

PURCHASE OF INSURANCE

This contract is funded through the purchase of a life insurance policy or product, with premiums equal to the amount of money paid under the terms of the life insurance policy or product. The insurance policy or product is regulated by the North Carolina Department of Insurance.

Funeral Home agrees that it will not transfer, assign, cash in, encumber or otherwise divert from its intended purpose any policy or product, which funds, in whole or part, this contract.

USE OF INSURANCE PROCEEDS

Funeral Home will provide services, merchandise, and facilities at Funeral Home's prices at the time they are provided. If the funding of this contract is insufficient for payment in full, Beneficiary's representatives may direct that the death benefit paid by Insurance Company (Companies) be credited against costs contracted for by the representatives. If not otherwise directed by terms of this contract and the insurance policy or product, any balance after payment in full shall be paid to Beneficiary's estate.

REVOCACTION

If this contract is revocable, you may revoke this contract at any time prior to the provision of goods and services by the Funeral Home. Designating Funeral Home to receive the proceeds of the life insurance policy or product does not restrict any right to purchase funeral merchandise or services in the open market, with the advantages of competition, at any time before Funeral Home delivers the funeral goods and services.

RIGHTS RESERVED

If a labor dispute, strike, government action, fire, war, epidemic, other disaster, changes in products or other causes beyond its control prevents or delays Funeral Home from providing the services, facilities or merchandise, Funeral Home may make reasonable substitution of comparable services, facilities or merchandise, and it will not be liable for inconvenience, delay, emotional upset, pain and suffering, loss or damage experienced by Purchaser or Beneficiary, their estates, families, legatees, heirs or legal representatives.

SUBSTITUTION OF FUNERAL HOME

If this contract is irrevocable, Purchaser, or, after his or her death, Beneficiary or his or her legal representative, may direct the substitution of another funeral home to provide equal service, merchandise and facilities at substitute funeral home's current price.

ENTIRE AGREEMENT

This form, together with the Standard Preneed Statement of Funeral Goods and Services Selected, contains the entire agreement between Purchaser and Funeral Home and supersedes and integrates all communications and other agreements relating to this subject.

AMENDMENTS

Any changes to this contract must be filed as a new contract, marked "CONTRACT AMENDMENT," with the NC Board of Funeral Service. Contract amendment shall not change the irrevocable clause or directive by Purchaser that all funds along with growth be used for the purchase of funeral services, facilities or merchandise.

EXCLUSION OF WARRANTIES

There are no warranties of merchandise or fitness for a particular purpose extended by Funeral Home. The only warranties, express or implied, which are granted in connection with the services and merchandise sold under this contract are the express written warranties, if any, extended by the manufacturers of the merchandise sold, and no warranties are expressed or implied by Funeral Home.

DISCLOSURES BY FUNERAL HOME

All disclosures required by the Federal Trade Commission or other provisions of federal and North Carolina law are attached to this contract.

WARNING

If you have received, are applying to receive, or are receiving public assistance benefits, state and federal laws may restrict the use of the life insurance policy or product that is purchased to fund this contract. You should carefully review those laws to assure compliance with those provisions.