 436.440, RSMo, of the trustee.

*AUTHORITY: sections 333.340, 436.440.6, and 436.520, RSMo Supp. 2009.\* Emergency rule filed Dec. 4, 2009, effective Dec. 14, 2009, expired June 11, 2010. Original rule filed Dec. 4, 2009, effective June 30, 2010.*

*\*Original authority: 333.340, RSMo 2009; 436.440, RSMo 2009; and 436.520, RSMo 2009.*