

## **The complaint**

Mr P complains that St James's Place UK plc ('SJP') charge exit penalties which he was not aware of, meaning that he is unable to move his pension funds to another provider with total freedom.

During the course of his correspondence with this service, Mr P has also raised his concerns in relation to the communication with him following his adviser leaving SJP. Having reviewed all the evidence available in connection with his complaint, I am satisfied that this second issue was not raised as part of the initial complaint to this service, nor was it previously raised with SJP. It would not be reasonable for me to respond to points that have not already been formally raised with SJP, therefore if Mr P wishes to take this new complaint further, he must raise it with SJP in the first instance.

## **What happened**

In August 2021 Mr P sought advice from SJP in relation to setting up a personal pension. A review was carried out which resulted in a recommendation for a pension to be set up to receive regular contributions. A suitability report was issued to Mr P on 11 August 2021 which explained the recommendation and the reasons for it. Following Mr P's acceptance of the recommendation, a pension was set up to receive employer contributions on 19 August 2021.

In October 2022, a further meeting took place, when a recommendation was made for Mr P to increase his contributions into his personal pension. A further suitability report was issued to Mr P dated 9 October 2022 supported by an illustration.

In late December 2023, Mr P's adviser left SJP. Following this, Mr P was notified by SJP that a new adviser would be in touch with him, however as this contact did not take place, Mr P contacted an adviser with a different firm with a view to transferring away his pension. As part of this transaction, Mr P became aware that exit charges would apply to his pension if he transferred it to a different provider.

Unhappy with this, in July 2024, Mr P complained to SJP. He said, in summary, that due to his adviser having left, he no longer wanted his pension with SJP and wanted to transfer it elsewhere. He went on to say that upon doing this, he had become aware that there are exit fees for transferring out which he was not aware of. Mr P stated that he would not have taken out the pension if he was aware of the exit charges and asked them to waive the fee.

Because SJP did not respond to his complaint within the eight weeks allowed, on 14 September 2024 Mr P forwarded his complaint to this service. SJP provided their file in December 2024, however they did not provide a final resolution letter to Mr P.

In March 2025, having carried out an investigation, the investigator provided his view and did not uphold Mr P's complaint. He concluded that the information provided to Mr P made it clear that there would be an exit charge applied to each contribution, and that there was sufficient evidence to suggest that Mr P had been provided with enough information to know how the exit charge worked, or to be sufficiently aware to ask questions about it.

Mr P responded to state that he did not believe that the investigator had carried out a fair assessment of the complaint and requested that his case was escalated to an ombudsman for a final decision. At this time, Mr P raised a further complaint in relation to the service received from SJP. As this complaint had not previously been raised with SJP, the investigator confirmed to Mr P that he must raise the complaint with SJP in the first instance. Mr P was unhappy with this outcome, and provided additional comments to be considered. The investigator did not change his view, and because Mr P remained dissatisfied, the complaint has been forwarded to me for a final decision.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I am in agreement with the investigator, and for broadly the same reasons. At outset, it is important to clarify that this decision relates only to Mr P's complaint in relation to the exit charges applicable to his pension. As part of his submissions to this service, Mr P has also raised further issues in relation to the service received from SJP. SJP have not yet had the opportunity to provide a formal resolution to Mr P's complaint in relation to the service received which is not simply an extension of the complaint previously raised with SJP and subsequently forwarded to this service. It would not be reasonable for me to respond to points that have not already been formally raised with SJP, therefore if Mr P wishes to take this new complaint further, he must raise a complaint with SJP in the first instance.

The crux of Mr P's complaint is that when he attempted to transfer his pension away from SJP he was surprised to learn that exit charges would apply. He states that he had never been made aware of the charges prior to this time.

Mr P was provided with a suitability report and illustration which outlined the recommendation made and the details of the pension. Although Mr P initially stated in his submissions to this service that he had not received any illustration or suitability report, he subsequently confirmed that he had received them via email although he had not read the documents prior to signing his acceptance of the terms electronically via DocuSign.

I have considered whether SJP went far enough in making Mr P aware of the charges that could apply if he were to transfer his pension to another provider and I am satisfied that they did.

Mr P states that he relied on the verbal discussions and representations that took place with the adviser, and only received generic information. He states that he was not made aware of exit charges, either by documentation or verbally. SJP state that Mr P was made fully aware of the exit charges when taking out the plan and that the illustration was provided to him both in person and over email. They additionally state that the suitability report was thoroughly reviewed with Mr P to ensure he was fully informed before agreeing to proceed with the recommendation.

I have not been provided with any meeting notes or recordings of the meetings that took place between Mr P and the adviser, therefore I am unable to confirm with any certainty exactly what was or was not said at that time, in relation to exit charges or any other aspect of the recommendation. However, I have been provided with other documentation from the time of the recommendation.

I have reviewed the content of the suitability report and the illustration, and considered whether SJP went far enough in ensuring that Mr P was aware of the exit penalties applying. I am satisfied that they did.

The suitability report dated 11 August 2021 includes a paragraph entitled "Early Withdrawal Charges on your St. James's Place Retirement Account". This section confirms that the Retirement Account recommended is subject to early withdrawal charges. Although it does not state what the charges are, it refers Mr P to the illustration that had been provided. The illustration shows that the early withdrawal charge was a decreasing charge, starting at 6% in the first year after the contribution was made, reducing each year to 1% in the sixth year, and zero thereafter. I agree that SJP could have been clearer in explaining exactly how much this charge could be based on the level of contributions that were being recommended. However, I do believe that the information provided (across at least two documents) does make it sufficiently clear that an exit charge at some level would be charged during the first six years of each contribution that Mr P should reasonably have been aware that exit charges could apply if he decided to move his retirement pot away to a new provider.

Following the meetings that took place, SJP provided the relevant documentation via email for Mr P to review and sign via Docusign. This is a recognised method of providing documentation and accepting the same. By providing his email address, it is reasonable to consider that Mr P had access to his email account and was willing to accept documentation in this way.

I have been provided with the covering email that was sent to Mr P on 17 August 2021 enclosing a number of documents following the meeting that had taken place with Mr P's adviser. It references the Recommendation report, which it states includes full details of the Retirement Planning Recommendation. The email also enclosed the following;

- Annual value statement
- Personalised illustration
- Suitability Report
- Confirmation of advised funds and recommendation
- Service charter.

The email includes a section entitled "Next Steps" which confirms that the client would receive documents through Docusign. It states that when these were signed and returned, SJP would proceed with setting up the Retirement Account. Mr P has stated that he believes the email was sent from an admin team separate from the adviser. I note that the email was sent by another member of Mr P's adviser's team, who I will refer to as S. I have been provided with a number of emails that were sent between Mr P and S, over a number of months. The tone of these emails is familiar and in some cases requested additional information from Mr P relating to other advice that was being received. I think it is fair to conclude that on receiving an email from S, Mr P could reasonably be expected to understand that the email and any attachments would contain information pertinent to the advice he had received.

Mr P has stated that he completed the Docusign declaration whilst busy at work and did not read and understand the content. I have considered whether it is reasonable for Mr P to have signed this and hold SJP responsible for him not being aware of the content. I am not satisfied that it is. The declaration signed states *"I hereby confirm that the contents of this letter and report, dated 11 August 2021 have been explained to me and I have fully considered all the relevant information to enable me to make an informed decision on the*

*recommendation set out above.*” As a business owner, I would expect Mr P to have understood the importance of reading documentation prior to signing, and raised any queries he may have had. I have not been provided with any evidence to suggest that he did this.

Following the review in November 2022 a further illustration was provided. This also references the existence of exit charges, the amount of these, and includes an explanation of when these would apply.

I am therefore satisfied that SJP took reasonable steps to make Mr P aware of the existence of early exit charges on his pension. For the reasons stated above I do not uphold Mr P’s complaint.

### **My final decision**

I do not uphold Mr P’s complaint against St James’s Place UK plc.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr P to accept or reject my decision before 20 October 2025.

Joanne Molloy  
**Ombudsman**