

Product governance: funeral plans

Chapter 7

Product governance: funeral plans

7.4 Product governance requirements for subsisting funeral plans

Product governance arrangements

7.4.1 **R** This section applies to a *funeral plan provider* in relation to a *subsisting funeral plan*.

7.4.2 **R** A *funeral plan provider* must ensure that, in relation to its *subsisting funeral plans*, there are adequate product governance arrangements in place, containing appropriate measures and procedures, to ensure a subsisting funeral plan is carried out in way that complies with the *firm's* regulatory obligations under the *FCA Handbook*.

Monitoring and review of funeral plan products

7.4.3 **R** A *firm* must:

- (1) regularly review its *subsisting funeral plans*, taking into account any event that could cause material harm to the *customers*; and
- (2) ensure the review process in (1), provides that appropriate actions be taken for the mitigation and any potential remediation of the harm to existing *customers*.

Monitoring and review of funeral plan products: minimum review period

7.4.4 **R**

- (1) A *firm* must undertake the regular review at least every 12 *months*.
- (2) When determining the appropriate interval for review of a *funeral plan product*, a *firm* must take into account:
 - (a) the nature of the *customer* base, including whether there are significant numbers of vulnerable *customers*;
 - (b) any indicators of *customer* harm potentially emerging from the performance of the product; and
 - (c) any relevant external factors such as changes to the applicable legal rules, technological developments, or changes to the market situation.

7.4.5

R

Product monitoring and review: remedial and mitigating action

- (1) A *firm* must identify during the lifetime of a *subsisting funeral plan* any circumstances related to it that may adversely affect a *customer*.
- (2) Where a *firm* identifies an event that may adversely affect a *customer* holding the *funeral plan contract*, the *firm* must:
 - (a) take appropriate action to mitigate the situation and prevent further occurrences of the detrimental event; and
 - (b) promptly inform concerned *customers* about the remedial action taken.