

DISCLOSURES

1. CEMETERY MERCHANDISE AND SERVICES. The Provider shall provide the selected cemetery merchandise and services as shown in this Contract. The Provider will furnish the brands or makes of goods shown or, if unavailable, goods of equivalent quality. This Contract is revocable unless the Purchaser indicates otherwise by signing in the space provided on the reverse side of this Contract.

2. IF THIS CONTRACT IS FUNDED BY INSURANCE. The Provider may declare this Contract void and terminated if the life insurance to provide funding of the Cemetery Price is not in force; has been voided, lapsed, borrowed against, or surrendered; any payments are paid out before death, scheduled payments are not made; death benefits are paid under the suicide provision of the policy; a significant change is made to any of the items on the Statement of Cemetery Merchandise and Services; or the Provider is no longer designated to receive the death benefit of the insurance. The Provider must be designated to receive the death benefit of the insurance. If this Contract is funded by insurance which has a limited death benefit, the price guarantee will become effective at the end of the limited death benefit period, unless the Provider is paid the difference between the insurance benefit and the Contract amount.

3. IF THIS CONTRACT IS TRUST FUNDED. Unless Provider has furnished a surety bond or letter of credit acceptable to the Insurance Commissioner, Provider will deposit all funds in accordance with **USE OF AMOUNT TO BE TRUSTED** required for Cemetery Merchandise and Services in a state or national bank, trust company, federally insured savings and loan association or with a person lawfully appointed as fiduciary of the funds in accordance with Ala. Code § 27-17A-1 et seq. The trustee will be chosen by the Provider and the trust will be subject to a trust agreement approved by the Insurance Commissioner.

4. USE OF AMOUNT TO BE TRUSTED. Of the Cemetery Price Total, the Provider will place at least: (1) One Hundred Ten percent (110%) of the wholesale cost of cemetery merchandise; (2) Sixty percent (60%) of the purchase price specified for outer burial containers; (3) Sixty percent (60%) of the purchase price specified for cemetery services; and (4) One hundred percent (100%) of the purchase price specified for all cash advance items sold, in a trust. The deposit shall be made within thirty (30) days after the end of the calendar month in which the preneed Contract is paid in full, unless, prior to that time, all liabilities of the Provider under the preneed contract to deliver the specific cemetery merchandise or cemetery services, or both, or the specific cash advances, identified by the Provider as properly allocated to the payment, have been satisfied, or the preneed contract is validly cancelled. From the sale price of each plot, crypt or niche of an endowment care cemetery sold by the Provider, the Provider shall pay an amount not less than: (1) Fifteen percent (15%) of the sale price of each grave or lawn crypt space; (2) Five percent (5%) of the sale price of each mausoleum crypt or niche; and (3) One hundred percent (100%) received for special care funds, gifts, grants, contributions devices, or bequests made with respect to the separate or special care of a particular lot grave, crypt, niche, mausoleum, monument, or marker or that of a particular family, as distinguished from the general endowed care of a cemetery or of a garden.

5. GUARANTEED. Subject to the terms of this Contract, and upon the death of the Funeral Beneficiary, the Provider shall furnish the Cemetery Merchandise and Services as set forth in this Contract, regardless of the cost of the merchandise or services at the date of the death of the Funeral Beneficiary.

THIS CONTRACT DOES NOT GUARANTEE THE PRICE OF CASH ADVANCE ITEMS. Cash Advance Items are paid by the Provider on the Purchaser's behalf to third parties. The Provider has no way of guaranteeing Cash Advance Item prices at death, as they are estimated now. Any additional cost for Cash Advance Items will be billed to the Purchaser, the Funeral Beneficiary's survivors or the Funeral Beneficiary's estate after the cemetery merchandise and services are provided. Any additional items chosen which are not specifically included in this Contract will be paid for when the cemetery merchandise and services are provided. The Provider will be entitled to all trust funds on deposit including income, and/or all assigned insurance proceeds, even though in excess of the cost of cemetery services and merchandise at the time of the Funeral Beneficiary's death. This Contract provides benefits in the form of Cemetery Services and Merchandise only, unless Non-Guaranteed Cash Advance Items are specified.

6. CANCELLATION. Unless made Irrevocable (Section IV) Purchaser may cancel this Contract at anytime prior to midnight of the thirtieth day of the date this Contract was executed by providing written notice to the Seller, provided that the cemetery merchandise and services have not been delivered and/or performed. Upon providing written notice, Purchaser shall be entitled to a complete refund of the amount paid, except for the amount allocable to any cemetery services and merchandise that has been delivered and/or performed.

Purchaser may cancel this Contract after thirty (30) days of the date the Contract was executed, unless made Irrevocable (Section IV) by providing written notice to the Seller, provided that the cemetery merchandise and services have not been delivered and/or performed. If funded with a trust, letter of credit or surety bond, any cancellation after thirty (30) days may entitle the Provider to recover a cancellation fee. If this Contract is so cancelled and if it so provides, the Purchaser will receive the principal allocable to the preneed Contract, less any applicable cancellation fees, within thirty (30) days after the date the written cancellation is received by the Seller. Any accumulated earnings allocable to the preneed Contract shall be paid to the Seller. In the event this Contract is made Irrevocable by the Purchaser's signature (Section IV), the Purchaser or authorizing agent shall have the right to appoint a Provider other than the Seller of this preneed Contract. If funded by life insurance, any cancellation after thirty (30) days will entitle the Purchaser to only the cash value of the life insurance policy which may be substantially less than the amount paid.

In the event that a Provider is appointed other than the Seller, the Seller shall transfer to the appointed Provider the amount paid by the Purchaser less a reasonable transfer fee. No transfer shall occur without the acceptance of the appointed Provider.

7. DEFAULT BY PURCHASER. If the Purchaser is 90 days or more past due in making payment on the Contract, the Contract will be considered in default, and the Provider shall be entitled to cancel the Contract and withdraw the funds in trust. Any accumulated earnings allocable to the preneed Contract shall be retained by the Provider. The Provider must give the Purchaser thirty (30) days notice of its intention to exercise any of its rights under this provision.

8. FAILURE OF PERFORMANCE. Upon breach of contract or failure of the Provider to provide cemetery merchandise and services under this Contract, the Purchaser shall be entitled to a refund of one hundred percent (100%) of all monies collected on the Contract. The refund shall be made within thirty (30) days after receipt by the Provider of the Purchaser's written request for refund.

9. DISCLAIMER OF WARRANTIES. Provider **DOES NOT WARRANT** the merchandise or goods covered by this Contract. The only warranty, IF ANY, is the warranty issued by the manufacturer of the purchased merchandise or goods.

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, AND WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE EXCLUDED.

10. RECEIPT OF COPIES. Purchaser acknowledges receipt of a legible, complete, and executed copy of this Contract, and approves the terms contained herein.

By executing this Contract on the signature line provided on the reverse side (Section IV), Purchaser acknowledges and certifies that he or she has read this Contract and the social security number and other personal information set forth on the reverse side is true and correct as the date thereof.

11. MISCELLANEOUS. All notices given hereunder shall be in writing and delivered to the respective party by personal service or by depositing the same in the United States mail, postage prepaid, to the address indicated herein or to such other address as a party shall have previously designated by Notice to the other party given in accordance with this paragraph. All Notices shall be deemed received on the date of mailing or service. The provisions hereof constitute the entire and complete agreement between the parties. Amendments to this Contract may be necessary to comply with changes in the law or to assure to each party that the economic benefits of this Contract are not changed because of changes in law or regulations or actions taken by regulatory agencies of the State of Alabama or the United States of America. Purchaser agrees to execute such amendments to this Contract and if Purchaser is not available or fails to act within thirty (30) days of Notice being given, Purchaser hereby appoints the agent of Seller as his attorney-in-fact with full power to act in the place of Purchaser and bind Purchaser as to such amendment to this Contract. This Contract shall be construed in accordance with, and governed by, the laws of the State of Alabama. If any provision or part of this Contract is held for any reason to be unenforceable, the remainder of the Contract shall nevertheless remain in full force and effect, at the option of the Provider. This Contract is for use solely for the funeral of the Funeral Beneficiary and shall not be assignable by Purchaser or any other person for use in connection with the death of any person other than the Funeral Beneficiary. Upon death or incapacity of Purchaser, this Contract may be enforced by, and Provider shall have the right to offer performance and deal with, in lieu of Purchaser, either an heir or Personal Representative of the Funeral Beneficiary or the attorney-in-fact, an heir or the Personal Representative of Purchaser.

12. DEFINITIONS.

SELLER. The Seller is any person offering or selling cemetery merchandise and services on a preneed basis.

PURCHASER. The Purchaser is the person who purchases this Contract either on his or her behalf or on behalf of a third party beneficiary, and whose funds are placed into trust or who purchases an insurance policy to fund this Contract.

PROVIDER: The Provider is the person who will actually provide the cemetery merchandise and services under the terms of this Contract.