

## Open Prepaid Funerals Limited Vulnerable Customers Policy

Clause 3.2 of the FPA Code of Practice defines a vulnerable customer as:

*Someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.*

The FCA analysed the answers customers gave to their Financial Lives Survey 2017 to understand how many display one or more of the indicators below and could be considered as potentially vulnerable.<sup>1</sup>

1. Health – health conditions or illnesses that affect ability to carry out day-to-day tasks. 5% of UK adults say their ability to carry out day-to-day tasks is reduced a lot by health conditions or illness.
2. Resilience – low ability to withstand financial or emotional shocks. 30% of UK adults have been identified as having low financial resilience.
3. Life Events – major life events such as bereavement or relationship breakdown. 19% of consumers say a major life event has happened to them or their partner in the last 12 months.
4. Capability – low knowledge of financial matters or low confidence in managing money. 17% of UK adults have low financial capability.

Given these sort of indicators Open Prepaid Funerals act in a manner to monitor these aspects and advise our Funeral Director clients to do the same in relation to providing Open funeral plans.

- being 'older old' for example over 80, although this is not absolute (may be associated with cognitive or dexterity impairment, sensory impairments such as hearing or sight, onset of ill-health, not being comfortable with new technology)
- change in circumstances (e.g. bereavement, divorce)
- severe or long-term illness
- low literacy, numeracy and financial capability skills
- physical disability
- mental health problems
- low income and/or debt
- caring responsibilities (including operating a power of attorney)
- lack of English language skills

Should Open or a Funeral Director selling Open plans feel the purchaser falls into any of these categories they will seek to ask and speak to a next of kin or trusted friend if they have any doubt that the purchaser is fully comfortable with their decision.

<sup>1</sup>(For more information please see the Methodological Notes in the Financial Lives Survey Report 2017 – [www.fca.org.uk/publication/research/financial-lives-survey-2017.pdf](http://www.fca.org.uk/publication/research/financial-lives-survey-2017.pdf))