PLEASE NOTE

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This document is not the official version of the Act. The Act and the amendments as printed under the authority of the Queen’s Printer for the province should be consulted to determine the authoritative statement of the law.

For more information concerning the history of this Act, please see the Table of Public Acts.

If you find any errors or omissions in this consolidation, please contact:

Legislative Counsel Office
Tel: (902) 368-4291
Email: legislation@gov.pe.ca
CHAPTER P-17
PREARRANGED FUNERAL SERVICES ACT

1. In this Act

(a) “funeral home” means premises operated as a funeral home by a person who provides or has the use of the following facilities in connection with that operation:
   (i) an office,
   (ii) a preparation room,
   (iii) a casket display room,
   (iv) a reposing room,
   (v) a public washroom,
   (vi) a funeral coach,
   (vii) a lowering device,
   (viii) grass mats, and
   (ix) a removal cot;

(b) “funeral services” means any services and commodities usual in the preparation for burial and the burial of the dead other than the supplying of lots, burial vaults, grave markers, vases and services rendered or to be rendered at the cemetery;

(c) “institution” means
   (i) a trust company authorized by law to receive money on trust in Prince Edward Island,
   (ii) a bank governed by the Bank Act (Canada), or
   (iii) a credit union governed by the Credit Unions Act R.S.P.E.I. 1988, Cap. C-29.1 which maintains a permanent place of business in the province;

(d) “Minister” means the Minister of Environment, Labour and Justice and Attorney General;

(e) “prearranged funeral plan” means an agreement whereby in consideration of payment therefor in advance, by lump sum or instalments, a vendor contracts to provide funeral services for a person alive at the time the agreement is entered into;

(f) “vendor” means a person who contracts with a buyer for the provision of funeral services. 1984,c.31,s.1; 1985,c.3,s.1; 1993,c.29,s.4; 1997,c.20,s.3; 2000,c.5,s.3; 2001,c.13,s.1;2010,c.14,s.3; 2012,c.17,s.2.

2. No person shall solicit, sell or offer for sale a prearranged funeral plan unless
3. (1) A vendor who enters into a prearranged funeral plan shall hold in trust all money paid under the plan, other than the sum, if any, retained pursuant to subsection (2), and deposit the money in an institution to be held on trust, together with the interest thereon for the purposes for which it has been paid until
   (a) the funeral services purchased under the plan have been provided in accordance with the plan; or
   (b) the money or any unused balance thereof has been refunded to the person who made the payment, or paid to his personal representative.

   (2) Subject to subsection 5(2), a vendor may, if the plan so provides, retain not more than twelve per cent of the money payable under the plan.

   (3) Where, at the request of the person making the payments under the plan, a prearranged funeral plan is terminated, cancelled or discontinued within three years of the date on which it was entered into, the amount, if any, retained pursuant to subsection (2) is forfeited to the vendor as a penalty. 1984,c.31,s.3.

4. (1) Money held in trust by a vendor under a prearranged funeral plan shall, within thirty days of entering into the plan, be paid into an institution to be deposited in a trust account in the institution by agreement with the vendor.

   (2) Money in any trust account for the purposes of this Act may be invested in any investments authorized for trustee investments under the Trustee Act R.S.P.E.I. 1988, Cap. T-8.

   (3) Interest or income on money deposited pursuant to subsection (1) shall be credited to the trust account annually. 1984,c.31,s.4.

5. (1) Subject to section 3, money paid to an institution pursuant to section 4 shall, within ten days of receipt of notice in writing to the institution, be paid out, together with the interest thereon,
   (a) to the person who made the payment or his personal representative, upon the joint authorization of the vendor and the person who made the payment or his personal representative, or if the vendor is not available or refuses to authorize repayment, upon the direction of the Minister; or
(b) to the vendor, upon production of proof of the death of the person on whose behalf the payment was made and proof that the funeral services have been provided.

(2) Where, after a plan has been in operation for at least three years, a repayment is made pursuant to clause (1)(a), the vendor shall pay to the person entitled to such repayment, an amount equal to the sum, if any, retained by the vendor pursuant to subsection 3(2).

(3) Every prearranged funeral plan shall contain a provision that the money paid thereunder may be withdrawn in the manner specified in subsections (1) and (2) without payment of a penalty or charge, other than as permitted under subsection 3(3). 1984,c.31,s.5.

6. (1) Every institution shall prepare as of January 1 of each year a statement showing
   (a) the number of trust accounts maintained by the institution pursuant to this Act;
   (b) the amount standing at that date to the credit of each trust account and the name of the vendor for whom the account is maintained;
   (c) in respect of each account, the persons who are paying money under a prearranged funeral plan with the vendor for whom the account is maintained, and the amount paid and to be paid thereunder on behalf of each person;
   (d) the sums charged by the institution as a service charge for maintaining the account and how those sums are derived; and
   (e) such other matters as may be required by the regulations.

   (2) The institution shall
   (a) not later than January 10 of each year send by ordinary mail a copy of the annual statement prepared under subsection (1); and
   (b) at any time, within ten days of receipt of a written request from the vendor, send by ordinary mail an interim statement providing the information set out in subsection (1) to the vendor for whom the account is maintained. 1984,c.31,s.6.

7. (1) A vendor may, with the consent of the person who is making or has completed the payments thereunder, assign a prearranged funeral plan to another person with notice in writing thereof to the institution.

   (2) Where an assignment of a prearranged funeral plan is made to another person, the institution maintaining the trust account on behalf of the vendor shall make all necessary changes in the records and accounts in order to make the assignment complete, and if the trust account of the assignee is maintained elsewhere than with that institution, money held
under the assigned prearranged funeral plan may be transferred to the
trust account maintained on behalf of the assignee, upon the payment by
the assignee of the charges and fees of the institution. 1984,c.31,s.7.

8. (1) Every person who violates or fails to comply with any provision of
this Act or the regulations or a direction given under this Act or the
regulations and every director of a corporation who knowingly concurs
in a violation or failure to comply with any provision of this Act or the
regulations or direction given under this Act or the regulations is guilty
of an offence and liable on summary conviction to a fine of not more
than $2,000 or to imprisonment for a term of not more than one year, or
both.

(2) Where a corporation is convicted of an offence under subsection
(1) it is liable to a penalty of not more than $25,000.

(3) Notwithstanding any other Act, any information for an offence
under this Act may be laid at any time within three years from the time
when the offence or act was committed. 1984,c.31,s.8.

9. Any money standing to the credit of a prearranged funeral plan is not,
while in the hands of the institution or while in course of transmission
from or to the person who is to provide the funeral services under the
prearranged funeral plan, liable to demand, seizure or detention under
legal process against the person depositing the same under the plan or his
personal representative or against the person to whom the money is to be
paid under the prearranged funeral plan for the provision of funeral
services. 1984,c.31,s.9.

10. The Lieutenant Governor in Council may make regulations
(a) prescribing forms and providing for their use;
(b) providing for licensing of vendors;
(c) providing for approval of forms of agreement, assignments and
other documents to be used by vendors;
(d) providing for the audit and inspection of the books and records
of vendors and institutions;
(e) exempting any class of persons from this Act. 1984,c.31,s.10.