

304.12-240 Regulations relating to payment and disclosure by life insurers when funds are used for preneed funeral contracts or prearrangements.

- (1) As used in this section, unless the context requires otherwise:
 - (a) "Preneed funeral contract or prearrangement" means an agreement by or for an individual before that individual's death relating to the purchase or provision of specific funeral or cemetery merchandise or services; and
 - (b) "Agent" has the meaning provided in KRS 367.932.
- (2) The commissioner shall adopt regulations requiring life insurers to provide disclosure to consumers when life insurance or annuities are used to fund preneed funeral contracts or prearrangements.
- (3) Life insurance and annuity benefits used to fund preneed funeral contracts or prearrangements shall not be paid by a life insurer until the agent has proven the death of the person for whose service the premiums were paid by furnishing the life insurer with a verified or certified copy of a record verifying the death, issued by the state registrar of the Vital Statistics Branch or its successor agency as authorized by KRS Chapter 213, or a provisional certificate of death as described in KRS 213.076.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1112, effective July 15, 2010. -- Amended 2006 Ky. Acts ch. 102, sec. 3, effective July 12, 2006. -- Created 1990 Ky. Acts ch. 464, sec. 4, effective July 13, 1990.