

Instructions for, " GUARANTEED CONTRACT ", " NON GUARANTEED
CONTRACT " and GUARANTEED IN PART CONTRACT"
under the new STATUTE CHANGE for Title 7, 405
THESE CHANGES GO INTO EFFECT ON JULY 1, 2014

Under the amendments for Title 7 section 405, there are changes to contracts that must appear exactly as quoted in the statute.

Exact language must be used for the quoted language in the statute. Each contract must be titled, as above, either **GUARANTEED CONTRACT, NON GUARANTEED CONTRACT** or **GUARANTEED IN PART CONTRACT**.

All pre need contracts must include the name of the beneficiary (note: the future decedent), date of birth and social security number. They must also include the name, address and social security number of the buyer. (note: This may or may not be the same person.)

All contracts must include the two disclosures provided for in Title 7, as follows, in exact language:

NOT ALL CHARGES THAT MAY BE REQUIRED TO BE PAID AT THE TIME OF NEED ARE LISTED IN THIS CONTRACT

I UNDERSTAND A CLAIM AGAINST THE FAMILY SECURITY TRUST FUND CAN BE FILED BY ANY CONSUMER WHO BELIEVES THEY HAVE SUFFERED A LOSS ACCORDING TO TITLE 7, SUBTITLE 4A (FAMILY SECURITY TRUST FUND) OF THE MARYLAND CODE, ON OR AFTER JANUARY 1, 2010.

All contracts must also have the **three disclosures required by the FTC**.

All sections of the contract must be labeled in, at least, **14 point, bold type**

There must be **three lines for the total contract amount paid on the GUARANTEED IN PART CONTRACTS**. One line totaling the amount paid which is **guaranteed**, one totaling the amount paid which is **not guaranteed** (only a deposit paid toward future cost) and the **line for total contract amount**.

Please see example.

NOTE: YOU MUST ONLY HAVE GOODS AND SERVICES CONTRACTS FOR WHAT YOU OFFER, guaranteed, non-guaranteed or guaranteed in part.

Please email any clarifying questions to Ruth Ann Arty at ruthann.arty@maryland.gov. Thank you.