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Department of Insurance
Financial Institutions
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FOR IMMEDIATE RELEASE
Wednesday, April 16, 2008

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Missouri Board of Embalmers and Funeral Directors provides consumer information regarding NPS

JEFFERSON CITY, MO – As the Missouri State Board of Embalmers and Funeral Directors continues to review the alleged inappropriate business practices of National Prearranged Services (NPS), it wishes to provide Missouri consumers and funeral directors with additional information to address their concerns.

The Board last week obtained a Memorandum of Understanding (MOU) with NPS to temporarily suspend all sales of pre-need contracts in the State of Missouri. The Board took this action in order to sufficiently review NPS's business activities.

The Board has been informed that NPS has engaged an independent manager with authority to run NPS and Lincoln Memorial Life Insurance Company (Lincoln Memorial) at the recommendation of several state industry regulators.

To assist consumers and funeral directors with questions regarding NPS, the Board provides the following list of frequently asked questions:

Can NPS sell pre-need contracts?

Not at this time. On March 17, 2008, the Texas Department of Insurance (TDI) issued a No New Business Directive for Lincoln Memorial to cease writing new business in all states. On April 9, 2008, NPS signed the MOU with the Board to suspend all pre-need contract sales in the state of Missouri, and TDI issued a Hazardous Financial Condition Order for Lincoln Memorial and NPS which requires both companies to establish a plan to pay policyholder claims and to address existing contracts. For more information about TDI's actions, please visit www.tdi.state.tx.us.

Does the MOU affect my contract with NPS?

The MOU does not affect any current contracts that are already in force; it only prohibits NPS from issuing any new contracts.

What is the Board doing to protect consumers?

The Board issued the MOU to review the operations of NPS and to evaluate its ability to fulfill its obligations. The Board continues to work with other regulators to determine the best course of action to safeguard the interests of all Missouri consumers.

Who should I contact for more information?

If consumers or funeral directors have additional questions, they may contact NPS by calling 314-726-6706 or 1-800-334-3851, e-mailing customerservice@n-p-s-inc.com or visiting www.npsnetwork.com.

If you have additional questions, please contact the Missouri Board of Embalmers and Funeral Directors at 573-751-0813.

About the Missouri Department of Insurance, Financial Institutions & Professional Registration

The Missouri Department of Insurance, Financial Institutions and Professional Registration (DIFP) is responsible for consumer protection through the regulation of financial industries and professionals. The department's seven divisions work to maintain consumer confidence by examining and monitoring industries and professions and by establishing coherent and evolving policies. DIFP works to enforce state regulations both efficiently and effectively while encouraging a competitive environment for industries and professions to ensure consumers have access to quality products.