

| New Rule 47- Final Rule

RULE 47 Use of Old Business Surplus Funds: Each year following the December semi-annual report required by Rule 10 of the Board's Rules and Regulations, any association having "surplus funds" from its old business, as that term is defined in this rule, may apply to the Board for authorization to transfer all or part of those surplus funds to its new business account if that new business account, according to the association's December semi-annual report has funds insufficient to meet the reserve requirements for its membership calculated according to the reserve table contained in rule 45. Upon receipt of such request, the Board shall approve or disapprove it within 60 days, taking into consideration other remedial measures, if any that have been invoked by the Board.

"Surplus Funds", as that term is used herein means those old business funds held by an association, as reflected by its December ~~12~~ semi-annual report , in excess of the total face value of outstanding policies.

**4. Expenses.** Necessary expenses, including but not limited to printing, stationery, postage, office supplies, clerical hire, and statutory fees may be paid by the association. No organization or promotional expense may be charged and in no event may expenses for any year exceed twenty-five percent (25%) of the gross receipts of dues/assessments, interest and non interest investment income of the association for such year.

Burial Associations shall not be entitled to utilize any portion of collections or interest for operating expenses (25%) when such utilization would reduce the balance of monies available in the mortuary fund to such a level that the association would be unable to pay benefits which accrue to the members of the association.

In the event the entire sum equaling such twenty-five (25%) is not expended as aforesaid, then the amount remaining unexpended shall be converted into the Mortuary Fund at the end of such year and shall not thereafter be used for expenses. Statutory Fees (Annual License Fees) are not considered operating expenses. (Amendment by Act 360 of 1981).