

# Benchmark

## Value Statement for the Fusion Wealth Offshore Bond – April 2023

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In this document, we intend to illustrate how we assess value and whether there is fair value between the total price of the Fusion Wealth Offshore Bond 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

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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

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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 offered 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

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Taking into account all areas included in the assessment of value, we believe the Fusion Wealth Offshore Bond is demonstrating fair value (provisional pending comparative analysis). We have provided a summary below.

Assessment Area	Fusion Wealth Offshore Bond
<b>How does the Fusion Wealth Offshore Bond's benefits, and their quality, compare to its price?</b>	<p>There is a Fusion Wealth Offshore Bond charge. It is a tiered percentage fee subject to a minimum amount. This product is accessible through the Fusion Platform, meaning clients will also be subject to the platform fee.</p> <p>We believe the cost and charges associated with this product are reasonable compared to the benefits it offers and their quality. Our analysis of quality indicated we meet our expected standards which we continually look to improve.</p> <p>We have no reason to think that any of the benefits or features put vulnerable customers at any disadvantage.</p>
<b>Is the cost of additional features proportionate to the benefit and the quality of the benefit our clients receive?</b>	<p>There are no additional features or related costs.</p>
<b>Does the Fusion Wealth Offshore Bond have any limitations?</b>	<p>Our assessment outlines that there are no limitations outside the intentional design of the product and legislative/regulatory restrictions.</p>
<b>Are different cohorts of customers each receiving fair value?</b>	<p>There are no variations between different cohorts at product level – the only differences would be in relation to the platform charges. Please see the Fusion Platform Fair Value Assessment for further details.</p>

**Assessment Area**

**Fusion Wealth Offshore Bond**

**Does this particular product or service represent fair value against comparable products?**

While we do not have any specific comparable product data, we have no reason to think that the Fusion Wealth Offshore Bond does not compare well against comparable products.