###### General Instructions & Suggested Order for Completing Preneed Renewal Application Package

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1. Before you begin filling the forms out, make a copy of the entire packet of forms. Make enough copies of blank form R3A so that you have **one for each separate trust, insurer, and surety bond under which you have preneed contracts outstanding.**
2. Complete a separate form R3A for each different trust, insurer, and surety bond under which you have any outstanding preneed contracts as of the end of CY 2021.
3. Complete the enclosed form R3B, Summary. All licensees should complete the R3B even if you have only one Trust, etc.
4. Prepare a Balance Sheet and Income Statement for the preneed licensee. Use forms R2A and R2B or prepare your own financial statements consistent with GAAP. See separate enclosed instructions regarding financial statements (form R2). The data shown in your financial statements must be consistent with the data in the forms R3A and R3B.
5. Complete certification page (form R4). Have it notarized.
6. Fill-out the Invoice (form R1).
7. Cut a check or money order for the Total Amount Due as shown on the Invoice (R1), payable to "Department of Financial Services."
8. Make a copy of everything for your files.
9. Put the Invoice on top of the renewal package, with your check for required fees, and send the entire package to the address shown below, in time for it to be actually received on or before **APRIL 1 , 2022.**

Department of Financial Services

P O Box 6100

Tallahassee FL 32314-6100

**Cover Sheet & instructions, Page 1**

CHECKLIST - The following items must be completed & included with your renewal packet your return to the Division:

\_\_Invoice (form R1)

\_\_Balance sheet for most recent FY (R2A or equivalent) (unless already filed with the Division)

\_\_Income statement for most recent FY (R2B or equivalent) (unless already filed with the Division)

\_\_Form R3A for each separate trust, insurer, and surety bond under which you have preneed contracts outstanding

\_\_Form R3B Summary of preneed activity

\_\_Form R4 Certification page signed and notarized

\_\_Check or money order for total renewal fee, payable to "Department of Financial Services"

\_\_Form R6, Net-Worth Alternatives form (optional, for licensees not meeting the net worth requirement)

Late Filing Penalty.

Pursuant to Board rule 69K-5.0026(2), you will be assessed a Late Penalty if your renewal application, with required R2 financial statements and R3A and R3B forms, is not received by the Division on or before the Due Date, which is APRIL 1, 2022.

Schedule l - Minimum Net Worth (from rule 69K-5.0016(3))

|  |  |
| --- | --- |
| *Total retail value of all outstanding preneed contracts as of end*  ***of licensee's most recently ended fiscal year*** | ***Required minimum net worth*** |
| $I 00,000 or less | $10,000 net worth |
| $100,001 to $200,000 | $20,000 net worth |
| $200,001 to $400,000 | $40,000 net worth |
| $400,001 to 600,000 | $60,000 net worth |
| $600,001 to $800,000 | $80,000 net worth |
| $800,000 or more | $I 00,000 net worth |

Schedule 2 -- PNL Renewal Fee (from s. 497 45315, Florida Statutes)

|  |  |
| --- | --- |
| *Gross number (before cancellations) of preneed contracts sold in* ***calendar year*** 2021 | ***Base renewal fee*** |
| O preneed contracts | $300 |
| 1 to 49 preneed contracts | $400 |
| 50 to 249 preneed contracts | $500 |
| 250 to 999 preneed contracts | $850 |
| 1,000 to 2,499 preneed contracts | $1,500 |
| 2,500 to 4,999 preneed contracts | $2,500 |
| 5,000 to 14,999 preneed contracts | $6,000 |
| 15,000 to 29,999 preneed contracts | $12,500 |
| 30,000 or more preneed contracts | $18,500 |

**R2. Financial Statements (forms R2A & R2B)**

## General Information

* 1. Pursuant to rule 69K-5.0026, preneed licensees desiring to renew their preneed license must submit with their application for renewal the following two financial statements: A) Balance Sheet, and B) Income Statement.

1. The Balance Sheet and Income Statement must be prepared in accordance with Generally Accepted Accounting Principles (GAAP). See rule 69K-5.0016(2).
2. GAAP requires accrual basis financial statements; cash basis financial statements are not acceptable.
3. The financial statements must be for the preneed licensee's most recently completed fiscal year.
4. Financial statements must be specifically for, and in the name of, the preneed licensee. Financial statements showing the preneed licensee's parent firm, or consolidated financial statements for a group of firms including the preneed licensee, are not acceptable.
5. Enclosed are a blank Balance Sheet (form R2A), and a blank Income Statement (form R2B). A preneed licensee may use and submit financial statements on the attached forms, in satisfaction of the financial statement’s requirements, subject to the requirement that GAAP must be complied with in using the attached forms. Alternatively, pursuant to rule 69K-5.0026, a preneed licensee may have its Balance Sheet and Income Statement prepared by a Certified Public Accountant, in a form determined by the CPA to comply with GAAP.
6. Please assure that the phrase "Net Worth" and the related dollar figure appears on the Balance Sheet.

**R2 - Financial Statements - General Information**