



CHAPTER 90
ARTICLE 13D - PRENEED FUNERAL FUNDS

N.C.G.S. § 90-210.68.

Licensee's books and records; notice of transfers, assignments and terminations.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2025-76, s. 4.7 — ninth act in the lineage	21 September 2026, 03:36 UTC	092341aa28e8d32dff8fa5e - 326e466101d1d3b6b053820a - f5ac44bedd1e5fb7

§ 90-210.68(a) Every preneed licensee shall keep for examination by the Board accurate accounts, books, and records in this State of all preneed funeral contract and prearrangement insurance policy transactions used to fund preneed funeral contracts, copies of all agreements, insurance policies, instruments of assignment, the dates and amounts of payments made and accepted thereon, the names and addresses of the contracting parties, the persons for whose benefit funds are accepted, and the names of the financial institutions holding preneed funeral trust funds and insurance companies issuing insurance policies used to fund preneed funeral contracts. The Board, its inspectors appointed pursuant to G.S. 90-210.24 and its examiners, which the Board may appoint to assist in the enforcement of this Article, may during normal hours of operation and periods shortly before or after normal hours of operation, investigate the books, records, and accounts of any licensee under this Article with respect to trust funds, preneed funeral contracts, and insurance policies used to fund preneed funeral contracts. Any preneed licensee who, upon inspection, fails to meet the requirements of this subsection or who fails to keep an appointment for an inspection shall pay a reinspection fee to the Board in an amount not to exceed one hundred dollars (\$100.00). The Board may require the attendance of and examine under oath all persons whose testimony it may require. Every preneed licensee shall submit a written report to the Board, at least annually, in a manner and with such content as established by the Board, of its preneed funeral contract sales and performance of such contracts. The Board may also require other reports.

§ 90-210.68(a1)

On or before March 31 of each year, each preneed licensee shall prepare and submit an annual report on its preneed funeral contract sales during the previous calendar year, to include the total number, status, and type of each preneed contract for which the preneed licensee serves as trustee, the total year-end balance of each contract, and the status of each preneed contract. The preneed licensee shall submit the report to the Board in a manner and form prescribed by the Board.

§ 90-210.68(b)

A preneed licensee may transfer preneed funds held by it as trustee from the financial institution which is a party to a preneed funeral contract to a substitute financial institution that is not a party to the contract. Within 10 days after the transfer, the preneed licensee shall notify the Board, in writing, of the name and address of the transferee financial institution. Before the transfer may be made, the transferee financial institution shall agree to make disclosures required under the preneed funeral contract to the Board or its inspectors or examiners. If the contract is revocable, the licensee shall notify the contracting party of the intended transfer.

§ 90-210.68(c)

If any preneed licensee transfers or assigns its assets or stock to a successor funeral establishment or terminates its business as a funeral establishment, the preneed licensee and assignee shall notify the Board at least 30 days prior to the effective date of the transfer, assignment or termination: provided, however, the successor funeral establishment must be a preneed licensee in good standing with the Board or shall be required to apply for and be granted such license by the Board before accepting any preneed funeral contracts, whether funded by trust deposits or preneed insurance policies. Provided further, a successor funeral establishment shall be liable to the preneed funeral contract purchasers for the amount of contract payments retained by the assigning or transferring funeral home pursuant to G.S. 90-210.61(a)(2).

§ 90-210.68(d)

Financial institutions that accept preneed funeral trust funds and, for any insurance policy that names a funeral establishment as an assignee or beneficiary, the issuing or underwriting insurance company shall, upon request by the Board or its inspectors, disclose any information regarding the preneed funeral trust accounts or any insurance policy that names a funeral establishment as an assignee or beneficiary.

Financial institutions that accept preneed funeral trust funds and, for any insurance policy that names a funeral establishment as an assignee or beneficiary, the issuing or underwriting insurance company shall also forward the account balance or policy status and current death benefit to the contracting preneed funeral establishment

or the funeral establishment named as an assignee or beneficiary at the end of each calendar year.

§ 90-210.68(d1)

When a preneed funeral establishment license lapses or is terminated for any reason, the preneed licensee shall immediately divest of all the unperformed preneed funeral contracts and shall transfer them and any amounts retained under G.S. 90-210.61(a)(2) to a successor preneed funeral establishment licensee in good standing with the Board pursuant to the procedures of subsection (e) of this section. The contracting and the successor preneed funeral establishments shall notify the Board at least 30 days prior to such transfer. Within 30 days following the transfer, the contracting and successor preneed funeral establishments shall provide notice of the transfer to each preneed contract purchaser and to the financial institution housing the preneed funeral trust funds or the issuing or underwriting insurance company for the contracts.

§ 90-210.68(e)

In the event that any preneed licensee is unable or unwilling or is for any reason relieved of its responsibility to perform as trustee or to perform any preneed funeral contract, the Board shall order the contract and any amounts retained pursuant to G.S. 90-210.61(a)(2) to be assigned to a substitute preneed licensee provided that neither the substitute preneed licensee or preneed contract purchaser, or after the death of the preneed contract purchaser, the preneed contract beneficiary or his or her legal representative, shall be obligated to perform the agreement without executing a new preneed funeral contract. Any lapse or transfer of a preneed contract pursuant to this section shall not be grounds to revoke an irrevocable preneed funeral contract.

§ 90-210.68(f)

The substitute preneed licensee under subsections (d1) and (e) of this section shall be liable to the preneed funeral contract purchasers for the amount of contract payments that had been retained by, and that the substitute preneed licensee has received from, the assigning preneed licensee.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
9 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.



Nº	YEAR	ACT	CHARACTER
01	1969	c. 187, s. 6	ENACTED
02	1983	c. 657, ss. 4, 5	AMENDED
03	1985	c. 12, s. 1	AMENDED
04	1985	1991 (Reg. Sess., 1992), c. 901, s. 2	AMENDED
05	1993	c. 164, s. 3	AMENDED
06	1997	S.L. 1997-399, s. 28	AMENDED
07	2007	S.L. 2007-531, ss. 13, 14	AMENDED
08	2018	S.L. 2018-78, s. 11	AMENDED
09	2025	S.L. 2025-76, s. 4.7	AMENDED

APPARATUS II
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 90-210.24	(a)	<i>"Board, its inspectors appointed pursuant to"</i>
G.S. 90-210.61(a)(2)	(c)	<i>"or transferring funeral home pursuant to"</i>

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 90-210.68 (2025).

PINPOINT
N.C. Gen. Stat. § 90-210.68(a) (2025).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1969, c. 187, s. 6; 1983, c. 657, ss. 4, 5; 1985, c. 12, s. 1; 1991 (Reg. Sess., 1992), c. 901, s. 2; 1993, c. 164, s. 3; 1997-399, s. 28; 2007-531, ss. 13, 14; 2018-78, s. 11; 2025-76, s. 4.7.)

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