

Fair Creditor Mark

The Fair Creditor Mark is designed for any organisation whose customers can end in debt by failing to meet their repayments or pay their bills. This spans from financial services firms, offering direct credit & loans, to councils, utility companies, retail businesses and similar organisations. The mark covers all types of debt (regulated and exempt, consumer-credit, consumer-hire, peer-2-peer etc).

The criteria of the mark apply at the point the customer enters debt recovery and are the same whether the debt is collected by the original firm or by a third-party debt collection agency.

Criteria of the Fair Creditor Mark:

1. The first criterion is a limit to the interest, fees and costs that can be added to FairLife debt.
FairLife debt is the name given to debt from a FairLife Mark holder once debt recovery has been initiated. The aggregate interest, fees and costs during debt collection must not exceed the value of the debt upon entering debt recovery. There is an exception for small debts; any debt below £500 may add up to £500. Court fees and court costs are exempt from the calculation.
2. The second criterion is to highlight free debt advice.
If a customer misses two or more consecutive scheduled payments they should be informed that they can access free debt advice from groups which includes FairLife debt advisors.
3. The third criterion is the treatment of non-FCA-regulated debt.
Customers holding non-FCA-regulated debt should be treated in a similar manner to those holding FCA regulated debt and should, as far as possible, be afforded the same benefits and protections.
4. The fourth criterion is display of the FairLife Mark.
Where practical, customer contracts and communications regarding any outstanding balance should either display the Fair Creditor Mark or state clearly the words: FairLife Creditor.
5. The fifth criterion is the FairLife Family.
The fifth criterion is a request that when passing on or selling customers' debt the licensee should, where it is in the customer's best interest, favour companies with a relevant FairLife Mark (such as FairLife Debt Recovery).

The FairLife Mark is a mark of integrity, awarded based on the provider's own declarations.

Licence fees

Number of paid employees in the UK	Minimum Annual Licence fee
Up to 50	£1
Up to 100	£50
Up to 200	£100
Over 300	£200

The Mark is free to charities, not-for-profit organisations and holders of any other FairLife Mark (the £1 fee is 'considered paid'). For commercial companies, the annual licence fees are designed to be a token amount which contributes to the running costs of the charity. It is hoped that firms may also make charitable donations to the FairLife Foundation as circumstances allow.

Licence fees will be invoiced by FairLife Limited following the award or renewal of a FairLife Mark. All donations will be gratefully received and acknowledged by the FairLife Foundation Limited.

Displaying the Mark

The FairLife Mark may be displayed at the discretion of the employer on any relevant literature. Placing the Mark is only restricted if the employer sells financial products or services; the restrictions being only to avoid confusion.

Employers who wish to help establish the FairLife Charity as a fair trading mark for the finance industry are encouraged to display a FairLife Charity poster (available from the website), or a window sticker (available from FairLife Ltd) where employees, customers and members of the public can view it.

Obtaining the Mark

This information and a licence agreement can be downloaded from the FairLife Charity website under Commitment Marks / Fair Creditor Mark.

Contact details

Contact details for FairLife Limited and the FairLife Foundation Limited:

Telephone: 020 366 40377

Address: Unit 40A, The Grove, Hatfield, AL9 7RN

Email Addresses: admin@fairlifecharity.org



The FairLife Charity



Appendix 1 FairLife Charity (background)

The FairLife Charity is a fair trading initiative designed to benefit everyone in the UK by improving everyday financial products and educating the public.

The charity is applying the principle of fair trading to the banks and finance institutions of the British economy; awarding its trademark logo, the FairLife Mark, to products and services that meet defined criteria. The FairLife Mark is a mark of integrity. Providers self certify and agree to follow the spirit as well as the letter of the rules.

The mark will span all areas of finance, eventually forming an umbrella of trust known as the FairLife Family, and will ultimately help to highlight minimum standards of sound practice. The Mark will act as a beacon, helping to guide consumers, whilst allowing competition and customer choice to flourish.

Together with raising standards, the FairLife Charity is encouraging companies, including those outside financial services, to make commitments in areas such as pension funding, adult education and the treatment of vulnerable customers. The criteria of these different marks can be interlinked to deliver outcomes for the public that are otherwise hard to achieve.

There are three types of FairLife Mark:

- Product and Service Marks highlight where companies have signed up to help establish fair trading in finance at the product level.
- Commitment Marks highlight where companies have made an organisational-level commitment to improve peoples' lives financially.
- Guidance & Education Marks are awarded in recognition of educating or directing the public in the responsible management of their financial affairs.

The Fair Creditor Mark is a Commitment Mark.

The FairLife Foundation is being gifted to the nation by passing ownership to leading charities. The charities arm of the National Union of Students' became a Member in January 2015. Through their affiliates they represent some seven million students.

More information is available on the charity's website at www.fairlifecharity.org