

The complaint

Miss G complains that PMGI Limited trading as Forces Mutual ('Forces Mutual') mis-sold her insurance policy. She believes her claim was declined due to her occupation in the Armed Forces. She says that, had she understood how her occupation would affect the ability to claim, she would not have taken out the policy.

What happened

Miss G took out an insurance policy that was sold to her by Forces Mutual and underwritten by a provider who I will refer to as V. At the time of sale, her occupation was recorded as Armed Forces – Army (no bomb disposal), and cover was accepted on that basis. The sale was carried out in line with the standard process used by Forces Mutual, and the information recorded was passed to V for underwriting.

Several years later, Miss G submitted a claim under the policy. V declined the claim. She then raised a complaint with Forces Mutual, explaining that she would not have taken out the policy if she had known that her occupation would affect her ability to make a claim.

Forces Mutual reviewed the complaint but did not uphold it. They explained that Miss G's occupation had been correctly recorded, that the policy did not exclude claims for members of the Armed Forces, and that the decision to decline the claim had been made by V in accordance with the policy terms. Miss G remained dissatisfied and referred the complaint to this Service.

An investigator considered the complaint and reviewed the policy documents, the information provided at sale by Forces Mutual, and V's correspondence explaining the claim decision. The investigator concluded that the evidence did not support a finding that Forces Mutual had mis-sold the policy and recommended that the complaint should not be upheld. Miss G did not agree with that view and asked for an Ombudsman decision, so the case has been passed to me to decide.

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.

I begin by recognising the very real distress and frustration that Miss G has experienced. It is entirely understandable that she would feel let down by a policy she expected to provide support at a time of need.

However, it is important to be clear about the scope of this decision. My role is not to determine whether V's decision to decline the claim was correct. My role is to consider whether Forces Mutual acted fairly and reasonably when selling the policy.

The central question in this complaint is whether Miss G's claim was declined because of her occupation and, if so, whether that gives rise to a mis-sale. On the evidence before me, this is not the case. The policy did not include a blanket exclusion for Armed Forces personnel. Miss G's occupation was accurately recorded by Forces Mutual at the point of sale and accepted by V. Cover was placed in force accordingly, and there is no evidence that Forces

Mutual told her she would automatically be unable to claim because she was serving in the Armed Forces.

The evidence also shows that Miss G's occupation was relevant to how the policy operated. The policy documents make clear that, for certain higher-risk occupations, including the Armed Forces, Total & Permanent Disability (TPD) claims are assessed using a Permanent Failure of Functional Activity definition rather than an "own occupation" definition. V has confirmed that the claim was declined because Miss G did not meet the functional activity criteria required under that definition. In other words, the claim outcome resulted from the policy's contractual requirements and how the TPD criteria operate, rather than any failing by Forces Mutual.

In considering all of this together — the sale process conducted by Forces Mutual, the policy terms, V's correspondence, and Miss G's account — I am satisfied that Forces Mutual acted reasonably. They recorded her occupation accurately, sold the policy in line with the information and guidance available at the time, and did not misrepresent the terms of cover in a way that would make the sale unfair. While I fully empathise with Miss G's disappointment and the impact this situation has had on her, the evidence does not support a finding that the policy was mis-sold.

My final decision

For the reasons I have explained, I do not uphold Miss G's complaint against PMGI Limited trading as Forces Mutual.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 5 March 2026.

Farzana Miah
Ombudsman