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| **DO NOT WRITE IN THIS SPACE**  **OFFICE RECORD**  LICENSEE'S NO. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  RECEIVED DATE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  APPLICATION NO. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  CLK'S INITIALS \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  APPROVED BY \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  APPROVAL DATE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING Office of Cemetery Oversight  1100 N. Eutaw Street, Room 121  Baltimore, MD 21201  Phone: 410-230-6229  E-mail: [DLOPLCemeteryOversight-LABOR@maryland.gov](mailto:DLOPLCemeteryOversight-LABOR@maryland.gov)   |  | | --- | |  | |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
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|  | **PERPETUAL CARE TRUST - DISTRIBUTION OF INCOME ELECTION AND CONVERSION APPLICATION FORM** | | | | | | | | | | | | | | |
|  | To be filed by cemeteries seeking to convert to the Total Return distribution method pursuant to Annotated Code of Maryland, Business Regulation Article, § 5-603(g)(1)-(5), or to modify an existing distribution.  Form must be submitted **no later than 60 days before the date the method of distribution is to take effect.** | | | | | | | | | | | | | | |
|  |
|  | Fiscal Year Start & End Date: | | |  | to |  |  |  |  |  |  | | |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 1. Name of Cemetery | | |  |  |  |  |  | Responsible Party/Registrant Name & Title | | | | | | |
|  |  | | | | | |  |  |  | | | | | | |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 2. Business Address | | |  |  |  |  |  |  |  |  | | |  |  |
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|  | 3. Contact Phone Numbers | | | |  |  |  |  | 4. Email address | | | | |  |  |
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|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 5. Trustee Name & Address | | | |  |  |  |  | Trustee's Contact Name & Title | | | | | | |
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|  | 6. Trustee Contact Phone Numbers | | | |  |  |  |  | 7. Trustee's Email address | | | | | | |
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|  | |  | | --- | | 8. Type of election: | |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image007.png | Initial election to use Total Return distribution method | | | | | |  |  |  |  | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image008.png | Change distribution percentage - New distribution percentage selected \_\_\_\_\_\_\_\_\_\_\_ | | | | | | | | | | | | | |
|  | |  | | --- | | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image009.png | | Change election to Net Income distribution method (*skip to line* 15) | | | | | | | | | | | |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 9. Election effective date | | | |  |  |  |  |  |  |  | | |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 10. Initial distribution percentage (not to exceed 4% of the Average of the End-of-Year Fair Market Value of the trust for the preceding three calendar years). | | | |  |  |  |  |  |  |  | | |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 11. Planned initial distribution amount \_\_\_\_\_\_\_\_\_\_ Will this amount be distributed in one annual distribution, or divided into separate distributions (monthly, quarterly, or semiannually)? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  12. End-of-Year Fair Market Value of the trust for each of the preceding three calendar years \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | | | |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | 13. Average of the End-of-Year Fair Market Value of the trust for the preceding three calendar years \_\_\_\_\_\_\_\_\_\_  14. Total contributions made to the principal of the perpetual care trust fund from the end of the preceding calendar year \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  15. Signature of Cemetery's Responsible Party | | | | | |  |  |  |  |  | | |  |  |
|  | I, as authorized representative and responsible party for the cemetery named above, certify that the cemetery submitting this form is aware of the provisions of Annotated Code of Maryland, Business Regulation Article, §5-603. | | | | | | | | | | | | | | |
|  |  | |  |  |  |  | | | | | | | |  |  |
|  | Date |  |  |  |  | Signature of Responsible Party | | | |  |  | | |  |  |
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|  |  |  |  |  |  |  | | | | | | | |  |  |
|  |  |  |  |  |  | Print Name of Responsible Party and Registration Number | | | | |  | | |  |  |
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|  |  |  |  |  |  | Title of Responsible Party | | | |  |  | | |  |  |
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|  | 16. Certification of the Trustee - to be completed only if this is an Initial Election | | | | | | | | | | | | |  |  |
|  | I hereby certify that the selection of the Total Return distribution method is reasonably expected to result in sufficient protection of the perpetual care trust fund’s principal. | | | | | | | | | | | | | | |
|  | I further acknowledge that: | | |  |  |  |  |  |  |  |  | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image009.pngC:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image010.png | I understand the requirement to implement an investment policy that provides a balanced portfolio that includes a reasonable amount of fixed-income securities, but also supports the growth of the trust fund. | | | | | | | | | | | | | |
|  | I know how to calculate the distribution amount in accordance with Annotated Code of Maryland, Business Regulation Article, §§5-603(g)(2)(ii) and 5-603(g)(4)(iv). | | | | | | | | | | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image011.png | I or the individual responsible for the management of the account have sufficient knowledge and expertise to manage investment portfolios and are familiar with the Total Return distribution method. | | | | | | | | | | | | | |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image012.png | I will monitor the trust fund to ensure that distributions will only be made if the fair market value of the trust fund **exceeds the sum of:** 1) 80% of the average of the end-of-year fair market value of the perpetual care trust fund for the preceding 3 calendar years **AND** 2) the total contributions made to the principal of the perpetual care trust fund from the end of the preceding calendar year. | | | | | | | | | | | | | |
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|  | Date |  |  |  |  | Signature of Trustee | | | |  |  | | |  |  |
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|  |  |  |  |  |  |  | | | | | | | |  |  |
|  |  |  |  |  |  | Print Name of Trustee | | | | |  | | |  |  |
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|  |  |  |  |  |  | Title of Trustee | | | |  |  | | |  |  |
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|  | The following documents must be included only if applying for an Initial Election | | | | | | | | | | | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image011.png | Copy of the Investment Policy Statement. | | | | | |  |  |  |  | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image011.png | Statement of Assets (as of no less than 60 days prior to the submission of this form). | | | | | | | | | | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image011.png | Letter from the cemetery to the trustee requesting the election of the Total Return distribution method. | | | | | | | | | | | |  |  |
|  | C:\Users\DRAPPA~1\AppData\Local\Temp\msohtmlclip1\01\clip_image011.png | Amended trust agreement. | | |  |  |  |  |  |  |  | | |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | | |  |  |
|  | WARNING: Providing false information to the Office of Cemetery Oversight could result in the reprimand, suspension or revocation of your license, and the imposition of civil penalties of up to $5,000 per violation. | | | | | | | | |  |  | | |  |  |