

## Termination of an Agreement

The contributor to a prepaid funeral agreement can terminate an agreement if:

- the recipient (the person who will receive the funeral services) ceases to live in Tasmania;
- the recipient's relationship status has changed;
- it would be unreasonable (in the opinion of the Director of Consumer Affairs and Fair Trading) for the agreement to continue; or
- the continued payment of instalments would (in the opinion of the Director of Consumer Affairs and Fair Trading) result in serious hardship.

### Note:

If an agreement is terminated the contributor will be entitled to a refund of all or most of the money from the funeral trust. However, a refund may not be available where the payment has been made to a Friendly Society. In this situation the benefit under the policy may be varied or be transferred to another funeral business. If you have any questions about termination, contact the organisations listed in this pamphlet.

## For more information contact:

- Consumer Affairs and Fair Trading  
1300 654 499
- Australian Funeral Directors  
Association (Tasmanian Division)  
1300 888 188
- [www.afda.org.au](http://www.afda.org.au)
- Legal Aid Commission  
1300 366 611



### Disclaimer:

This document is prepared as a guide only. For an accurate version of the law, reference should be made to the *Prepaid Funerals Act 2004*.

Consumer Affairs and Fair Trading

Executive Building

15 Murray Street

Hobart TAS 7000

Phone: 1300 654 499 Fax: (03) 6233 4882

Email: [consumer.affairs@justice.tas.gov.au](mailto:consumer.affairs@justice.tas.gov.au)

Web: [www.consumer.tas.gov.au](http://www.consumer.tas.gov.au)

## PREPAID FUNERALS

### *Prepaid Funeral Agreements*

- *Entering into a Prepaid Funeral Agreement*
  - *Costs of Agreements*
  - *Protecting your Money*
  - *Termination of an Agreement*
- Your rights and obligations under a Prepaid Funeral Agreement*



Tasmania

Consumer Affairs and Fair Trading

Hotline : 1300 65 44 99 [www.consumer.tas.gov.au](http://www.consumer.tas.gov.au)



## Entering into a Prepaid Funeral

Many people pay for funerals in advance to ease the burden on families of paying at the time of a funeral. If a funeral is paid in advance the *Prepaid Funerals Act 2004* requires that the funeral business give to the person who enters into the funeral agreement (the contributor) and the person to whom funeral services are to be provided (the recipient) certain information before the agreement is signed. This information must include:

- the name and address of the funeral business;
- the name of the contributor and the recipient;
- the name of the prepaid funeral trust, or deposit scheme approved by the regulations such as a Friendly Society or the Catholic Development Fund (this is where the money will be kept until the funeral is provided);
- full details of each funeral service to be supplied and the cost of each of the goods, services or facilities relating to the funeral;
- the due date for the payment or where payments are to be made by instalment, the amount of each instalment and the date due;
- any terms or conditions applying to the agreement;
- any fees, brokerage or commission payable; and

- any GST or other amounts that are or may become payable by law.

The information may be provided either as part of the agreement or can be provided separately.

### Copy of Agreement

A funeral agreement must be in writing and you must be given a copy within 14 days of signing the agreement. The contract must be printed in font size 10 or greater.

### Exceptions

A recipient need not be given the relevant information where there is, an enduring power of attorney in force or the contributor is a person responsible for the recipient under the *Guardianship and Administration Act 1995*.

## Costs of Agreements

Once you have entered into an agreement the funeral business cannot increase the cost to you of anything in the agreement. However, you can later agree to add new things for which additional charges may be payable.

## Protecting your Money

When a funeral business receives money from a contributor for a prepaid funeral agreement the funeral business must deposit that money into either a prepaid funeral trust or a deposit scheme approved by the regulations, such as a Friendly Society or the Catholic Development Fund.

The requirement to deposit money into a funeral trust or a deposit scheme approved by the regulations, such as a Friendly Society or with the Catholic Development Fund will better ensure that your money is safe and will be available when the funeral is provided.

### Funeral Trust

A funeral trust is a trust approved under the Prepaid Funeral Act. The information provided with the agreement must specify the name of the trust. A public register of approved funeral trusts can be viewed at [www.consumer.tas.gov.au](http://www.consumer.tas.gov.au)

### Friendly Society

Friendly Societies are regulated under the *Corporations Act 2001* (C'wlth) and the *Life Insurance Act 1995* (C'wlth). The Australian Prudential Regulation Authority prudentially supervises monies deposited by a funeral business with a Friendly Society. A list of Friendly Societies can be viewed at [www.apra.gov.au/Friendly/](http://www.apra.gov.au/Friendly/).

### Catholic Development Fund

The Archbishop of Tasmania guarantees the Catholic Development Fund.

