



# ANNUAL REPORT OF PREPAID FUNERAL BENEFITS CONTRACTS

CASH-FUNDED (TRUST)    INSURANCE-FUNDED    ANNUITY-FUNDED

(CHECK ALL FUNDING TYPES THAT APPLY)

## Activity for the Period: January 1, 2020 - December 31, 2020

Deadline for Receipt by the Prepaid Funeral Benefits Division is:

### MONDAY, MARCH 15, 2021

[In accordance with [Arkansas Code Annotated \(A.C.A.\) § 23-40-119 \(a\) - \(c\)](#)]

Prepaid Licensee Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

*Street No., Street Name, Apt/Suite No., or P.O. Box*

*City, State, ZIP Code*

Business Phone: \_\_\_\_\_ Business Fax: \_\_\_\_\_

Physical Location of Prepaid Books & Records (if different from Mailing Address listed above):

*Street No., Street Name, Apt/Suite No., or P.O. Box, City, State, ZIP Code*

Supervisor of Books & Records: \_\_\_\_\_

Contact Phone (if different from Business Phone listed above): \_\_\_\_\_

Prepaid Licensee Contact E-Mail Address: \_\_\_\_\_

### **IMPORTANT: REQUIRED DOCUMENTATION/REPORTING TO SUPPORT IN-FORCE TOTALS**

To validate the reported in-force totals (as of the period end referenced above), attach to this report (as “**Exhibit A**”) a licensee/funeral home-generated report that contains the following data elements/information:

(1) **Contract Date**, (2) **Contract Number** (if applicable), (3) **Gross Contract Amount/Total**, (4) **Assignable Benefits** (if applicable), (5) **Net Contract Amount/Total**, (6) **Total Contract Proceeds Collected/Deposited** (on cash/trust contracts), and (7) **Policy Number** (on insurance/annuity-funded contracts). This should reflect only those OUTSTANDING and UNFULFILLED prepaid funeral benefits contracts that were **ACTIVE as of year-end**.

On **cash-funded (trust)** business, the trustee/bank or broker/dealer acting as custodian that maintains the trust account should provide a year-end statement of account to the prepaid licensee. A complete copy of the trust account statement should be included. (For cross-checking purposes.)

On **insurance- and annuity-funded** business, complete copies of the insurance company/third party administrator in-force reports (as of the period end referenced above) should also be attached. (For cross-checking purposes.)

Any 2020 Annual Reports that are **not** received by the close of business on the due date referenced above will be assessed a **late penalty** for each business day late, up to a maximum of ten (10) business days. Any reports that are determined by the Department to be **incomplete** (partially filled out, missing in-force exhibits/reports, fees, etc.) may also be assessed an administrative penalty for each business day beyond the deadline until the report is completed/corrected and complete required exhibits provided to the Department.

\* THIS AREA IS FOR ARKANSAS INSURANCE DEPARTMENT USE ONLY \*

**MAIL TO:**

ARDOC | ARKANSAS INSURANCE DEPARTMENT  
1 COMMERCE WAY, SUITE 502  
LITTLE ROCK, AR 72202-2087  
ATTN: PREPAID FUNERAL BENEFITS DIVISION

**QUESTIONS/INQUIRIES:**

PHONE: (501) 371-2600 | FAX: (501) 682-0575  
E-MAIL: [AID.Prepaid@arkansas.gov](mailto:AID.Prepaid@arkansas.gov)



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[In accordance with [Arkansas Code Annotated \(A.C.A.\) § 23-40-119 \(a\) - \(c\)](#)]

## AFFIDAVIT OF LICENSEE/SELLER

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, *Authorized Agent Name (Affiant 1)*,

an authorized representative, and \_\_\_\_\_, *Authorized Agent Name (Affiant 2) (if needed)*, an authorized agent, of

\_\_\_\_\_, *Prepaid Licensee Name (Seller)*, and being by me duly sworn on oath did depose and

say, each for himself/herself that each of the Affiant(s) has read the above and foregoing Annual Report and the related prepaid funeral benefits contracts of said Seller, that each knows the contents thereof, and that the facts set forth therein are known by each of the said Affiant(s) to be in all things true and correct, to the best of his/her/their knowledge.

\_\_\_\_\_  
*Authorized Agent Signature (Affiant 1)*

\_\_\_\_\_  
*Authorized Agent Signature (Affiant 2) (if needed)*

[Notary Seal]

### NOTARY PUBLIC

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

Subscribed to and sworn or affirmed before me this \_\_\_\_\_ day  
of \_\_\_\_\_, 20 \_\_\_\_\_.

MY COMMISSION EXPIRES: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC SIGNATURE



# ANNUAL REPORT OF PREPAID FUNERAL BENEFITS CONTRACTS

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(CHECK ALL FUNDING TYPES THAT APPLY)

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### MONDAY, MARCH 15, 2021

[In accordance with [Arkansas Code Annotated \(A.C.A.\) § 23-40-119 \(a\) - \(c\)](#)]

## ANNUAL REPORT FEE SCHEDULE

Per [Arkansas Code Annotated \(A.C.A.\) § 23-40-119 \(c\)](#), the annual report fee shall be based on the total amount of aggregate contracts for prepaid funeral benefits outstanding and unfulfilled as of December 31st of each year and shall be payable at the time the annual report is filed.

### **IMPORTANT: CALCULATING THE COMBINED “ACTIVE” (OUTSTANDING/UNFULFILLED) PREPAID FUNERAL BENEFITS CONTRACTS AMOUNT TO DETERMINE THE ANNUAL REPORT FEE DUE**

The annual report fee due is determined by aggregating (combining) the GROSS CONTRACT AMOUNTS of all outstanding/unfulfilled prepaid funeral benefits contracts that were “active” as of December 31st of the year in review. **This includes all “active” contracts, regardless of funding type: cash-funded (trust), insurance-funded, and annuity-funded.** The “gross” contract amount is the total amount for which the pre-need contract was written; not the net contract amount, which excludes assignable benefits (other pledged insurance/annuity policies, burial association policies, etc.).

#### **TO CALCULATE THE FEE DUE WITH THE ANNUAL REPORT:**

- Combined Gross Contracts Amount of Active **Cash-Funded (Trust)** Contracts as of 12-31-2020: \_\_\_\_\_
  - Combined Gross Contracts Amount of Active **Insurance-Funded** Contracts as of 12-31-2020: \_\_\_\_\_
  - Combined Gross Contracts Amount of Active **Annuity-Funded** Contracts as of 12-31-2020: \_\_\_\_\_
- COMBINED TOTAL CONTRACTS AMOUNT**  $\implies$  **REFERENCE TO CHART BELOW:** \_\_\_\_\_

The Gross Contracts Amounts should be listed on the exhibits / in-force reports being attached to this Annual Report.

Please pay only the Annual Report Fee when submitting this report. No cash, please. Check, Cashier’s Check, or Money Order should be made payable to the “**State Insurance Department Prepaid Trust Fund.**” [[A.C.A. § 23-40-119 \(c\)\(2\)](#)]:

AGGREGATE (COMBINED) TOTAL OF OUTSTANDING & UNFULFILLED PREPAID FUNERAL BENEFITS CONTRACTS IN ARKANSAS ONLY AS OF DECEMBER 31	ANNUAL REPORT FEE DUE TO THE STATE OF ARKANSAS/ARKANSAS INSURANCE DEPT.
<input type="checkbox"/> Up to and including \$250,000 .....	\$ 200.00
<input type="checkbox"/> \$250,001 up to and including \$500,000 .....	\$ 250.00
<input type="checkbox"/> \$500,001 up to and including \$1,000,000 .....	\$ 500.00
<input type="checkbox"/> \$1,000,001 up to and including \$2,500,000 .....	\$1,000.00
<input type="checkbox"/> \$2,500,001 up to and including \$5,000,000 .....	\$2,000.00
<input type="checkbox"/> \$5,000,001 up to and including \$10,000,000 .....	\$3,000.00
<input type="checkbox"/> \$10,000,001 up to and including \$20,000,000 .....	\$4,000.00
<input type="checkbox"/> \$20,000,001 up to and including \$40,000,000 .....	\$5,000.00
<input type="checkbox"/> \$40,000,001 and Over .....	\$6,000.00



ARKANSAS DEPARTMENT OF COMMERCE | ARKANSAS INSURANCE DEPARTMENT | PREPAID FUNERAL BENEFITS DIVISION  
**ANNUAL REPORT OF PREPAID FUNERAL BENEFITS CONTRACTS**  
**CASH-FUNDED (TRUST)**

Activity for the Period: **January 1, 2020 - December 31, 2020**

**CASH-FUNDED (TRUST) CONTRACTS: IN-FORCE ROLL-FORWARD**

PREPAID LICENSEE IN-FORCE DESCRIPTION	CONTRACT COUNT (#)	GROSS CONTRACT AMOUNT (\$)	AMOUNT COLLECTED (\$)
<b>CONTRACT PROCEEDS (PRINCIPAL AMOUNT, NOT INTEREST):</b>			
1. Balance Due to the Trust Account(s) as of December 31, 2019	_____	_____	_____
2. Net Contracts Proceeds <u>Additions</u> on existing cash-funded contracts for 2020 (+)	_____	_____	_____
3. Total of <b>ALL NEW SALES</b> for the calendar year 2020 (+)	_____	_____	_____
4. Net Contracts Total of <b>ALL TERMINATED CONTRACTS</b> (due to Death, Cancellation, Outgoing Transfer) in 2020 (-)	( _____ )	( _____ )	( _____ )
5. Total Contracts Proceeds Collected and Deposited to the Trust Account(s) as of <b>December 31, 2020</b>	_____	<b>GROSS CONTRACTS - USE TO CALC. ANN. REPT. FEE</b>	<b>TOTAL LIABILITIES (PRINCIPAL)</b>

**\*\* COMPLETION OF LINES #6 - #13 IS OPTIONAL \*\***

**UN-DISBURSED NET INVESTMENT INCOME:**

6. Balance due to the Trust Account(s) as of December 31, 2019	_____
7. Additions for 2020 (+)	_____
8. Net Deductions for 2020 (-)	_____
9. Un-Disbursed Net Investment Income due to the Trust Account(s) as of December 31, 2020	_____

**SURPLUS FUNDS:**

10. Surplus Funds due to the Trust Account(s) as of December 31, 2019	_____
11. Additions for 2020 (+)	_____
12. Withdrawals for 2020 (-)	_____
13. Total Surplus Funds due to the Trust Account(s) as of December 31, 2020	_____

14. **Amount Collected** (Line #5, "Amount Collected" Column) = **Total Trust Fund "Liability"** \_\_\_\_\_

15. **Trust Account(s) Balance** (Principal + Interest) = **Total Trust Fund "Assets"** \_\_\_\_\_

**IMPORTANT:**

- If there are any changes/corrections that need to be reported from the 2019 Annual Report (missed newly-issued contracts, contract additions, matured/terminated contracts, etc., please reflect those adjustments (counts/amounts) under Item #2 and provide a brief explanation in the area below.
- If the total from (15) is less than the total from (14), then a detailed reconciliation must be attached to this report. Deposit(s) to the trust account are required when deficiency balances/shortages are identified.
- A complete copy of the trustee/bank transactional statement(s) (for the period **January 1, 2020 through December 31, 2020**) should be attached to this cash-funded (trust) annual report for verification/reconciliation purposes. Also include a complete listing of all "active" cash/trust-funded prepaid contracts as of December 31, 2020.

Explanation of Adjustments to 2019 Annual Report (No. 2 above):

**TRUST ACCOUNT(S) INFORMATION**

Bank(s)/Trustee(s) or Broker(s)/Dealer(s) acting as Custodian(s) within the State of Arkansas where the prepaid licensee's(Seller's) trust account is established, as required under A.C.A. § 23-40-114 (b):

Trustee/Bank or Broker/Dealer acting as Custodian Name & Address

Account Number(s)



# ANNUAL REPORT OF PREPAID FUNERAL BENEFITS CONTRACTS INSURANCE-FUNDED

## Activity for the Period: January 1, 2020 - December 31, 2020

### INSURANCE COMPANIES/THIRD PARTY ADMINISTRATORS

As of December 31st of the year in review, the prepaid licensee’s records indicate that the following insurance companies/ third party administrators (TPAs), whether domestic or foreign, have issued or are administrating insurance policies that fund its prepaid funeral benefits contracts:

INSURANCE CO./TPA NAME	MAILING ADDRESS/CONTACT PHONE NO.

If there are insurance companies/TPAs than cannot be listed in the spaces above, please include additional listings on a separate sheet. **IMPORTANT:** Please identify your primary/current funding source with an asterisk (\*) next to the name.

### INSURANCE-FUNDED CONTRACTS: IN-FORCE ROLL-FORWARD

LICENSEE/FUNERAL HOME IN-FORCE DESCRIPTION	CONTRACT COUNT (#)	GROSS AMOUNT OF CONTRACTS (\$)
1. Gross Contracts Total of all outstanding/unfulfilled insurance-funded contracts as of December 31, 2019	_____	_____
2. Adjustments to 2019 Annual Report <sup>†</sup> (+ or -)	_____	_____
3. Gross Contracts Total of <b>ALL NEW SALES</b> for the calendar year 2020 (+)	_____	_____
4. Gross Contracts Total of <b>ALL TERMINATED CONTRACTS</b> in 2020 (-)	( _____ )	( _____ )
5. Gross Contracts Total of all outstanding/unfulfilled insurance-funded contracts as of <b>December 31, 2020</b>	_____	_____

**NOTE:** Add the total for (1), (2), and (3), and then subtract the total for (4) to get the **year-end in-force total (5)**. If the adjustment reflected under (2) is a negative adjustment to the prior year’s total, then subtract the total from (2). The total reported under (5) should balance back to the total reflected on the attached “Exhibit A” from the licensee/funeral home.

#### **CROSS-CHECK:**

6. Net Amount of insurance policies in-force as of December 31, 2020	_____
7. Total Amount of <u>Assignable Benefits</u> credited toward outstanding/unfulfilled insurance-funded contracts (other pledged policies, burial association policies, credits, etc.)	_____
8. <b>Total [(6) + (7)] = Gross Contracts Total</b>	_____

**NOTE:** The gross amount totals for (5) and (8) should equal the same amount. If they do not match, please provide a detailed explanation on a separate sheet.

<sup>†</sup> Explanation of Adjustments to 2019 Annual Report (No. 2 above):



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**ANNUAL REPORT OF PREPAID FUNERAL BENEFITS CONTRACTS**  
**ANNUITY-FUNDED**

**Activity for the Period: January 1, 2020 - December 31, 2020**

**INSURANCE COMPANIES/THIRD PARTY ADMINISTRATORS**

As of December 31st of the year in review, the prepaid licensee's records indicate that the following insurance companies/third party administrators (TPAs), whether domestic or foreign, have issued or are administering annuity policies that fund its prepaid funeral benefits contracts:

INSURANCE CO./TPA NAME	MAILING ADDRESS/CONTACT PHONE NO.

If there are insurance companies/TPAs than cannot be listed in the spaces above, please include additional listings on a separate sheet. **IMPORTANT: Please identify your primary/current funding source with an asterisk (\*) next to the name.**

**ANNUITY-FUNDED PREPAID CONTRACTS: IN-FORCE ROLL-FORWARD**

LICENSEE/FUNERAL HOME IN-FORCE DESCRIPTION	A. CONTRACT COUNT (#)	B. GROSS CONTRACT SALES PRICE (\$)	C. AMOUNT COLLECTED ON ANNUITY CONTRACT (\$)
1. Total of all outstanding/unfulfilled annuity-funded <b>contracts</b> as of December 31, 2019	_____	_____	_____
2. Adjustments to 2019 Annual Report <sup>†</sup> (+ or -)	_____	_____	_____
3. Total of <b>ALL NEW SALES</b> for the calendar year 2020 (+)	_____	_____	_____
4. Total of Collections for <b>PRIOR YEARS' SALES</b> during the calendar year 2020 (+)	_____	_____	_____
5. Gross Contracts Total of <b>ALL TERMINATED CONTRACTS</b> (due to Death, Cancellation, Outgoing Transfer) in 2020 (-)	(_____)	(_____)	(_____)
6. Total of all outstanding/unfulfilled annuity-funded <b>contracts</b> as of <b>December 31, 2020</b>	_____	_____	◀[6B] _____

**NOTE:** Add the total for (1), (2), (3), and (4) and then subtract the total for (5) to get the **year-end in-force total (6)**. If the adjustment reflected under (2) is a negative adjustment to the prior year's total, then subtract the total from (2). The total reported under (6) should balance back to the total reflected on the attached "Exhibit A" from the licensee/funeral home.

CROSS-CHECK:	B.	C.
7. Annuity-Funded Prepaid Contracts <b>Balance Due</b> as of December 31, 2020	NOT APPLICABLE	_____
8. <b>Assignable Benefits</b> credited toward outstanding/unfulfilled annuity-funded contracts (other pledged policies, burial association policies, credits, etc.)	NOT APPLICABLE	_____
9. <b>Active Contracts Amount as of December 31, 2020</b> (Total [(6C) + (7C) + (8C)])	NOT APPLICABLE	◀[9C] _____

Provide a detailed explanation on additional sheet(s) if the totals of [6B] and [9C] do not agree.

<sup>†</sup> Explanation of Adjustments to 2019 Annual Report (No. 2 above):