

The complaint

Mr A complains because Helvetia Global Solutions Ltd ('HGS') declined a claim under his income protection insurance policy.

All references to HGS include the agents appointed to handle claims and complaints on its behalf.

What happened

Mr A held an income protection insurance policy, underwritten by HGS. The policy was purchased through a broker in 2024 and renewed in 2025.

Unfortunately, Mr A was made redundant and made a claim with HGS. HGS said Mr A wasn't eligible for the policy so it cancelled the insurance and said it would refund the premiums to Mr A.

Unhappy, Mr A complained to HGS before bringing the matter to the attention of our Service.

One of our Investigators looked into what had happened and said she didn't think HGS had acted unfairly or unreasonably in the circumstances. Mr A didn't agree with our Investigator's opinion, so the complaint has now been referred to me to make a decision as the final stage in our process.

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.

When making this final decision I can only consider the regulated financial activities which HGS is responsible for and that is the decision to decline Mr A's claim and cancel his policy. This policy wasn't sold by HGS, it was sold by a third-party broker which is a separate company, and which is financially regulated in its own right. If Mr A thinks this policy was mis-sold to him then he'd need to make a complaint to the broker about this, before bringing a new complaint to our Service if the matter remains unresolved.

I'm sorry to hear about the circumstances which led to this complaint. It's clear from Mr A's correspondence that he has been through a challenging time, and I have every sympathy for the situation he has found himself in.

Industry rules say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, alongside other relevant regulatory principles, into account when making an independent and impartial final decision about what I think is fair and reasonable to both parties in the circumstances.

I've carefully thought about all the comments Mr A has made but I won't be addressing every point he has raised in detail. Instead, I'll be focusing on what I think are the key issues. This isn't intended as any discourtesy to Mr A but reflects the informal nature of our Service as an alternative to the civil courts.

The terms and conditions of Mr A's policy say:

'Are you eligible for cover?

You are eligible for Income Protection if on the policy start date you:

...

- *Are a permanent lawful resident of the United Kingdom and have been so for the last 6 months'*

I'm satisfied this wording is clear, fair and not misleading and I don't think it's ambiguous. The policy doesn't set out any further definition of what is meant by a *'permanent lawful resident'* but I don't think it needs to. This can take different forms and can change from time to time in line with Government requirements.

It's not in dispute that Mr A was a lawful resident of the UK. The question for me to consider is whether he was a permanent one. I've considered what I think is meant by the ordinary, everyday meaning of that word as well as the context in which the word is used within the policy. Based on the information available to me, Mr A was on a visa which allowed him to live and work in the UK for a defined period, up to a maximum time-limit. I don't think it was unfair or unreasonable for HGS to consider this meant Mr A didn't satisfy the eligibility requirement of the policy to be a *'permanent'* resident of the UK.

I understand the Insurance Product Information Document doesn't use the word *'permanent'*, but I don't think this alone means it would be fair and reasonable to direct HGS to cover a claim which Mr A isn't otherwise eligible to benefit from. I don't agree with Mr A's comments that renewal of the policy somehow confirmed his eligibility for it. HGS had no way of knowing Mr A's residency or work status until he made a claim under the policy. HGS had no reason to make enquiries about this prior to the claim, and I think it would have been unreasonable for it to have attempted to do so without good reason.

Overall, I don't think HGS acted unfairly or unreasonably by concluding that Mr A wasn't eligible for this policy. And I'm satisfied it was therefore fair and reasonable in the circumstances for HGS to cancel the insurance and refund the premiums to Mr A. I wouldn't generally expect an underwriter to retain premiums when a consumer was never eligible to claim a benefit from the policy, as was the case here.

Mr A has also mentioned HGS's handling of his complaint, but this isn't a regulated activity, so it isn't something I have the power to comment on.

I'm sorry to disappoint Mr A and I wish him well for the future, but I won't be directing HGS to do anything more.

My final decision

My final decision is that I don't uphold Mr A's complaint.

Helvetia Global Solutions Ltd has already made an offer to refund Mr A's premiums, and I think this offer is fair and reasonable in all the circumstances. Helvetia Global Solutions Ltd should refund Mr A all his premiums if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 March 2026.

Leah Nagle
Ombudsman