

FINAL EXPENSE/PRENEED INSURANCE

Which is better for the consumer?

Look at how final expense compares to preneed insurance.

If your family was buying one or the other which way do you feel they would be better protected?

Final Expense offers no disclosures other than what any insurance policy would offer. Preneed insurance allows the consumer to know exactly what they have bought, how much they will pay for it and what it guarantees.

Many are concerned with the fact that on occasion, a policy would not pay the entire death benefit from the first day forward. The reason for this is that these products are Guaranteed Issued. That means anyone can qualify regardless of his or her health. Many older people need an insurance policy like this because they would not qualify for a standard life insurance policy where they would have to pass a physical. In these instances, consumers would be completely aware of the death benefit because of the disclosures that preneed insurance offers.

If this bill is not passed, consumers will be forced to buy final expense for multi-pay policies. The protection that Act 295 provides would be eliminated.

You decide: Which is better? Preneed Insurance or Final Expense. Vote in favor of AB 535.

FINAL EXPENSE

Attached is an application for a final expense policy. As you can see, Final Expense policies do not have disclosures or guarantees that Act 295 provide. They are a stand-alone insurance policy that when purchased the applicant hopes the policy will meet the needs at the time of death.

1. Policies are approved by OCI to be sold in the state of Wisconsin. (OCI continues to approve new final expense products that will be targeted at senior markets.)
2. Target area – Senior Citizens
3. Average age 70-75
4. Seniors who want to have monies sheltered for final expenses buy millions of dollars of final expense products every year in the state of Wisconsin.
5. All insurance agents can sell final expense products in Wisconsin.
6. Most final expense policies are Guaranteed Issue. Guaranteed issue means that anyone regardless of health would be eligible for this policy. There are generally a few health questions that are asked. If the health questions are answered “NO” the applicant has a full death benefit from day one. If the health questions are not answered or the applicant answers “Yes” to the health question, the applicant does not have a full death benefit for a period of time. This is stated on the application by the health question. The applicant understands that they do not have a full death benefit because of their health. (See example of application for health question) Depending on the company, either a graded death benefit (certain percentage of death benefit for the first two years) or return of premiums during the qualifying period is paid to the beneficiary if a death would occur. After the limited benefits period is over the insured has a full death benefit. This is not necessarily bad because some older people want to be able to purchase insurance at older ages and they know because of their health there is a cost factor.

APPLICATION

1a Insured _____

First Name _____ Middle Initial _____ Last Name _____
 Street _____
 City _____
 State/Zip _____
 Social Security Number _____ Birthdate _____
 Phone Number _____ Age _____ Sex _____

1b Applicant (if other than insured) _____

First Name _____ Middle Initial _____ Last Name _____
 Street _____
 City _____
 State/Zip _____
 Relationship to Insured _____

2 Payment Options _____

<input type="checkbox"/> Single Premium	<input type="checkbox"/> Single Premium Deferred Annuity	\$	Premium Amount	\$	Face Amount
<input type="checkbox"/> 3 Pay	<input type="checkbox"/> 5 Pay	<input type="checkbox"/> 10 Pay			
<input type="checkbox"/> Annual	<input type="checkbox"/> Semi-Annual	<input type="checkbox"/> Quarterly	<input type="checkbox"/> Monthly	<input type="checkbox"/> Automatic Payment	<i>Complete back of form.</i>

3 Beneficiary _____

After payment under any assignments, remaining proceeds are to be paid to the estate of the insured unless another beneficiary is specified below.

Beneficiary _____

4 Replacement _____

Is any of the insurance applied for intended to replace any other insurance or annuities now in force with any company?

Yes No

5 Health Questions _____

If the insured is physically or mentally unable to complete the application OR if the answer to either question is "yes" OR if neither question is answered, a policy with limited benefits during the first year will be issued.

1) In the past three years, has the insured had, been medically advised of having, or been treated for, or hospitalized for any of the following:

Stroke Kidney Dialysis Heart Attack/Disease
 Cancer Heart/Artery Surgery Lung Disease

Yes No

2) Has the insured, within the last six months, been confined to, or a resident of a hospital, hospice, rehabilitation center, convalescence center or similar such facility?

Yes No

6 Certification _____

To the best of my knowledge and belief, the information on this application is complete and true. I understand that no agent has the power to modify or waive any requirement of the Company. I also understand that any false statement or misrepresentation may void any issued policy. Also, if I am the applicant for insurance on the life of the insured, I certify that I have an insurable interest in his/her life and full authority to use his/her funds as premiums on the insurance applied for.

Signature of Insured or Applicant if other than Insured _____

Date _____

I certify that all information contained in this application is true to the best of my knowledge, was recorded accurately, and that this application was signed in my presence. I recommend that a policy be issued as applied.
 This insurance is _____ is not _____ intended to replace any existing insurance with any company.

Signature of Agent _____

ID Number of Signing Agent _____

Account Number _____

Authorization for Automatic Payment

I authorize United Family Life Insurance Company to initiate debt entries to my account to pay for premiums due on my policies from the following financial institution:

Financial Institution

Branch Location

City

State

I understand that I may revoke this authorization upon 30 days advance written notice, and that United Family may immediately revoke this privilege if any debt is not paid when presented to my financial institution.

Name *(Please Print)*

Signature

Date

Bank Account Number

Note: Funds will be withdrawn from your bank account on the Friday nearest the 15th day of each month.

Please Attach Voided Check Here

IRREVOCABLE TRUST ASSIGNMENT

FOR VALUE RECEIVED, the undersigned, as purchaser or owner of _____
Policy Number

issued by UNITED FAMILY LIFE INSURANCE COMPANY on the life of _____
Insured

hereby irrevocably assigns all right, title and interest in said Policy to the PRE-THANA TRUST, its executors, administrators, successors and assigns. *(Please see back for Pre-Thana Trust provisions.)*

The undersigned by this assignment and appointment transfers said Assignee all incidents of ownership in said Policy. **Once assigned, the undersigned irrevocably waives the right to change the beneficiary, to obtain loans on the Policy, to assign the Policy, to surrender same to the Company for its cash value, and to exercise any right, option or benefit contained in the Policy or permitted by the Insurance Company.**

This assignment is subject to any assignment in favor of, or indebtedness to UNITED FAMILY LIFE INSURANCE COMPANY.

This assignment shall not be binding on the Insurance Company until an executed original or a duplicate thereof is filed at the Home Office. The Company shall not be held responsible for the validity or sufficiency of this assignment.

Signed at

Purchaser or Owner

on _____, (Yr.) _____
Witness

For Administrative Office use only:

Acknowledged and filed at the Administrative Office of the Insurer in Greenville, South Carolina, this

_____ day of _____, (Yr.) _____ by _____
Authorized Officer

PRE-THANA TRUST

Each Purchaser signing the front of this form and the Trustees named below agree to the following.

Purpose

As a service to its Policy, certificate and annuity holders ("Purchasers") who wish to assign to one or more Trustees the ownership rights of policies, certificates and annuities ("Policies") issued by United Family Life Insurance Company ("United Family"), United Family agrees to acknowledge the following Pre-Thana Trust. The Trustees understand that their authority is only as broad as is reasonably necessary to accomplish the following:

- (A) To assist Purchasers and/or their families in having the freedom of choice to select a funeral home or mortuary to provide funeral goods and services; and
- (B) To assist Purchasers in divesting their interests in their Policies for estate planning, public assistance planning, or other planning as solely determined by the Purchasers.

How The Trust Works

A Purchaser simply completes the Irrevocable Assignment on the front side of this form. **By signing the form, a Purchaser relinquishes all ownership rights under the Policy including the right to receive any cash value in the Policy, to obtain a Policy loan, or to invoke any other incident of ownership with respect to the Policy.** A Purchaser still must make all premium payments and meet all other terms and conditions required by the Policy in order for the Policy to remain in effect. The Trustees will acknowledge the irrevocability of the assignment to the Trust and upon the death of the Insured (as long as a claim is payable as determined by United Family), the Trustees, or agents of the Trustees, will direct United Family to pay the claim proceeds to the funeral home or mortuary which actually provided funeral goods and services on behalf of the Insured. If no legal claim to the proceeds is made within sixty (60) days after the death of the Insured by a funeral home, mortuary, or Policy beneficiary, the Trustees may direct United Family to pay the proceeds according to the Policy terms.

Termination

The duties of Trustee(s) for each Purchaser terminate immediately: (1) after the determination by the Trustee(s) of the funeral home or mortuary that actually provided goods and services to the Insured and after the Trustee(s) direct United Family to pay that funeral home or mortuary any applicable claim proceeds; or (2) claim proceeds are paid to a Policy beneficiary, or (3) the Policy lapses, is void, has no value, or is not payable, whichever occurs sooner. This Trust will terminate one hundred (100) days after the termination date of the last insurance Policy held by the Trust.

Successor Trustees

The Trustee(s) will continue to serve until their resignation or until removal by United Family. Trustee(s) may be removed by United Family or by a court having jurisdiction, at any time, with or without cause. United Family may, at any time, designate and appoint successor Trustee(s) in the place of any present Trustee or name additional Trustee(s). Any successor, substitute or additional Trustee(s) will serve under these same terms and conditions. If only one Trustee exists due to removal or resignation, the sole Trustee may perform the Trust duties. Successor Trustee(s) will not be liable for the acts or omissions of any predecessor Trustee(s) and will not be required to inquire into or audit any predecessor Trustee.

Limitation Of Trustees' Duty and Liability

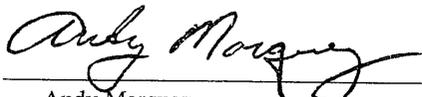
It is expressly NOT the Trustees' duty to make any claim determination, to effect the payment of premiums, to provide any notice, to initiate or maintain litigation, or to service the Policies. Nor is it the Trustees' duty to do any act on behalf of the Insureds or Purchasers except as expressly stated in (A) and (B) above. The Trustees listed below will serve without pay and without bond, may act without order of any court and will not be required to file any inventory, appraisal, return, account or report with any court. Because the Trustees serve without pay and as an accommodation, to the maximum extent allowed by law, (i) the Trustees will be presumed to have acted, or refrained from acting, in good faith and in compliance with these duties, to have done so with reasonable care, diligence and prudence, unless otherwise proved by substantial evidence; and (ii) the Trustees will be without liability whatsoever except for a breach of trust committed in bad faith or intentionally or with reckless indifference or except for any profit which the Trustees derive from a breach of trust.

Choice of Laws\Severability

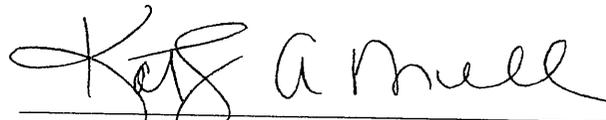
This Trust Agreement will be governed by the laws of Georgia. If any parts of this Trust are deemed invalid, the remaining parts will remain valid. This Trust will be binding upon and inure to the benefit of the Purchasers/Insureds and the Trustees, and their representatives, heirs, estates, successors and assigns, and legal and personal representatives.

In Witness Whereof, the parties identified above executed this Agreement on January 1, 1996.

Trustees:



Andy Marquez



Kathy A. Mull

PRENEED INSURANCE

Attached is an application for a preneed policy. As you can see, preneed policies do have disclosures and guarantees that Act 295 provides. They have a Statement of Goods and Services that document exactly what the applicant will receive at the time of death. It assures the applicant that funeral costs will be provided for. The applicant only takes out a policy for the cost of the funeral. (Insurance funding is the only funding vehicle available to consumers in Wisconsin to fund all the costs of a funeral and be eligible for Title XIX.)

1. The applicant knows the minimum death benefit provided by this policy.
2. The applicant knows the total price of Prearranged Funeral Plan. (How much the policy will cost if he pays for it over a period of time.)
3. Many disclosures on the front and the back of the application.
4. Assignment form explains the agreement, how it is funded and the guarantee from the funeral home.
5. Explains if there is excess in the policy, who the money goes to. **The funeral home may not keep any excess funds.** (Bank trusting allows the funeral home to keep excess funds for merchandise.)
6. It is ratified by a funeral director at the funeral home that is providing the policy.
7. It may only be sold by a certified funeral home representative or a funeral director contracted to do preneed for that funeral home.
8. **WITH ALL THE DISCLOSURES THAT PRENEED POLIES PROVIDE, CONSUMERS SHOULD BE ABLE TO PURCHASE A MULTI-PAY PRENEED POLICY IF THEY ARE ABLE TO PURCHASE A MULTI-PAY FINAL EXPENSE POLICY.**

APPLICATION FOR SINGLE PREMIUM WHOLE LIFE INSURANCE

1a. Insured _____

First Name _____ Middle Initial _____ Last Name _____
 Street _____
 City _____ State _____ Zip _____
 Social Security Number _____ Birth date _____
 Phone Number _____ Age _____ Sex _____

1b. Applicant (if other than insured) _____

First Name _____ Middle Initial _____ Last Name _____
 Street _____
 City _____ State _____ Zip _____
 Relationship to Insured _____

2. Payment

<input type="checkbox"/> Single Premium \$ _____ (The single premium is the total amount required to be paid under this policy.)	Minimum Death Benefit Provided by this Policy \$ _____	Total Price of Prearranged Funeral Plan \$ _____ The total cost of final expenses <input type="checkbox"/> is <input type="checkbox"/> is not guaranteed.
--	---	---

1. You should not need more than one life insurance policy to fund a prearranged funeral plan.
2. If you have an existing life insurance policy or annuity, you may be able to assign some or all of the existing policy's benefits to fund the prearranged funeral plan rather than purchase an additional insurance policy.
3. It may not be in your best interests to borrow on the cash value of an existing life insurance policy to pay the premium on a funeral policy that will be used to fund a prearranged funeral plan.
4. The life insurance or annuity policy you are purchasing may not fully fund the costs of the funeral goods and services provided.

3. Beneficiary _____

After payment under any assignments, remaining proceeds are to be paid to the estate of the insured unless another beneficiary is specified below.

4. Replacement

- Beneficiary _____
1. Do you have another life insurance or annuity policy in force? Yes No
 - a. If so, with which company? _____
 - b. If so, do you intend to replace your current insurance policy with this policy? Yes No
 2. Do you presently have a prearranged funeral plan of any kind with a funeral home? Yes No
 3. If so, do you intend to replace the funding of your existing prearranged plan with this policy? Yes No

5. Health Questions

If the insured is physically or mentally unable to complete the application OR if the answer to either question is "yes" OR if either question is unanswered, the policy, as applied for, will be declined.

- 1) In the past three years, has the insured had, been medically diagnosed as having, or been treated for, or hospitalized for any of the following:

Stroke	Kidney Disease	Heart Attack or Disease	Cancer
Heart or Artery Surgery	AIDS/ARC		Lung Disease

 Yes No
- 2) Within the last six months, has the insured: (a) been confined to, or a resident of, a hospital, hospice, rehabilitation center, convalescence center or similar facility, or (b) received hospice care, or (c) been diagnosed as being terminally ill, or (d) been told by a medical practitioner that you should be confined but have chosen not to follow that instruction. Yes No

6. Certification

To the best of my knowledge and belief, the information on this application is complete and true. I understand that no agent has the power to modify or waive any requirement of the Company. I also understand that any false misrepresentation may void any issued policy. Also, if I am the applicant for insurance on the life of the insured, I certify that I have an insurable interest in his/her life and full authority to use his/her funds as premiums on the insurance applied for.

Signature of Insured/Applicant if other than Insured _____ Date _____

I certify that all information in this application is true to the best of my knowledge and belief, was recorded accurately and that this application was signed in my presence. I recommend that a policy be issued as applied.

Is the insurance applied for intended to replace any existing life insurance or annuity? Yes No

Signature of Agent _____ Agent ID Number _____ Account Number _____



Authorization for Automatic Payment

I authorize United Family Life Insurance Company to initiate debt entries to my account to pay for premiums due on my policies from the following financial institution:

Financial Institution

Branch Location

City

State

I understand that I may revoke this authorization upon 30 days advance written notice, and that United Family may immediately revoke this privilege if any debt is not paid when presented to my financial institution.

Name (Please Print)

Signature

Date

Bank Account Number

Note: Funds will be withdrawn from your bank account on the Friday closest to the fifteenth of each month.

Please Attach Voided Check Here

Important Information for Applicants Who Are Purchasing a Preneed Agreement

This information is being provided at the time this application is made and prior to accepting the applicant's initial premium for a prearrangement insurance policy.

1. You are applying for a life insurance policy or annuity contract to be issued by United Family Life Insurance Company.
2. The insurance agent is the funeral director or someone who is working under the direction or control of the funeral director. A sales commission will be paid to the insurance agent who sold you the insurance policy.
3. The insurance policy or annuity contract is intended to be used to fund the funeral prearrangement you have selected with your funeral home. Where the cost of your funeral is guaranteed not to exceed the benefits payable under the life insurance policy or annuity contract, it will be so noted on your funeral prearrangement contract with your funeral director.
4. Where the funeral prearrangement contract does not guarantee that the insurance policy or annuity contract proceeds will cover the future costs of your funeral, your heirs or legal representatives will have to pay the difference between what the funeral actually costs at the time of need and the proceeds of the insurance policy or annuity contract. If the policy or contract benefits exceed the cost of the funeral, your prearrangement contract will note whether any excess proceeds will be paid to the funeral home or to the estate or contingent beneficiary.
5. Any of the following acts in relation to the insurance policy or annuity contract may void the funeral prearrangement contract:
 - a) Changing the assignment or beneficiary designations;
 - b) Using the policy proceeds for something other than your funeral expenses;
 - c) Failure to pay the premiums when due;
 - d) Cancellation or surrender of the Policy, at which time you will receive any cash surrender value.
6. The funeral prearrangement contract with your funeral home is not enforceable unless that funeral home performs the funeral service. In other words, the funeral prearrangement contract is not transferable to another funeral home. Should you decide to change funeral homes, you will need to make a new funeral prearrangement contract with the new funeral home. However, the life insurance policy or annuity contract, if maintained in force until the death of the insured, will pay full policy proceeds even if the funeral prearrangement contract is terminated.

STATEMENT OF FUNERAL GOODS AND SERVICES SELECTED

Person for whom Funeral Services are to be provided (Please Print) _____

Funeral Firm (Please Print) _____

Charges are only for those items that you selected or that are required. If we are required by law or by a cemetery or crematory to use any items, we will explain the reasons in writing below.

Guaranteed Items

Funeral Services

Basic services of funeral director and staff \$ _____

Embalming..... _____

If you selected a funeral that may require embalming, such as a funeral with viewing, you may have to pay for embalming. You do not have to pay for embalming you did not approve if you selected arrangements such as a direct cremation or immediate burial.

If we charged for embalming, we will explain why below: _____

Other preparation of the body _____

Use of facilities/staff for viewing..... _____

Use of facilities/staff for funeral ceremony _____

Other (specify) _____

Transfer to funeral home _____

Funeral coach..... _____

Family vehicle(s)..... _____

Other (specify) _____

Total Funeral Services \$ _____

Funeral Goods

Casket (specify manufacturer, model, materials, colors) _____ \$ _____

Outer burial container (specify manufacturer, model, material) _____

Acknowledgement cards..... _____

Other funeral goods (specify) _____

Total Funeral Goods \$ _____

Miscellaneous Guaranteed Items (specify) _____ \$ _____

Total Miscellaneous Guaranteed Items \$ _____

Total Guaranteed Items \$ _____

Non-Guaranteed Items

Cash Advance Items

Obituary notices \$ _____ Sales tax (as applicable)..... \$ _____

Death certificate _____ Other (specify) _____

Flowers _____

Music..... _____

Clergy honorarium _____

We charge you for our services in obtaining: (specify cash advance items) _____

Total Non-Guaranteed Cash Advance Items \$ _____

Miscellaneous Non-Guaranteed Items (specify) _____ \$ _____

Total Miscellaneous Non-Guaranteed Items \$ _____

Total Non-Guaranteed Items \$ _____

Total \$ _____

The following are any legal, cemetery or crematory requirements that compel the purchase of funeral goods or services: _____

Disclosures

- A current general, casket and outer burial container price list was shown prior to discussing these prices, services or merchandise.
- State law does not require the purchase of any of the funeral goods or services, except as set forth in this Statement of Funeral Goods and Services Selected.

PRENEED AGREEMENT/ASSIGNMENT

By signing and initialing below, Funeral Home and Purchaser agree to the following, including the provisions on the reverse side of this form.

Name of Person for whom Funeral Goods and Services are to be provided: _____

Agreement _____

Funeral Home agrees to provide funeral goods and services for the person named above as indicated in the Statement of Funeral Goods and Services completed in conjunction with this Agreement.

Funding _____

This Agreement is funded by a life insurance policy, certificate or annuity contract ("Policy") on the life of the person named above, with an initial full benefit face value of _____, issued by United Family Life Insurance Company, Atlanta, Georgia.

Guarantee of Funeral Price _____

Funeral Home's retail price for the guaranteed price funeral goods and services chosen under this Agreement (as indicated in the Statement of Funeral Goods and Services) will not exceed the retail price in effect at the time of need or the applicable death benefit payable under the Policy, whichever is less.

The price for non-guaranteed items (as indicated in the Statement of Funeral Goods and Services) will be determined at the time of need. Funeral Home will not apply that portion of the Policy purchased to fund non-guaranteed items to pay for guaranteed items.

The purpose of this policy is to fund the funeral arrangements of the insured as indicated in the Statement of Goods and Services completed as a part of this Agreement. If the proceeds of the Policy exceed the at-need retail price of the goods and services selected, any excess amount will be paid to the estate of the insured or contingent beneficiary, in accordance with the terms of the Policy; or if the Policy has been irrevocably assigned to the Pre-Thana Trust for Title 19 purposes, excess proceeds will be returned to the state of Wisconsin.

If any of the funeral goods and services chosen are required from outside of Funeral Home's service area, Funeral Home will provide the goods and services only upon payment of any additional charges, at the Funeral Home's prevailing rates, for any transportation of the goods or services. If a service area is described elsewhere in this Agreement, that description will control.

A sales commission is being paid to the agent who sells Purchaser the Policy. The identity of any other person(s) to whom commission or other compensation is paid:

Date

Name of Funeral Home

Signature of Authorized Funeral Home Person

Address of Funeral Home

City/State/Zip Code

Contract Seller (if other than Funeral Home)

Assignment _____

Purchaser initial one box below, as appropriate:

REVOCABLE assignment of life insurance proceeds: In return for the promise of the Funeral Home named in this document to provide specified goods and services, Purchaser hereby assigns to this Funeral Home that portion of the Policy proceeds necessary to pay for the funeral goods and services at the at-need price upon delivery. Purchaser acknowledges that this assignment may be revoked by Purchaser or his/her successors, and that termination of the Preneed Agreement would revoke this Assignment.

IRREVOCABLE assignment of ownership to Funeral Home and Pre-Thana Trust: In return for the promise of the Funeral Home named in this document to provide specified goods and services, Purchaser hereby irrevocably assigns all incidents of ownership of Policy to the Funeral Home, its successors and assigns by executing this Agreement. Purchaser acknowledges that this assignment is permanent and cannot be revoked; that Purchaser waives all rights under the Policy to change the beneficiary, obtain a loan against the Policy, surrender the Policy for cash, and change the owner of the Policy. Purchaser has no intent to void the Policy and receive a refund; however, this assignment does not affect any initial right to cancel during the "free look" period provided under the Policy. By signing this Agreement, the Funeral Home agrees to immediately transfer its ownership rights under this assignment to the Pre-Thana Trust, which will hold the Policy as agent for the person named above. The Funeral Home and the Purchaser of the Policy agree that after the death of the person named above, the Trustee will pay the Policy proceeds to Funeral Home, if it provides funeral goods and services or to another funeral home if for some reason another funeral home provides the funeral goods and services.

Please see other side for additional terms.

Name of Purchaser

Signature of Purchaser

Address of Purchaser

City/State/Zip Code

©1998 Fortis Family • 2000 Wade Hampton Boulevard • Greenville, SC 29615-1064 • 800-669-2442

Policies are underwritten by United Family Life Insurance Company

Termination Provisions

Funeral Home may declare this Agreement void and terminated in the event of the following: a) changing, in whole or in part, the beneficiary designation where the change negatively affects Funeral Home's right to obtain proceeds; b) failure to pay premiums when due; c) cancellation, surrendering or lapse of the Policy; d) borrowing against the Policy; e) revoking or changing the assignment of the Policy or its proceeds; or f) any other action which may result in Policy cancellation or nonpayment of proceeds.

Purchaser or Purchaser's legal representative may cancel this Agreement at any time, if the cancellation is in writing and received before Funeral Home furnishes the funeral goods and services. Cancellation releases all parties from their obligations under this Agreement. Cancellation of this Agreement does not cancel the Policy, which terminates in accordance with its own terms and conditions, and would not cancel any transfer of ownership of the Policy to the Pre-Thana Trust. Amounts paid for the Policy may not be fully refundable if it is surrendered.

Miscellaneous

Funeral Home reserves the right to consult with those individuals having the legal right to control the final disposition of the person named above.

Funeral Home reserves the right to substitute funeral goods similar in style and of equivalent or higher quality in materials and workmanship. Funeral Home will not be liable for any failure to furnish funeral goods and services if the failure is caused by factors beyond its control.

Funeral Home agrees it shall have the right to retain Policy proceeds only to the extent it provides goods and services under this Agreement, and will execute any documents as necessary to accomplish this provision.

This Agreement consists of this document and the Statement of Funeral Goods and Services, and is the complete agreement between the parties. Unless specifically itemized in the Statement of Funeral Goods and Services, this Agreement does not cover goods or services such as the care, purchase, opening or closing of cemetery lots or mausoleum or columbarium space. By signing this Agreement the Purchaser acknowledges the disclosures on the Statement of Funeral Goods and Services.

In order for the assignment to be effective, a copy of this agreement must be submitted to United Family Life Insurance Company.

Burial agreements are regulated by the Wisconsin Funeral Directors Examining Board. Should you have a complaint, please contact the Board at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708 or by telephone at 608-266-5511.

Each Purchaser signing below and the Trustees named below agree to the following.

Purpose

As a service to its policy, certificate and annuity holders ("Purchaser") who wish to assign to one or more Trustees the ownership rights of policies, certificates and annuities ("policies") issued by United Family Life Insurance Company ("United Family"), United Family agrees to acknowledge the following Pre-Thana Trust. The Trustees understand that their authority is only as broad as is reasonably necessary to accomplish the following:

- (A) To assist Purchasers and their families in having the freedom of choice to select a funeral home or mortuary to provide funeral goods and services; and
- (B) To assist Purchasers in divesting their interests in their policies for estate planning, public assistance planning, or other planning as solely determined by the Purchasers.

How The Trust Works

A purchaser simply completes the Irrevocable Assignment form. **By signing the Irrevocable Assignment form, a purchaser relinquishes all ownership rights under the policy including the right to receive any cash value in the policy, to obtain a policy loan, or to invoke any other incident of ownership with respect to the Policy.** A purchaser still must make all premium payments and meet all other terms and conditions required by the Policy in order for the Policy to remain in effect. The Trustees will acknowledge the irrevocability of the assignment to the Trust and upon the death of the Insured (as long as a claim is payable as determined by United Family), the Trustees, or agents of the Trustees, will direct United Family to pay the claim proceeds to the funeral home or mortuary which actually provided funeral goods and services on behalf of the Insured. If no legal claim to the proceeds is made within sixty (60) days after the death of the Insured by a funeral home, mortuary, or Policy beneficiary, the Trustees may direct United Family to pay the proceeds according to the Policy terms.

Termination

The duties of Trustee(s) for each Purchaser terminate immediately: (1) after the determination by the Trustee(s) of the funeral home or mortuary that actually provided goods and services to the Insured and after the Trustee(s) direct United Family to pay that funeral home any applicable claim proceeds; or (2) the Policy lapses, is void, has no value, or is not payable, whichever occurs sooner. This Trust will terminate one hundred (100) days after the termination date of the last insurance Policy held by the Trust.

Successor Trustees

The Trustee(s) will continue to serve until their resignation or until removal by United Family. Trustee(s) may be removed by United Family or by a court having jurisdiction, at any time, with or without cause. United Family may, at any time, designate and appoint successor Trustee(s) in the place of any present Trustee or name additional Trustee(s). Any successor, substitute or additional Trustee(s) will serve under these same terms and conditions. If only one Trustee exists due to removal or resignation, the sole Trustee may perform the Trust duties. Successor Trustee(s) will not be liable for the acts or omissions of any predecessor Trustee(s) and will not be required to inquire into or audit any predecessor Trustee.

Limitation Of Trustees' Duty and Liability

It is expressly NOT the Trustees' duty to make any claim determination, to effect the payment of premiums, to provide any notice, to initiate or maintain litigation or to service the Policies. Nor is it the Trustees' duty to do any act on behalf of the Insureds or Purchasers except as expressly stated in (A) and (B) above. The Trustees listed below will serve without pay and without bond, may act without order of any court and will not be required to file any inventory, appraisal, return, account or report with any court. Because the Trustees serve without pay and as an accommodation, to the maximum extent allowed by law, (i) the Trustees will be presumed to have acted, or refrained from acting, in good faith and in compliance with these duties, to have done so with reasonable care, diligence and prudence, unless otherwise proved by substantial evidence; and (ii) the Trustees will be without liability whatsoever except for a breach of trust committed in bad faith or intentionally, or with reckless indifference or except for any profit which the Trustees derive from a breach of trust.

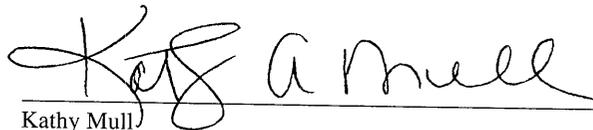
Choice of Laws\Severability

This Trust Agreement will be governed by the laws of Georgia. If any parts of this Trust are deemed invalid, the remaining parts will remain valid. This Trust will be binding upon and inure to the benefit of the Insureds/Purchasers and the Trustees, and their representatives, heirs, estates, successors and assigns, and legal and personal representatives.

In Witness Whereof, the parties identified above executed this Agreement on January 1, 1996.

Trustees:


Andy Marquez


Kathy Mull

Signature of Purchaser