

523I.312 Disclosure requirements interment agreements.

1. Each nonperpetual care cemetery shall have printed or stamped at the head of all of its contracts, deeds, statements, letterheads, and advertising material, the legend: "This is a nonperpetual care cemetery", and shall not sell any lot or interment space in the cemetery unless the purchaser of the interment space is informed that the cemetery is a nonperpetual care cemetery.
2. An agreement for interment rights under this chapter shall be written in clear, understandable language and do all of the following:
 - a. Identify the seller and purchaser.
 - b. Identify the salesperson.
 - c. Specify the interment rights to be provided and the cost of each item.
 - d. State clearly the conditions on which substitution will be allowed.
 - e. Set forth the total purchase price and the terms under which it is to be paid.
 - f. State clearly whether the agreement is revocable or irrevocable, and if revocable, which parties have the authority to revoke the agreement.
 - g. State the amount or percentage of money to be placed in the cemetery's care or maintenance fund.
 - h. If the cemetery has a care fund, set forth an explanation that the care fund is an irrevocable trust, that deposits cannot be withdrawn even in the event of cancellation, and that the trust's income shall be used by the cemetery for its care.
 - i. Set forth an explanation of any fees or expenses that may be charged.
 - j. Set forth an explanation of whether amounts for perpetual care will be deposited in trust upon payment in full or on an allocable basis as payments are made.
 - k. Set forth an explanation of whether initial payments on agreements for multiple items of funeral and cemetery merchandise or services, or both, will be allocated first to the purchase of an interment space. If such an allocation is to be made, the agreement shall provide for the immediate transfer of such interment rights upon payment in full and prominently state that any applicable trust deposits under chapter 523A will not be made until the cemetery has received payment in full for the interment rights. The transfer of an undeveloped interment space may be deferred until the interment space is ready for interment.
 - l. If the transfer of an undeveloped interment space will be deferred until the interment space is ready for interment as permitted in paragraph "k", the agreement shall provide for some form of written acknowledgement upon payment in full, specify a reasonable time period for development of the interment space, describe what happens in the event of a death prior to development of the interment space, and provide for the immediate transfer of the interment rights when development of the interment space is complete.
 - m. Specify the purchaser's right to cancel and the damages payable for cancellation, if any.
 - n. Include an explanation of regulatory oversight by the insurance division in twelve point boldface type, in substantially the following language:

THIS AGREEMENT IS SUBJECT TO RULES ADMINISTERED BY THE IOWA INSURANCE

DIVISION. YOU MAY CALL THE INSURANCE DIVISION WITH INQUIRIES OR COMPLAINTS AT (515)281-4441. WRITTEN INQUIRIES OR COMPLAINTS SHOULD BE MAILED TO: IOWA SECURITIES AND REGULATED INDUSTRIES BUREAU, 330 MAPLE STREET, DES MOINES, IOWA 50319.

2005 Acts, ch 128, §34; 2006 Acts, ch 1117, §122