

The complaint

Mrs B complains about Allianz Insurance Plc adding exclusions to her pet insurance when she renewed the policy and that it changed the way it communicates with her, which meant she was not aware of the exclusions being added.

What happened

Mrs B took out an insurance policy for her pet, which is underwritten by Allianz. The policy started in August 2018 and she renewed it each year. The policy provides cover for vets' fees up to the policy limit of £2,000 each year.

When Mrs B renewed the policy in August 2023, Allianz added a number of exclusions. These were set out in the policy schedule. Until then, documents had been sent by post but the renewal documents were sent by email and Mrs B says she didn't see them at the time.

She later complained about the exclusions being added and about Allianz changing the way it communicated with her. Allianz said:

- This is not a lifetime policy and exclusions may be added at renewal. The exclusions were added as a result of the medical history and in line with the policy terms.
- While the exclusions are extensive, they do not affect claims involving other issues, and two of them are reviewable after 24 months.

Mrs B was unhappy with Allianz' response and the time it had taken to deal with the complaint.

Our investigator said it was fair to add the exclusions, which had been set out clearly. She said she wouldn't expect an insurer to list everything that could possibly be covered; they need to set out what is not covered, which Allianz had done. As the documents were sent to the new email address Mrs B had given, she would have received them. And the complaint was handled within the relevant timescales.

Mrs B remains unhappy and has requested an ombudsman's decision. She has made a number of points in support of her complaint, including:

- The key point of her complaint is that the vagueness of the exclusions is contradictory with the list of things that would be covered.
- It's not clear why there is an exclusion for the liver when it is not damaged or unhealthy.
- She may have given a new email address but that doesn't mean she wanted to change the communication method. It was changed at a crucial time and this affected her ability to make decisions about the policy.
- She is paying a very high premium but if she had to make a claim, it would be denied, making her pet effectively uninsured.

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.

No insurance policy will cover every risk that may result in a policyholder suffering financial loss. It's for insurers to decide which risks they want to accept and they consider this when deciding whether to offer a policy and if so, how much to charge for it. Insurance is always subject to terms and conditions that limit the insurer's liabilities to its policyholders.

Mrs B is unhappy with the exclusions added to her policy. She says the exclusions mean the cover provided in return for a high premium is meaningless. I've considered her comments carefully but I don't think it was unfair for Allianz to add the exclusions, for the following reasons:

- The policy covers vets fees each year up to the limit of £2,000.
- The policy doesn't offer lifetime cover, or guarantee that a condition will be covered for a certain length of time. It offers cover up to the limit each year, and the policy terms say
If We offer further periods of insurance, We may change the Premium and conditions and add Exclusions because of Your pet's age and/or veterinary history.
- There's no guarantee the policy will continue. At each renewal, Allianz will consider whether to offer a new contract and if so, which risks it wishes to cover and how much it will charge.
- The policy terms also require the policyholder to disclose any changes in their pet's health. So Mrs B had a duty to notify Allianz if there had been a change in health and it could then assess the risk based on that.
- During 2023 Mrs B had made claims on the policy. The clinical history was provided and Allianz was able to review this when deciding whether to offer a renewal. It did offer to renew but the new policy schedule included a list of exclusions for any claims resulting from or connected to
 - back, spine, neck or pelvic disorders
 - liver disorders
 - heart disorders
 - diaphragmatic hernias or ruptured diaphragms
 - arthritis or degenerative joint disease.
- I appreciate these are extensive and they mean Mrs B's pet will not be covered for a range of conditions. But Allianz has provided its reasons for adding the exclusions, based on its underwriting guidelines. Although the exclusions are wide, I don't think they are vague. They are set out clearly and Mrs B is aware claims for any of these things will not be covered.
- With regard to her pet's liver, the clinical history noted a possible lobe of the liver herniating through the defects of her pet's abdomen, so there is an increased risk relating this. But that exclusion can be reviewed if there are no further issues.
- The policy provides cover for vets' fees so the starting point is that Mrs B is covered for these, unless an exclusion applies. I appreciate the exclusions do restrict the cover provided but, as I've explained, insurance is always subject to limitations based on the risk the insurer is willing to accept. It's reasonable to expect the insurer to set out the specific exclusions that apply to restrict that cover, and Allianz has done that.

- I wouldn't expect an insurer to set out a list of what is covered, though Allianz has given examples of things that would be covered including, for example, masses and tumours, the urinary system, skin, eye and ear disorders, and neurological disorders amongst others. The insurance isn't so restricted as to be meaningless.
- As with all insurance, if Mrs B makes a claim it would need to be assessed against the conditions and exclusions set out in the policy terms. If she's unhappy with a decision about a claim she can then complain about that.

Mrs B has a number of health conditions and she's explained how difficult the situation has been for her. It's not clear why the renewal documents were sent by email. Although she updated her email address, Mrs B says she didn't ask for her contact preference to be changed from post to email. I appreciate it would be frustrating for Mrs B if the contact method was changed without her requesting that. But the documents were sent to her new email and she would have received them. If a policyholder doesn't receive their policy documents, it's reasonable to expect them to get in touch and ask for them to be sent again. Allianz also said if Mrs B no longer wished to insure her pet now she was aware of the exclusions, it would refund the premiums from the renewal date.

Finally, Mrs B was unhappy with the time it took to respond to her complaint. The relevant rules and guidance set out the timescales for this and the complaint was dealt with within those timescales.

My final decision

My decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 16 March 2026.

Peter Whiteley
Ombudsman