

Chapter 9

Product information

9.1 Producing and providing product information

Application

- 9.1.1 **R** This chapter applies to a *firm* in relation to *funeral plan provision* and *funeral plan distribution*.

Purpose

- 9.1.2 **G** The purpose of the *rules* in this chapter is to ensure that *customers* are provided with appropriate information before concluding a *funeral plan contract* and at relevant times thereafter, in particular when post-contractual changes to a *funeral plan contract* are proposed.

Responsibilities for producing and providing information as between funeral plan providers and funeral plan intermediaries: general

- 9.1.3 **R**
- (1) This *rule* applies in relation to the information that must be provided to the *customer* before the conclusion of a *funeral plan contract* in compliance with the *rules* in this chapter and the distance communication *rules* (■ FPCOB 5.1).
 - (2) The *funeral plan provider* is responsible for producing the information to which this *rule* applies.
 - (3) The *funeral plan intermediary* is responsible for providing the information to which this *rule* applies to the *customer*.
 - (4) If there is no *funeral plan intermediary*, the *funeral plan provider* is responsible for providing the information to the *customer*.
 - (5) A *funeral plan provider* must produce information in good time to enable a *funeral plan intermediary* to comply with the *rules* in this chapter, or promptly on a *funeral plan intermediary's* request.
- 9.1.4 **R** A *funeral plan provider* is responsible for providing all post-contractual information to a *customer* including information required on post-contractual changes made to the *funeral plan*.
- 9.1.5 **R** A *funeral plan intermediary* is responsible for producing price information if it agrees this with a *funeral plan provider*.

9.2 Providing product information to customers: general

Ensuring customers can make an informed decision: the appropriate information rule

- 9.2.1 **R** (1) A *firm* must ensure that a *customer* is given appropriate information about a *funeral plan contract* in good time before the conclusion of the contract and at relevant times thereafter, in a comprehensible form so that the *customer* can make an informed decision about the arrangements proposed.
- (2) The information must be provided to the *customer*:
- (a) whether or not a *personal recommendation* is given; and
 - (b) irrespective of whether a *funeral plan* is offered as part of a package with another product or service.
- (3) The information to be provided under this *rule* must include the full terms of the *funeral plan contract*.
- 9.2.2 **G** The appropriate information *rule* applies:
- (1) at all of the different stages of a contract and includes pre-conclusion and post-conclusion information, and also when post-contractual changes are proposed;
 - (2) in the same way to any *funeral plan*, regardless of whether that *funeral plan* is sold on its own, or in connection with other goods or services; and
 - (3) to the price of the *funeral plan*.
- 9.2.3 **G** **What level of information needs to be provided?**
- The level of information required will vary according to matters such as:
- (1) the knowledge, experience and ability of a typical *customer* for the *funeral plan*;
 - (2) the terms of the *funeral plan contract*, including its main benefits, exclusions, limitations, conditions and its duration;
 - (3) whether the *funeral plan* is bought in connection with another product or service; and

- (4) distance communication information requirements (for example, under the distance communication *rules*, less information can be given during certain telephone sales than in a sale made purely by written correspondence (see ■ FPCOB 5.1.14R (exception: telephone calls)).

9.2.4 G Cancellation rights do not affect what information it is appropriate to give to a *customer* to enable them to make an informed purchasing decision.

Oral sales: ensuring customers can make an informed decision

- 9.2.5 R
- (1) If a *firm* provides information orally during a sales dialogue with a *customer* on a main characteristic of a *funeral plan*, it must do so for all the *funeral plan's* main characteristics.
 - (2) A *firm* must take reasonable steps to ensure that the information provided orally is sufficient to enable the *customer* to take an informed decision on the basis of that information, without overloading the *customer* or obscuring other parts of the information.

- 9.2.6 G
- (1) A *funeral plan's* main characteristics include its significant benefits, its significant exclusions and limitations, its duration (if applicable) and price information.
 - (2) A significant exclusion or limitation is one that would tend to affect the decision of *customers* generally to buy a *funeral plan*. In determining what exclusions or limitations are significant, a *firm* should particularly consider the exclusions or limitations that relate to the significant features and benefits of a *funeral plan* and factors which may have an adverse effect on the services provided under it. Another type of significant limitation might be that the contract only operates through certain means of communication, e.g. telephone or internet.

Funeral plan summary

9.2.7 R A *firm* must provide a *customer* with a *funeral plan summary* in good time before the conclusion of a *funeral plan contract*.

- 9.2.8 G
- (1) The *funeral plan summary* should be provided on paper or in another *durable medium*.
 - (2) In the case of telephone selling, a *firm* may provide the *funeral plan summary* in accordance with the distance communication timing requirements and provide the *funeral plan summary* to the *customer* immediately after the conclusion of the *funeral plan contract*.
 - (3) The *funeral plan summary* should be provided on paper or in another *durable medium* and otherwise in accordance with ■ FPCOB 6.2 (Means of communication to customers).

Responsibility for producing and providing the funeral plan summary as between funeral plan providers and funeral plan intermediaries

- 9.2.9 **R**
- (1) A *funeral plan provider* is responsible for designing and producing a *funeral plan summary*.
 - (2) A *funeral plan intermediary* is responsible for providing a *funeral plan summary* to a *customer*.
 - (3) If there is no *funeral plan intermediary*, the *funeral plan provider* is responsible for providing the *funeral plan summary* to a *customer*.

Funeral plan contracts: importance of reading documentation

- 9.2.10 **R**
- (1) A *firm* must draw a *customer's* attention to the importance of reading the *funeral plan contract* documentation before the end of the cancellation period to check that the *funeral plan* is suitable for the *customer*.
 - (2) This must be done orally if a *firm* provides information orally on any main characteristic of a *funeral plan* but otherwise in writing.

Price information: general

- 9.2.11 **R** A *firm* must provide price information in a way calculated to enable the *customer* to relate it to a regular budget.

- 9.2.12 **G** Price information should include at least the total price (or where it cannot be indicated, the basis for calculating it) of the *funeral plan* and, where relevant:
- (1) for *instalment payment funeral plans* with a payment schedule greater than 12 *months*, whether the payments may increase and if so, the amount of the increase (or where this cannot be indicated, the basis for calculating it) and the timing of the increase;
 - (2) other *fees* and taxes payable and potentially payable by the *customer* through the *firm*; and
 - (3) a statement identifying separately the possibility of any taxes not payable through the *firm*.

- 9.2.13 **R** Where a *firm* offers *customers* the option to pay for a *funeral plan* by instalments, it must clearly communicate the total cost of the instalment payment option.

- 9.2.14 **R** If a *firm* has more than one payment option available for its *funeral plans* and does not present all the payment options to *customers*, it must also make it clear to *customers* that other payment options are available.

- 9.2.15 **G** For the purposes of the *fair, clear and not misleading rule*:
- (1) the total price of the instalment payment option should be given equal prominence and emphasis as the price of the single payment option; and
 - (2) the total price of the instalment payment option should not be presented in a way that gives the impression that it is equivalent to the price of the single payment option (unless this is actually the case).
- 9.2.16 **G** Price information should be given in writing or another *durable medium* in good time before conclusion of the contract. This is in addition to any requirement or decision to provide the information orally. In the case of a *distance contract* concluded over the telephone, it may be provided in writing or another *durable medium* no later than immediately after conclusion.

9.3 Post-contract information: funeral plan contracts

Application

- 9.3.1 **R** This section applies to a *funeral plan provider* in relation to:
- (1) the activities of *entering into a funeral plan contract and carrying out a funeral plan contract*;
 - (2) *new funeral plans and subsisting funeral plans*.

Post-contractual changes

- 9.3.2 **R**
- (1) Throughout the term of a *funeral plan*, a *firm* must provide a *customer* with information about any change to:
 - (a) the price of the *funeral plan*, unless the change conforms to a previously disclosed formula; and
 - (b) any term of the *funeral plan*, together with an explanation of any implications of the change where necessary.
 - (2) This information must be provided in writing or another *durable medium* in good time before the change takes effect or, if the change is at the *customer's* request, as soon as is practicable provided the *firm* explains the implications of the change before it takes effect.
- 9.3.3 **R** A *firm* must notify each *customer* and their nominated representative in good time about any material change to the information concerning potential *funeral plan provider failure* provided in the *funeral plan summary* or the *nominated representative document*, together with an explanation of any implications of the change where necessary. This information must be provided in writing or another *durable medium*.
- 9.3.4 **G**
- (1) When explaining the implications of a change, a *firm* should explain any changes to the benefits and significant or unusual exclusions arising from the change.
 - (2) *Firms* will need to consider whether post-contractual changes are compatible with the original *funeral plan*, in particular whether it reserves the right to vary the price of the *funeral plan*, charges or other terms. *Firms* also need to ensure that any terms which reserve the right to make variations are not themselves unfair under the *Unfair Terms Regulations* (for contracts entered into before 1 October 2015) or the *CRA*.

Nominated representative document

9.3.5 **G** The purpose of the rules relating to the *nominated representative document* is to ensure that a *customer's* nominated representative is aware of the *funeral plan contract*, its features and the procedure to be followed upon the *covered individual's* death.

9.3.6 **R** A *firm* must provide the *nominated representative document* to the *customer's* nominated representative within 5 *business days* of the date of conclusion of the *funeral plan contract*.

9.3.7 **R** ■ FPCOB 9.3.6R does not apply if:

- (1) the *customer* has expressly stated that they do not wish their nominated representative to be contacted; or
- (2) the *customer* is not the *covered individual* and the *customer* has confirmed that no nominated representative is to be appointed.

9.3.8 **G** For the purposes of ■ FPCOB 9.3.7R(1), 'expressly states' means that the *customer* has actively opted out of the nominated representative being contacted.

9.3.9 **R** In relation to *subsisting funeral plans*, a *firm* must consider whether the information provided to date to the *customer's* nominated representative is sufficient to achieve the purpose of this section, and if not, provide the *nominated representative document* to the *customer's* nominated representative as soon as reasonably practicable after [29 July 2022].

9.3.10 **R** The requirement to provide the *nominated representative document* in ■ FPCOB 9.3.9R only applies to *funeral plan contracts* where the *firm* already has the nominated representative's contact details and consent to contact the nominated representative.

Plan statement - requirement for funeral plan providers

9.3.11 **R**

- (1) A *firm* must provide the *customer* with a plan statement (■ FPCOB 9 Annex 3) regarding the *funeral plan contract* at least once every 3 years.
- (2) In relation to *subsisting funeral plans*, a *firm* must provide a *customer* with the first plan statement no later than 31 August 2023.



9.4 Means of communication

Means of communication

9.4.1

R

The information in ■ FPCOB 9 must, unless stated otherwise in this chapter, be provided in accordance with ■ FPCOB 6.2 (Means of communication to customers).

Funeral plan summary

This annex belongs to ■ FPCOB 9.2.7R.

- 1 What information needs to be contained in the funeral plan summary?
- 1.1 R The *funeral plan summary* must contain the following information:
- (1) a summary of the significant features of the *funeral plan*;
 - (2) a summary of the main exclusions or limitations of the *funeral plan*;
 - (3) an explanation of whether changes can be made to the *funeral plan*, and if so, the process and any related costs;
 - (4) price and payment information;
 - (5) the consequences of non-payment;
 - (6) the existence and duration of the right of cancellation;
 - (7) how to complain to the *firm* and that complaints may subsequently be referred to the *Financial Ombudsman Service*;
 - (8) details on whether compensation is available from the *compensation scheme*, if the *firm* cannot meet its liabilities.
- 12 G A *firm*, when providing the information in the *funeral plan summary*, should consider:
- (1) the *rules* and *guidance* on: providing appropriate information to customers in FPCOB 9.2, post contractual changes in FPCOB 9.3 and price information in FPCOB 9.2;
 - (2) the order of the information and priority of the information to be provided;
 - (3) the information needs of the *firm's* typical *customer* for the *funeral plan*;
 - (4) using colours, images and other ways to make the document more accessible, easy-to-read, and eye-catching; and
 - (5) whether to provide additional information to the *customer*, for example, to assist the *customer's* understanding of the proposed arrangements. If a *firm* does provide additional information, the additional information should not disguise, diminish or obscure important information contained in the *funeral plan summary* document.
- Name and company logo of the funeral plan provider
- 13 R (1) The name of the *funeral plan provider*, its statutory status (GEN 4 Annex 1R) and its firm reference number should follow the title 'Funeral Plan summary document' at the top of the first page.
- (2) The provider may insert its company logo to the right of the title.
- Purpose of the document and reference to complete pre-contractual and contractual information
- 14 R The *funeral plan summary* should state the purpose of the document and that complete pre-contractual and contractual information about the *funeral plan* is provided to the *customer* in other documents. The following wording should be used and placed immediately below the name of the provider in a way that it is likely to maximise *customers'* awareness that it is a summary only:
- This document explains what is and is not included in your funeral plan, how you will pay for your plan and information on cancelling your plan, making a complaint and your entitlement to compensation. Please ensure you read this carefully. Please note this is a summary of your plan; please refer to our pre-contractual documentation and terms & conditions or contact us using the contact details below for further details.*
- 2 How must the summary be presented and formatted?

21 R The *funeral plan summary* must:

- (1) be a short and standalone document;
- (2) be presented and laid out in a way that is clear and easy to read, using characters of a readable size; and
- (3) be no less comprehensible in the event that, having been originally produced in colour, it is printed or photocopied in black and white.

Length

22 R The summary document must be set out on no more than two sides of A4-sized paper when printed.

Plain language

23 The *funeral plan summary* must be drafted in plain language, facilitating the *customer's* understanding of the content of that document, and must focus on key information which the *customer* needs to make an informed decision. Jargon must be avoided.

Presentation

24 G A *firm*, when providing the information in the *funeral plan summary*, should consider:

- (1) the use of tables to display costs and other ways to make the document and information more accessible and easy-to-read; and
- (2) the use of bold and italic text to highlight key information.

Headings, corresponding information and order of content

25 R The subheadings must be in this sequence and have the following corresponding information:

- (1) 'What products and services are included in my funeral plan?'

This section should clearly set out using green tick boxes and text the key products and services the *funeral plan* provides.

- (2) 'What products and services are not included in my funeral plan?'

This section should clearly set out through red cross boxes and red text the key products and services the *funeral plan* would not provide that the *customer* would typically expect to be included in their funeral (e.g. catering, flowers). A *firm* should also highlight where the cost of a feature (e.g. burial plot) may exceed the allocated allowance.

This section should also clearly set out any additional costs the *customer* may face (e.g. the need to appoint a new funeral services provider due to the *covered individual's* change of address).

If applicable, a *firm* should prominently state that other exclusions will apply and explain where to find relevant information.

- (3) 'How do I make changes to my plan?'

This section should set out if a *customer* can make changes to their plan, how they can do so and any related costs. It should also refer to the cancellation process should their needs change.

- (4) 'When and how do I pay?'

A *firm* should set out the payment options on offer and the timings of these payments. For example, whether payment is in monthly instalments or a lump sum/single payment.

A *firm* should set out clearly and prominently if the cost of the plan will increase as a result of paying with a different payment option and if so, the cost of each payment option. If applicable, a *firm* should clearly state the *moratorium period* in which the funeral will not be provided if the *covered individual* dies.

A *firm* should set out clearly and prominently any *fees* which are, or may be, payable (including the circumstances in which they are payable).

A *firm* should clearly set out where a customer can find additional information.

5) 'What happens if I miss a payment?'

This section should clearly set out any impact of missing payments, including any *fees* or potential cancellation.

A *firm* should clearly pinpoint where a *customer* can find additional information.

6) 'How do I cancel my plan?'

A *firm* should set out the *customer's* right to cancel – including how long they have to cancel without incurring a cancellation *fee*.

A *firm* should set out clearly and prominently any cancellation *fee*.

A *firm* should clearly pinpoint where a *customer* can find additional information.

7) 'How do I make a complaint?'

A *customer* should complain to the *firm* in the first instance. The *firm* should provide information regarding its internal procedures for the reasonable and prompt handling of complaints.

If the *customer* is unhappy with the *firm's* response, they may be able to refer the matter to the *Financial Ombudsman Service*.

8) 'Financial Services Compensation Scheme'

A *firm* should explain that if it is unable to meet its liabilities, the *customer* or *covered individual* (or their estate, if the *customer* or *covered individual* has died) may be entitled to compensation from the *compensation scheme*.

A *firm* should clearly state where *customers* and *covered individuals* can find further information in relation to the *compensation scheme*.

9) Information concerning potential funeral plan provider failure'

A *firm* should briefly explain the arrangements in place to ensure that in the event of its *failure*:

- (a) there will be a reasonable likelihood that the relevant *funeral plan contracts* will continue to be *carried out* by another *firm*, identifying particular terms in its contracts with *customers*, including relating to prior consents from *customers*, and explaining how they operate; and
- (b) in the event that the relevant *funeral plan contract* will not continue to be *carried out* by the *firm* or another *firm*, the relevant *customer* or *covered individual* will promptly receive a payment corresponding to the *funeral plan customer balance*.

A *firm* should also explain the particular risks to the *carrying out of funeral plan contracts* in the event of its *failure*, including the possibility that *funeral plan contracts* may cease to be *carried out* before the *covered individual's* death, and that *customers* may need to make arrangements with an alternative provider and potentially incur associated costs.

Nominated representative document

This annex belongs to ■ FPCOB 9.3.6R.

1 Format

The document must:

- 11 R (1) be short and stand alone;
- (2) be presented and laid out in a way that is clear and easy to read, using characters of a readable size; and
- (3) be no less comprehensible in the event that, having been originally produced in colour, it is printed or photocopied in black and white.

2 Length

- 21 R The document must be set out on no more than 2 sides of A4-sized paper when printed.

3 Presentation

- 31 G A *firm*, when providing the information in the document, should consider:

- (1) the use of tables to display costs and other ways to make the document and information more accessible and easy-to-read;
- (2) the use of bold and italic text to highlight key information.

4 Headings, corresponding information and order of content

- 41 R The document must contain the following information, and use the headings in (4) to (10), in this sequence:
- (1) a clear statement outlining the purpose of the document, including the name of the *customer* and, if different, the *covered individual* and why it is important that the nominated representative reads the document;
- (2) a clear statement explaining the nominated representative's obligations regarding the plan;
- (3) a clear and prominent statement explaining that the document is a summary of the plan, that complete contractual information is available in other documents and the *customer's* duties and obligations;
- (4) 'What is the procedure to follow when the *covered individual* dies?'
- A *firm* should explain the procedure that the nominated representative should follow when the *covered individual* dies, include contact information for the funeral services provider and specify what documents will be needed.
- (5) 'What is included in the funeral plan?'
- This section should clearly set out using green tick boxes and text the key products and services provided by the *funeral plan*.
- (6) 'What additional costs could there be for me?'
- This section should clearly state the items which are not included in the cost of the plan and which will need to be paid for separately.
- This section should use red cross boxes and text to outline the key products and services NOT included in the plan. These must include any products the *customer* may reasonably expect to be included in their funeral.

A *firm* should also specify if there is a cost to changing funeral services provider and explain that there may be additional costs if the nominated representative chooses alternative items which are not included in the plan.

(7) 'What happens if the *covered individual* dies before payments are completed?'

A *firm* should provide a clear explanation of the coverage of the funeral plan contract if the *covered individual* dies before payments are completed, including any associated *fees*.

(8) 'How do I make a complaint?'

A *firm* should explain that a *customer's* nominated representative should complain to the *firm* in the first instance. The *firm* should provide information regarding its internal procedures for the reasonable and prompt handling of complaints.

If the nominated representative is unhappy with the *firm's* response, they may be able to refer the matter to the *Financial Ombudsman Service*. The representative may need to show that they are authorised to complain on behalf of the *customer*.

(9) 'Financial Services Compensation Scheme'

A *firm* should explain that if it is unable to meet its liabilities, the *customer* (or their estate, if the *customer* has died) may be entitled to compensation from the *compensation scheme*.

A *firm* should clearly state where *customers* and nominated representatives can find further information in relation to the *compensation scheme*.

(10) Information concerning potential provider failure'

A *firm* should briefly explain the arrangements in place to ensure that in the event of its *failure*:

- (a) there will be a reasonable likelihood that the relevant *funeral plan contracts* will continue to be *carried out* by another *firm*, identifying particular terms in its contracts with *customers*, including relating to prior consents from *customers*, and explaining how they operate; and
- (b) in the event that the relevant *funeral plan contract* will not continue to be *carried out* by the *firm* or another *firm*, the relevant *customer* or *covered individual* will promptly receive a payment corresponding to the *funeral plan customer balance*.

A *firm* should also explain the particular risks to the *carrying out of funeral plan contracts* in the event of its *failure*, including the possibility that *funeral plan contracts* may cease to be *carried out* before the *covered individual's* death, and that *customers* may need to make arrangements with an alternative provider and potentially incur associated costs.

Plan Statement

This annex belongs to ■ FPCOB 9.3.11R.

1	Format	
		The plan statement must:
		(1) be a short and standalone document;
		(2) be presented and laid out in a way that is clear and easy to read, using characters of a readable size; and
		(3) be no less comprehensible in the event that, having been originally produced in colour, it is printed or photocopied in black and white.
2	Length	
2.1	R	The plan statement must be set out on no more than 1 side of A4-sized paper when printed.
3	Presentation	
3.1	G	A <i>firm</i> , when providing the information in the plan statement, should consider:
		(1) the use of tables to display costs and other ways to make the document and information more accessible and easy-to-read;
		(2) the use of bold and italic text to highlight key information.
3.2	G	The <i>funeral plan provider</i> may insert its company logo to the right of the title.
4	Headings, corresponding information and order of content	
		(1) a clear and prominent statement outlining the purpose of the plan statement;
		(2) a clear and prominent statement that the <i>customer</i> should review the information in the document to consider whether the plan still meets their needs;
		(3) 'How much have I got left to pay?'
		This section should clearly set out: the <i>customer's</i> monthly payment (as appropriate), the total cost of their plan, and the amount paid to date.
		This section should also prominently set out details of the outstanding balance and the duration of the remaining payments.
		(4) 'What does my plan provide?'
		This section should set out a brief summary of what is included in, and excluded from, the plan and where further information can be found. This should also include the name of the relevant funeral services provider.
		(5) 'How do I make changes to my plan?'
		A <i>firm</i> should explain whether a <i>customer</i> can make changes to the plan, how to do so, what changes they can make (e.g. paying it off more quickly, adding items to the plan) and any related costs. A <i>firm</i> should also explain where to find further information.

- (6) 'How do I cancel my plan?'
A *firm* should set out clearly and prominently the *customer's* right to cancel and identify any cancellation *fees*.
- (7) 'Financial Services Compensation Scheme'
A *firm* should explain that if it is unable to meet its liabilities, the *customer* or *covered individual* (or their estate, if the *customer* or *covered individual* has died) may be entitled to compensation from the *compensation scheme*.
A *firm* should clearly state where *customers* or *covered individuals* can find further information in relation to the *compensation scheme*.
- (8) 'Contact us'
A *firm* should provide its contact details for the *customer*.