

Chapter 9

Product information

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.