

Investment Funds

The FairLife Mark is a competitive advantage you can be proud of, boosting customer loyalty and trust by giving you higher standards than those required by law. The highly visible mark says that your firm has a positive attitude toward Consumer Duty, conveying this to your customers in language they understand.

The FairLife Mark Pledge

The mark represents a pledge to promote good customer outcomes by pricing honestly and trading fairly. Any products or services displaying the FairLife Mark must:

- a) Follow the spirit as well as the letter of any agreed regulator's rules and principles with an emphasis on treating people fairly and delivering good outcomes for customers.
- b) Adhere to agreed sources of profit as detailed in the PANA criteria below. Any extra fees or charges must be designed only to cover additional costs and not to generate additional profits.

In essence FairLife providers agree to act in good faith, embracing good practice within the constraints of the market and avoiding poor practice.

PANA criteria for investment funds to display the FairLife Mark

PANA stands for Peer Agreed and Nationally Approved meaning that the criteria have been agreed by a peer group of providers and approved by the FairLife Charity. The resulting standards combine fairness to the public with business practicality. PANA criteria evidence that FairLife-marked products and services meet the FairLife Pledge.

1. The provider must act in good faith, helping customers to select and manage products and services that will help them achieve their financial goals and avoid foreseeable harm.
 - This is achieved by the provider acting consistently within the reasonable expectations of the FairLife Charity, the Financial Conduct Authority, retail customers and the Financial Ombudsman Service.

PRODUCTS FEATURES

2. Either the fund manager or the fund must be regulated by a UK regulatory body.
3. The fund must be designed and maintained to add value for clients, either as a standalone fund or as part of a diversified investment strategy.
4. The product must not discriminate against existing customers. If a separate bonus is to be offered to new customers, this must be in addition to the product.
5. The product must not charge termination fees if exited normally, unless required to treat other customers fairly, and any spread charges should be reflective of costs.
6. If the product comprises only cash and cash equivalents, the provider must also follow the cash savings criteria with the exception of the requirement for FSCS protection.

7. If the provider sells the fund, any benefits the customer has through the FairLife Mark must be included in the sale transfer.
8. A FairLife Fund may be gated to protect customers, but only operating costs may be charged to a gated fund. Fees in excess of these costs must be returned to the fund.

PRICE AND VALUE

9. Fees and charges, other than a management fee and any performance fee, must be designed only to cover additional costs and not to generate additional profits. This requirement does not cover charges for additional products or services offered by the provider in connection with the fund.
10. The interest rate and any upfront admin fee must be deemed to represent fair value for the customer, as must any additional fees or charges for related services offered by the provider in connection with the fund.

CUSTOMER UNDERSTANDING

11. Communications and charging structures must be clear, fair and not misleading.
12. The provider must avoid terms likely to impede a customer's understanding and be willing over time adopt standardised terms for charging customers if peer agreed terms can be secured in the future. This will build public trust and help FairLife schools, colleges and universities to teach financial education.

CUSTOMER SUPPORT

13. The provider must have policies for supporting vulnerable customers, which seek to give those customers similar good outcomes to other customers.

The FairLife Mark is a mark of integrity that can be awarded based on the provider's own declarations. The licensee may use the mark on any qualifying products and cancel at any time.

A competitive advantage you can be proud of