

## Prepaid Funeral Filings Checklist

Every effort has been made to ensure the accuracy of the information in this document. All parties should consult the Texas Insurance Code (TIC), the Texas Administrative Code (TAC), and other applicable laws.

### Important Notes

- For policy provisions not addressed by this checklist, refer to the appropriate product checklist: Term and Whole Life Checklist, Group Life Checklist, Individual Deferred Annuities Checklist, Group Annuities Checklist, as applicable.
- Insurance policies used to fund prepaid funeral contracts are regulated by the Texas Department of Insurance.
- Prepaid funeral contracts are regulated by the Texas Department of Banking under [Texas Finance Code Chapter 154](#) and [7 TAC Chapter 25](#).
- A letter will be sent to the Texas Department of Banking with a courtesy copy to the company notifying them the forms have been approved for use in the prepaid funeral market.

### Filing Requirements - [28 TAC Section 3.11\(f\)](#)

Page \_\_\_\_\_ : A statement in the filing description that the filed forms will be used in the prepaid funeral market.

### Form Requirements - [Texas Finance Code Section 154.2021\(a\)\(3\)](#)

Page \_\_\_\_\_ : An insurance policy used to fund prepaid funeral benefits must contain the following statement on the cover page or otherwise within the policy or a rider to the policy: "This policy is issued to fund a prepaid funeral benefits contract subject to Chapter 154 of the Texas Finance Code. Cancellation of the prepaid funeral benefits contract does not automatically cancel this policy."

### Actuarial Requirements - [28 TAC Sections 4.2831-4.2836](#)

Page \_\_\_\_\_ : Preneed life insurance policies or certificates issued on or after January 1, 2012, must use the Ultimate 1980 CSO in the calculation of minimum nonforfeiture values and minimum reserves.

### Additional Actuarial Requirement for Non-Prepaid Funeral Forms referencing the 1980 CSO Ultimate mortality table - [28 TAC Section 3.62](#)

Page \_\_\_\_\_ : If the form and actuarial memorandum reference the 1980 CSO Ultimate mortality table, then provide an actuarial certification that the nonforfeiture cash values and reserves are greater by using the 1980 CSO Ultimate table instead of the 2017 CSO table. Also provide a nonforfeiture and reserve demonstration illustrating both tables to support the certification.

**Additional Requirements for Group filings** - [28 TAC Section 3.11](#) and [28 TAC Section 3.21](#)

Page \_\_\_\_\_ : [TIC Section 1131.059](#) Associations or Trusts for Payment of Funeral Expenses

**Note:** [TIC Section 1131.059](#) allows insurance companies to establish a trust for the payment of funeral expenses. This cite does not require companies to file as a group type. Companies may file prepaid funeral related forms as Individual or Group, based on the company's business practices.

Page \_\_\_\_\_ : [28 TAC Section 3.11](#) The following as applicable:

- a copy of the trust agreement if issued to a trust; or
- a copy of the constitution, bylaws, and articles of incorporation if issued to an association.