

The FairLife Pledge

Investment Funds

The fair trading mark represents a pledge to price honestly and trade fairly with your customers. Any product or service displaying the FairLife Mark must be fairly traded and honestly priced in a way that is business practical.

- a) The provider must follow the spirit as well as the letter of any agreed regulator's rules and principles with an emphasis on treating customers fairly.
- b) The provider must 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 you agree to embrace good practice within the constraints of the market and to avoid poor practice which although legal is considered avoidable on a voluntary basis by your peers. Nothing in the FairLife initiative should put you at a commercial disadvantage.

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. Either the fund manager or the fund must be regulated by a UK regulatory body.
2. Fees or 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 excludes charges for additional services or facilities).
3. Communications and charging structures must be clear, fair and not misleading; with material benefits other than costs and charges being declared to the customer.
4. 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.
5. 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.
6. 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.
7. 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.
8. If the provider sells the fund, any benefits the customer has through the FairLife Mark must be included in the sale transfer.
9. 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.
10. The member agrees to follow the spirit of the new consumer duty and to acknowledge interpretations agreed by FairLife panels from time to time, such as areas of foreseeable harm.

If peer agreement can be secured in the future the charity will seek to introduce standardised terminology. This will build public trust and help FairLife schools, colleges and universities to teach financial education. 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.



The FairLife Charity

Fair trading in finance



The FairLife Mark is on your side