

## Chapter 10

# Arrangements for the funeral



## 10.1 Application and purpose

### Application

10.1.1 **R** This chapter applies to a *funeral plan provider* that enters into a *funeral plan contract*, under which it undertakes to secure that another *person* provides a funeral for the *covered individual* on their death.

### Purpose

10.1.2 **G** The purpose of the requirements in this chapter is to provide certainty at the point of sale of a *funeral plan contract* that an appropriate funeral services provider will provide the services required under the contract at no additional cost to the *customer* or the *covered individual's* estate.

### Arrangements with the funeral services provider

10.1.3 **R** A *firm* must, within 30 days of the *customer's* purchase of a *funeral plan contract*, make appropriate arrangements for the funeral to be carried out. The arrangements must:

- (1) be legally enforceable;
- (2) be made with a funeral services provider that is located within a reasonable distance of the *covered individual's* address, unless:
  - (a) it is clear from the nature of the *funeral plan contract* that this was not the intention of both the funeral services provider and the *customer*; or
  - (b) the *customer* agrees otherwise;
- (3) identify the business name and address of the funeral services provider (including, as appropriate, the relevant branch) that will carry out the funeral; and
- (4) be such as to ensure that neither the *customer* nor the *covered individual's* estate are required to make further payments to the funeral services provider to provide the funeral in accordance with the *funeral plan contract*.

10.1.4 **R** Following compliance with **FPCOB 10.1.3R**, the *firm* must within 2 *business days* provide the *customer* with a notification of:

- (1) the name, address and contact details of the relevant funeral services provider; and

- (2) a summary of the arrangements made with the funeral services provider,  
in accordance with ■ FPCOB 6.2 (Means of communication to customers).
- 10.1.5 **R** The *firm* must provide the notification in ■ FPCOB 10.1.4R to the nominated representative at the same time as it is provided to the *customer* unless the circumstances in ■ FPCOB 9.3.7R apply.
- 10.1.6 **R** The *firm* must regularly review the arrangements under ■ FPCOB 10.1.3R to ensure that the funeral services provider will provide the services required under the *funeral plan contract*.
- 10.1.7 **G** For the purposes of ■ FPCOB 10.1.6R, a review should take place at least every 12 *months*.
- 10.1.8 **R** If at any time after a *firm* has complied with ■ FPCOB 10.1.3R, a *firm* becomes aware that the funeral services provider is unable or likely to be unable to provide the services required under the *funeral plan contract*, the *firm* must make alternative arrangements with another funeral services provider, at no additional cost to the *customer* or *covered individual*.
- 10.1.9 **R** In accordance with ■ FPCOB 6.2, the *firm* must notify:
- (1) the *customer*; and
  - (2) the nominated representative, unless the ■ FPCOB 9.3.6R circumstances apply,
- of any new arrangements made under ■ FPCOB 10.1.8R as soon as practicable and in any event, within 2 *business days* of making the arrangements.
- 10.1.10 **G** A *funeral plan provider* should consider its arrangements in respect of *subsisting funeral plans* and whether those arrangements would meet the purpose of the requirements in this section, what steps it might take to change those arrangements as a result and what notifications to make to the *customer* and the nominated representative.
- 10.1.11 **R** [deleted]