

Chapter 1

Application and purpose

1.1 Application

Application

1.1.1

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- (1) The Funeral Plan: Conduct of Business sourcebook (*FPCOB*) is the specialist sourcebook for *regulated funeral plan activities*.
- (2) *FPCOB* is relevant both to *funeral plan providers* and *funeral plan intermediaries*.
- (3) *FPCOB* applies as described in this chapter unless the application of a chapter, a section or a *rule* is described differently in the chapters, sections or *rules* in *FPCOB*.

Purpose

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The purpose of *FPCOB* is to set out the detailed obligations that are specific to *regulated funeral plan activities* and the connected activities carried on by *firms*. ■ *FPCOB 17* refers to other high-level obligations in the *FCA Handbook* that apply to *firms*, for example, *PRIN*, *GEN* and *SYSC*.



1.2 General application: who? what? where?

Providing funeral plan contracts

- 1.2.1** **R** This sourcebook applies to a *firm* with respect to the activities of:
- (1) *entering as provider into a funeral plan contract*; and
 - (2) *carrying out a funeral plan contract as provider*; and
- activities connected with them.

- 1.2.2** **G** The regulated activities of *entering as provider into a funeral plan contract* and *carrying out a funeral plan contract as provider* apply in relation to *funeral plan contracts* under which the provider undertakes to provide, or secure that another *person* provides, a funeral in the *United Kingdom* (article 59(2) of the *Regulated Activities Order* and see ■ PERG 2.4.2AG).

Distributing funeral plan contracts: firms and appointed representatives

- 1.2.3** **R** This sourcebook applies to a *firm* with respect to *funeral plan distribution* and activities connected with *funeral plan distribution*.

- 1.2.4** **R** A *firm* (including a *funeral plan provider*) that has appointed an *appointed representative* to carry on *funeral plan distribution* must ensure that its *appointed representative* complies with this sourcebook as it applies to a *firm* carrying on *funeral plan distribution*.

- 1.2.5** **G** A *funeral plan provider* that wishes to appoint an *appointed representative* to distribute its *funeral plan contracts* should ensure that the *regulated activities* covered by the *appointed representative's* appointment fall within the scope of the *firm's* *Part 4A permissions* or are otherwise excluded from being *regulated activities* when carried on by the *firm* (see ■ SUP 12.4.1AG).

Financial promotions

- 1.2.6** **R** This sourcebook applies to a *firm*:
- (1) *communicating a financial promotion* in relation to a *funeral plan contract* or a *regulated funeral plan activity* to a *person* inside the *United Kingdom*; and

(2) *approving a financial promotion in relation to a funeral plan contract or a regulated funeral plan activity for communication to a person inside the United Kingdom.*

Modifications to the general application rules

1.2.7 **R** The general application *rules* in this section are modified:

- (1) in the chapters of this sourcebook for particular purposes, including those relating to the type of *firm* and its activities; and
- (2) in ■ FPCOB 1 Annex 1 according to the type of *firm*.

New, subsisting and transferred funeral plans

1.2.8 **R** All of the *rules* in this sourcebook apply in relation to *new funeral plans*, unless otherwise stated.

1.2.9 **R** The *rules* in certain sections of this sourcebook also apply in relation to *subsisting funeral plans*.

1.2.9A **R** Any references in this sourcebook, other than that at ■ FPCOB 16.1.5R(3)(e), to a transfer of a *funeral plan contract* or a transfer of the business of a *funeral plan provider* should be read to include circumstances where *funeral plan contracts* are transferred using the mechanism referred to in ■ FPCOB 10.2.2R.

Application to Gibraltar-based firms

1.2.10 **R** A *Gibraltar-based firm* with *permission for funeral plan provision activity* or *funeral plan distribution* must comply with the relevant provisions of FPCOB and any other provisions in the *Handbook* relating to *regulated funeral plan activity*.

Guidance on application

1.2.11 **G** *Guidance* on the application provisions is in ■ FPCOB 1 Annex 1.

Customers and covered individuals

- 1.2.12 **G**
- (1) In this sourcebook, *rules* may apply by reference to the *customer* or *covered individual* under a *funeral plan contract*, or to both.
 - (2) The definition of *customer* includes a prospective *customer* under a *funeral plan contract*.
 - (3) Reference to the *covered individual* is to the *individual* on whose death a funeral will be provided or secured under a *funeral plan contract* or prospective *funeral plan contract*. The *covered individual* under a *funeral plan contract* will not necessarily be the same person as the *customer* (article 59(2)(b) of the *Regulated Activities Order*).

- 1.2.13 **G** Where the *rules* in this sourcebook require a *firm* to disclose information to a *customer*, the *firm* should also consider:
- (1) whether it should disclose the same information to the *covered individual* (where different from the *customer*) in accordance with its obligations under *Principle 7*; and
 - (2) if it considers that disclosure should be made to the *covered individual*, whether it requires the consent of the *customer* in order to make that disclosure.

Interpretation – “concluding” funeral plan contracts

- 1.2.14 **G** Certain *rules* in this sourcebook apply by reference to the conclusion of a *funeral plan contract*, which means the entering into of the *funeral plan contract*.

Application (see FPCOB 1.2.11G)

Application to different types of firm			
1	Application to funeral plan providers and intermediaries		
1.1	G	(1)	Certain sections of this sourcebook apply differently to <i>funeral plan providers</i> and <i>funeral plan intermediaries</i> . This table summarises which sections of this sourcebook are relevant to <i>funeral plan providers</i> , which are relevant to <i>funeral plan intermediaries</i> and which are relevant to both.
		(2)	A <i>funeral plan provider</i> that has appointed an <i>appointed representative</i> to distribute <i>funeral plan contracts</i> will need to consider the sections of this sourcebook which are relevant to <i>funeral plan intermediaries</i> in relation to the activities of its <i>appointed representatives</i> .
2	Third party processors		
2.1	R	(1)	This <i>rule</i> applies where a <i>firm</i> (or its <i>appointed representative</i>) ("A") has outsourced <i>funeral plan distribution</i> to a <i>third party processor</i> .
		(2)	Any <i>rule</i> in this sourcebook which requires the <i>third party processor</i> , when acting as such, to disclose its identity to a <i>customer</i> must be read as applying to the <i>third party processor</i> only to the extent that it applies to A and as requiring disclosure of A's identity.

