



## **Operational Procedures for the Abbit Management Master Escrow Trust (Cemetery)**

Following are the operational procedures that must be followed, regarding the pre-paid funeral system of deposits, withdrawals or cancellations. It is imperative that the procedures are followed to insure uniform compliance and comfort for both you and the escrow agent.

### **DEPOSIT TO SYSTEM**

The following items must be sent when making an initial deposit to the system:

1. **PREPAID CONTRACT**  
The contract buyer must sign a contract. This must be on an approved contract that meets the requirements of the law. Include the contract buyer and contract beneficiary's social security number on all contracts as verification. All lines must be completed with information or N/A.
2. **NEGOTIABLE CHECK**  
A negotiable check must be sent with the contract. The check may be made payable in one of the following fashions:
  - A. The preferred method is to have the contract buyer may make check payable to the Cemetery. The Cemetery should make a photo copy of the check for its file. Mail the check directly to Abbit - no endorsement is required; or
  - B. The contract buyer makes the check payable to the Cemetery. The Cemetery may in turn issue a check payable to Chase; or
  - C. The contract buyer may make check payable to Chase .

**NOTE:** The payment or endorsement to Chase is necessitated because Abbit Management Corp., a registered investment advisor with the SEC is prohibited from taking possession of a client's assets. Endorsement or payment to Abbit could be deemed to be a prohibited transaction.

3. **DEPOSIT FORM**  
You must completely fill out the Deposit Form with all the information requested. The information must be in conformity to the contractual agreement.

**NOTE:** Electronic Transfer for Monthly Time Payments for Trust. A separate Authorization Agreement must be completed by contract buyer and sent to Abbit to establish an account.

NOTE: Make sure to sign the bottom of the Deposit Form.

4. Form W-9 (Payer's Request for Taxpayer Identification Number and Certification) for the person responsible for the taxes must be completed.

NOTE: A Form W-9 is not necessary if on the contract there is a qualified Substitute form W-9 requiring a separate signature.

5. Abbit Management will mail a receipt letter, titled **FUNDS ACKNOWLEDGMENT STATEMENT**, to all initial contract buyers. On transfer accounts from another bank trust dept., bank or master trust, the Cemetery must provide a notice letter to the contract buyer of the transfer and the name of the new escrow agent. A copy of this letter must be sent with all the above.

#### PARTIAL WITHDRAWALS

1. You may notify Abbit by phone and request the current balance in an account or obtain the balance from our website at [www.abbit.biz](http://www.abbit.biz).
2. For contract buyer initiated withdrawals, the contract buyer must request the withdrawal from the account in writing. This is done by completing the form titled **MEMO Cancellation/Partial Withdrawal**. The Cemetery representative must sign the Memo. If the contract buyer makes the request by letter, attaching the letter to the Memo will satisfy a signature requirement of the contract buyer. If a Guaranteed Contract was used, a new Guaranteed Contract is required to reflect the balance left in account. In this case, the old contract is voided and a new one is signed by the contract buyer. The contract seller should attempt to retrieve the buyer's copy of the old contract to avoid confusion in the future.
3. For partial withdrawals which satisfy the "Physical Delivery and Retention" clause of PA 21 of 2004, the Cemetery must complete the form **MEMO – Partial Withdrawal for Cemetery Merchandise**. This form does not require a signature from the contract buyer.
4. On a once a year basis, the Cemetery may request the release of excess income from the escrow account. This amount is calculated to be income earned during the previous 12 months less any amounts paid to the escrow agent and less the amount of the Detroit Consumer Price Index. To process this withdrawal, the Cemetery must complete the form **MEMO – Release of Accumulated Income from Escrow**.

5. All withdrawal checks will be made payable to the Cemetery. *Documentation must be received in Abbit's office before the check will be issued.*

## CANCELLATION

1. You may notify Abbit by phone and request the current balance in an account or obtain the balance from our website at [www.abbit.biz](http://www.abbit.biz).
2. The contract buyer must request cancellation in writing. This can be done by using the form **MEMO – Cancellation/Partial Withdrawal** or by having the buyer issue a personal letter. The information needed in the cancellation letter is:
  - A. Names of the contract buyer and provider
  - B. Date of the prepaid agreement
  - C. Account reference number
  - D. Any special instructions for the escrow agent

If a personal letter is used, please attach the letter to the completed **MEMO** form.

3. The cancellation check is always made payable to the Cemetery and forwarded to the Cemetery. *All documentation must be received in our office before the check will be issued.*

## FULFILLMENT OF CONTRACT

1. You may notify Abbit by phone and request a termination balance in the account.
2. The Contract Provider must provide the form titled **MEMO Death of Beneficiary and Certification of Fulfillment of Contract** with signatures of the Contract Provider and Authorized Representative of the Contract Beneficiary. A Burial/Transit Permit may be used in place of Authorized Representative signature of Contract Beneficiary.

3. If a Guaranteed contract, *all documentation must be received in our office before a check will be issued.*
4. If a Non-guaranteed contract, a current contract must be provided as well as the **MEMO** form before a check or checks will be issued.

For your information, the following phone numbers are available to assist you:

Abbit Office	(616) 842-0280 or (800) 232-2179
Abbit Fax	(800) 842-9075

Many people find the FAX machine a useful tool to expedite the procedural process. All above transactions can be accomplished with the FAX except the deposit to account.

It is important to keep the escrow agent aware of any changes that occur regarding an account. This includes change of beneficiary, address change, type of contract, social security number or any other relevant item. If you have any questions regarding the above, please call. 1-800-232-2179