

16-303. Same; payments and earnings; credit life insurance; irrevocable agreements. (a) Except as authorized by K.S.A. 16-308, and amendments thereto, all payments made under such agreement, contract or plan, and any earnings or interest thereon, shall remain with such bank, credit union or savings and loan association until the death of the person for whose service the funds were paid or, except as provided in subsection (c), until demand for payment is made by the purchaser of the merchandise or services to the bank, credit union or savings and loan association, and upon such payment to the purchaser, the contract shall terminate.

(b) At the option of a purchaser, any installment contract may provide for additional payments by the purchaser for the cost of group credit life insurance at such rate as is approved from time to time by the insurance commissioner. In the event of the death of the purchaser, the proceeds shall be treated as funds in accordance with K.S.A. 16-304, and amendments thereto.

(c) At the option of the purchaser, such agreement, contract or plan may be made irrevocable as to the retail price of a casket, urn and outside burial container and as to the first \$7,000 of funds paid and set aside at the direction of the purchaser. Any interest and earnings accumulated under the agreement, contract or plan may also be irrevocable. This option shall not prohibit the purchaser to designate a different funeral home at any time prior to death, after written notice to the current funeral home, and upon such notification all documents and funds shall be transferred as necessary.

History: L. 1953, ch. 54, § 3; L. 1973, ch. 86, § 3; L. 1976, ch. 97, § 3; L. 1982, ch. 90, § 1; L. 1983, ch. 76, § 3; L. 1989, ch. 48, § 72; L. 1991, ch. 68, § 2; L. 1998, ch. 55, § 1; L. 2004, ch. 41, § 1; L. 2010, ch. 46, § 1; July 1.