

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding a section numbered 38.2-3100.3, relating to life*
3 *insurance or annuity contracts; funding preneed funeral contracts.*

4 [H 2467]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That the Code of Virginia is amended by adding a section numbered 38.2-3100.3 as follows:**

8 *§ 38.2-3100.3. Requirements of life insurance or annuity contracts used to fund preneed funeral*
9 *contracts.*

10 *A. For purposes of this section, "preneed funeral contract" means any agreement where payment is*
11 *made by the insured prior to the receipt of services or supplies contracted for, which evidences*
12 *arrangements prior to death for (i) the providing of funeral services or (ii) the sale of funeral supplies.*

13 *B. Each individual and group life insurance policy issued or issued for delivery in Virginia, each*
14 *individual and group annuity contract issued or issued for delivery in Virginia, and each certificate*
15 *issued in connection with a group life insurance policy or group annuity contract issued or issued for*
16 *delivery in Virginia shall include a provision specifying the means by which face amount adjustments*
17 *will be made and benefits payable upon death will be adjusted, according to the provisions of*
18 *subsection C of § 54.1-2820, when such a policy or contract will be used to fund a preneed funeral*
19 *contract.*

20 *C. Each insurer proposing to issue individual or group life insurance policies or individual or group*
21 *annuity contracts in Virginia for purposes of funding preneed funeral contracts shall clearly disclose the*
22 *intended purpose and market for such policies and contracts when submitting the forms with the*
23 *Commission for approval, in accordance with § 38.2-316.*

ENROLLED

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