DIRECTIVE 38-R

TO: ALL LIFE INSURERS AND INDUSTRIAL LIFE INSURERS
FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE
RE: FUNERAL SERVICE POLICIES (RESCISSION OF DIRECTIVE 38)
DATE: SEPTEMBER 22, 2020

All life and industrial life insurers are given notice that Directive 38, issued on September 22, 1977, is hereby rescinded because it does not conform with current law.

A change to the law enacted in the 1977 regular session of the Louisiana Legislature (now La. R.S.22:143(B)(1)) increased the cash amount required to be paid under funeral service policies when a beneficiary did not avail himself of the contractual services set forth in the policy from 75% of the face amount of the policy to 100% of the face amount of the policy for policies issued on or after January 1, 1978. Directive 38 was issued in response to the change in the law to allow for the use of a rubber stamp endorsement to the existing policy forms until such time as the existing supply of forms was exhausted and to provide suggested language for the endorsement to the existing policy forms.

Current law prohibits the sale of funeral service policies after 12:00 midnight July 31, 1997 pursuant to La. R.S. 22:143(D).

Baton Rouge, Louisiana, this 22nd day of September, 2020.

[Signature]
JAMES J. DONELON
COMMISSIONER OF INSURANCE