

Benchmark

Value Statement for the Fusion Wealth Products (GIA, ISA, JISA & SIPP) - April 2023

In this document, we intend to illustrate how we assess value and whether there is fair value between the total price of the specific Fusion Wealth products and the benefits and the quality the client receives.

The value assessment

The FCA confirms that firms have the discretion to decide on the factors they use in their fair value assessments, provided those factors allow them to demonstrate that there remains a reasonable relationship between the total price of the product or service and the benefits the customer receives. The FCA's intention is for "all customers to receive fair value" which extends further than purely price considerations.

The fair value rules require distributors to understand at least the benefits of the product to the target market, the price, and associated fees and whether any of their or other charges cause the product to become poor value.

Summary of requirements

In summary, for manufacturers, the FCA proposes that the assessment of whether the price of a product or service provides fair value must include consideration of at least:

- the nature of the product or service, including the benefits that will be provided or that consumers may reasonably expect, and their quality.
- any limitations that are part of the product or service.
- the expected total price customers will pay.
- any characteristics of vulnerability in the target market for the product or service.

Fair Value Assessment Methodology

Our Fair Value Assessment methodology is formed by three key areas:

1. Analysis of how the product or service's benefits, and their quality, compare to its price;
2. Analysis of different cohorts or group of clients; and
3. Analysis of price drivers and how the product or service perform against comparable products or services.

Fair Value Assessment

We are the manufacturer for the Fusion Wealth GIA, Fusion Wealth Stocks and Shares ISA, Fusion Wealth Junior ISA, Fusion Wealth SIPP, Bespoke Partners MPS and co-manufacturer for the Fusion Wealth Offshore Bond (with RL360). All other Third-Party products distributed through our platform (Pensions, Offshore Bonds and Onshore Bonds) are manufactured by the relevant product providers. The target market for our platform and products is detailed in our Target Market Statement which is available on our website or accessible via the Fusion and Enable libraries.

Overall Conclusion

Taking into account all areas included in the assessment of value, we believe the Fusion Wealth GIA, Fusion Wealth Stocks and Shares ISA, Fusion Wealth Junior ISA & Fusion Wealth SIPP are demonstrating value overall. We have provided a summary below.

Assessment Area	Fusion Wealth Products (GIA, ISA, JISA & SIPP)
How do the Fusion Wealth product benefits, and their quality, compare to its price?	<p>The Fusion Wealth products do not have any explicit product charges, with the only charges in relation to the Fusion Wealth platform, which clients use to hold the investments within the product.</p> <p>Even though there are no product charges, the products still offer a good range of features and a good degree of the flexibility possible within pension legislation.</p> <p>We have no concerns about the quality of the benefits and services. Complaints and error volumes are low (compared with the size of the book) and do not highlight any notable issues, however, we continue to assess the benefits to ensure we provide a high-quality service.</p> <p>We have no reason to think that any of the benefits or features put vulnerable customers at any disadvantage.</p>
Is the cost of additional features proportionate to the benefit and the quality of the benefit our clients receive?	<p>There are no additional features or related costs.</p>
Do the Fusion Wealth products have any limitations?	<p>We have identified a limitation for the SIPP which can cause minor delays for clients who wish to take benefits immediately following a transfer as the entire value is automatically swept to the platform. This is a known issue that is on our roadmap to fix, and there are also work-arounds in place to help limit the delay.</p>
Are different cohorts of customers each receiving fair value?	<p>There are no variations between different cohorts at product level, with the only differences in relation to the platform charges. Please see the Fusion Wealth Platform Fair Value Assessment for further details.</p>
Does this particular product or service represent fair value against comparable products?	<p>While we do not have any specific comparable product data, we have no reason to think that the Fusion Wealth products do not compare well to other free or low-cost platform products.</p>