

The complaint

Mr B is unhappy Red Sands Insurance Company (Europe) Limited (“Red Sands”) has declined a pet insurance claim.

Any reference to Red Sands includes the actions of its agents.

What happened

Mr B had a pet insurance policy for his dog, “S”. Due to an illness, S, sadly, had to be put to sleep. She was 11 years old at the time.

Mr B made a claim on his policy as he thought he was entitled to cover under the “*if your pet dies or is put to sleep*” benefit. But Red Sands said he wasn’t. It referred to the policy terms which say:

“When your pet dies, we’ll cover a percentage of the price you paid for them up to the amount shown in your schedule. If you have a dog over 8 years and 1 day [...] we’ll only cover deaths as a result of accidents.”

As S was put to sleep because of an illness and was over 11 years old at the time, Red Sands said there wasn’t cover.

Mr B didn’t think the terms of the policy were clear. He said he’d been led to believe exclusions didn’t apply to his policy. And so, he remained of the opinion that Red Sands decision to decline the claim was unfair. So, he brought a complaint to this Service.

An Investigator considered it but didn’t uphold it as she was satisfied the policy terms were clear and Red Sands’ decision to decline the claim was in line with these.

Because Mr B disagreed the complaint has been passed to me for an Ombudsman’s 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.

Red Sands was responsible for providing the information to Mr B about his policy. So, he should have been given appropriate information to enable him to make an informed decision, and the information should have been clear, fair, and not misleading.

We’ve been provided with the information Mr B was provided at the time of taking out the policy - which was sent to him before the policy inception.

The policy schedule says Mr B’s policy has a limit of £750 regarding the “death of pet” benefit. The schedule directs Mr B to read the policy booklet also sent to ensure the policy meets his needs. So, I’m satisfied it was made clear that he needed to look at the policy booklet – and not just the schedule in isolation.

Notably, the schedule says: *“This contract is subject to all standard policy terms and conditions plus any associated with or as a result of the following specific exclusions and/or warranties listed below.”* So, Red Sands made it clear that the standard policy terms applied to Mr B’s policy.

When looking at the policy booklet that was sent in 2017, with regards to the death benefit and receiving a percentage of the purchase price, the policy document says under *“What is not covered?”*:

“Death due to illness of your pet aged 8 years or older.”

It’s on page five of the document and within the “key facts” section – so I’m satisfied it was brought to Mr B’s attention. And I don’t consider the wording to be ambiguous. The policy wording directs Mr B to review further information about the benefit on page 16 – which repeats that *“death due to an illness of any dog or cat aged 8 years or over at the commencement date of any renewal period”* isn’t covered.

Taking all this into account I’m satisfied Mr B was given clear information when he took the policy out and should reasonably have been aware that the policy didn’t cover deaths resulting from an illness for pets aged eight years or older.

When Mr B’s policy renewed in April 2024, he was sent the policy booklet, policy schedule and Insurance Product Information Document (IPID). Mr B shared these with us, so I’m satisfied he received them.

I’ve looked at the policy schedule – and towards the top of page two, under *“if your pet dies or is put to sleep”* it says Mr B would only be able to claim a percentage of the purchase price he paid for S if the cause of the death was an accident. So, I find the schedule makes it clear that for there to be cover, the cause of death had to be an *accident*.

The schedule says Mr B should check the policy booklet for full details of his benefits. I’ve looked at the booklet and under “Section B: If your pet dies or is put to sleep” it says:

“When your pet dies, we’ll cover a percentage of the price you paid for them up to the amount shown in your schedule. If you have a dog over 8 years and 1 day or a cat over 10 years and 1 day, we’ll only cover deaths as a result of accidents.”

I find this also makes it clear that if a dog is over eight years and one day when they die, only deaths caused by accident will be covered.

Furthermore, the IPID says under *“what is covered”*:

“If your pet passes away during the policy year, we will pay a percentage of the amount you paid or donated for your pet up to £750. If you have a dog over 8 years and 1 day [...] we’ll only cover deaths as a result of accidents.”

And under *“Are there any restrictions on cover?”* it says:

“We will not pay for the death of any pet from illness once a dog reaches the age of 8 years and over [...]”

So, when I consider all of the above, I’m satisfied the policy, at the time of the claim, makes it clear that deaths caused by an *illness* where a dog is over eight years old and one day won’t be covered. And as S was 11 years old when they passed away from an illness, I’m satisfied Red Sands’ decision to decline the claim was in line with the policy terms.

I've thought about whether its decision to decline the claim is also fair and reasonable given Mr B's assertion that he didn't think any exclusions applied to his policy. Mr B has said that because his schedule says, "*exclusions which have been applied to your policy: none*", he reasonably thought this included general exclusions as well.

I'm not persuaded by this argument as general exclusions are a common feature of insurance policies, and I wouldn't expect Red Sands to list every general exclusion that applies to Mr B's policy on the schedule. Furthermore, the schedule itself directed Mr B to read the policy booklet for more information about exclusions.

Red Sands has also explained to Mr B that it would only include specific exclusions which applied to his policy on the schedule – things like pre-existing medical conditions. That's not unusual with pet insurance policies.

Overall, I'm satisfied Red Sands made it clear what the policy did and didn't cover in respect of the death benefit, and I don't find it has mismanaged Mr B's expectations with regards to the outcome of the claim.

I appreciate my decision will be disappointing for Mr B and comes not long after the loss of his beloved pet, but in light of the above, I'm satisfied Red Sands decision to decline the claim was both in line with the policy terms and fair and reasonable in the circumstances.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 April 2025.

Nicola Beakhust
Ombudsman