



Ohio Revised Code

Section 4717.35 Remission of contract application and premium to insurer.

Effective: September 13, 2022

Legislation: Senate Bill 224

If a preneed funeral contract contains a provision stating that the preneed funeral contract will be funded by the purchase of an insurance policy, the insurance agent who sold the policy that will fund that preneed funeral contract shall require that any payment made by the purchaser be made in the form of a check, cashier's check, money order, or debit or credit card, payable only to the insurance company. The insurance agent shall remit the application for insurance and the premium paid to the insurance company designated in the preneed funeral contract within the time period specified in division (B)(15) of section 3905.14 of the Revised Code, unless the purchaser rescinds the preneed funeral contract in accordance with division (A) of section 4717.34 of the Revised Code. If the purchaser made payment in the form of a check made payable to the seller, the seller may, within five business days of receiving the check, sign over and forward the check to the insurance company designated in the preneed funeral contract.

If the purchaser of a preneed funeral contract that is revocable and that is funded by an insurance policy or annuity elects to cancel the preneed funeral contract, the purchaser shall provide a written notice to the seller and the insurance company designated in the contract stating that the purchaser intends to cancel that contract. Fifteen days after the purchaser provides the notice to the seller of the contract and the insurance company, the purchaser may cancel the preneed funeral contract and change the beneficiary of the insurance policy or annuity or reassign the benefits under the policy or annuity.

The purchaser of a preneed funeral contract that is irrevocable and that is funded by an insurance policy or annuity may transfer the preneed funeral contract to a successor seller by notifying the original seller of the designation of a successor seller. Within fifteen days after receiving the written notice of the designation of the successor seller from the purchaser, the original seller shall assign the seller's rights to the proceeds of the policy to the successor seller. The insurance company shall confirm the change of assignment by providing written notice to the policyholder.

If, after a preneed funeral contract has been performed and paid for by the proceeds of an insurance



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policy or annuity, there are excess funds that the purchaser previously assigned by a written contract to the seller to pay for preneed funeral services or funeral goods for other individuals, the insurance company or annuity company holding such excess funds shall pay those funds directly to the seller, and the seller shall deposit the funds into a trust or purchase insurance or annuity policies to fund additional preneed funeral contracts.