



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of
Marketing Practices

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March 6, 1995

Lavelle S. Jesse
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P.O. Box 19244
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Re: Opinion Letter

Dear Mr. Jesse:

February 24, 1995 about pre-need funeral pricing. For the sake of clarity, I will address your questions in the order in which they were posed.

In the factual scenarios you described, three funeral homes agree to have one general price list (hereafter described as "consolidated GPL"). Under Scenario 1, these homes would offer to consumers funeral goods and services on a pre-need basis where the prices for those goods and services would not be fixed at the time of the execution of the pre-need contract. Under scenario

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requires that the GPL have an effective date on it. 16 C.F.R. § 453.2(b)(4). I would only caution that if this GPL's prices are not "fixed" on the pre-need contract, the pre-need contract must be explicitly clear on this point. The consumer should be

concerning whether or not the prices on the pre-need contract are fixed may be a violation of Section 5 of the FTC Act, even though it may not be a violation of the Funeral Rule, per se.

Question 3 -- May there be a variance between the prices delineated on each individual funeral home's GPL and the

consolidated GPL?

Yes. The Funeral Rule only requires that a funeral provider gives a GPL with price information on it for certain items. if