

Chapter 9

Product information

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.