

The complaint

Mr R is unhappy that Zurich Insurance Company Ltd declined a claim he made on his travel insurance policy.

What happened

Mr R has a travel insurance policy connected to his bank account. Mr R was travelling when the Foreign and Commonwealth Development Office (FCDO) advised against all but essential travel to the United Arab Emirates (UAE). This was related to conflict in the wider geographical region in March 2026. Mr R changed his planned route home to avoid transiting through the UAE. He incurred additional costs due to changing his itinerary. He claimed on the policy for those additional costs.

Zurich declined the claim and relied on a general exclusion for war, hostilities or warlike operations. Mr R complained to Zurich, but they maintained their decision was fair and in line with the relevant policy terms. Unhappy, Mr R complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold the complaint. She thought Zurich had fairly applied the exclusion and declined the claim.

Mr R didn't agree and asked an ombudsman to review the complaint. He said he took reasonable steps to avoid travelling into a region affected by conflict-related risks. He felt this created an unfair position as he'd re-routed to remain within the terms of the policy but was left without cover. So, the complaint was referred to me to make a 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.

The relevant rules and industry guidelines say that Zurich has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy terms and conditions say there is no cover for:

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, terrorism, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power but this exclusion shall not apply to losses under Section 7 – Emergency Medical Expenses and Assistance, and Section 8 – Hospital Benefit unless such losses are caused by nuclear, chemical or biological attack, or the disturbances were already taking place at the beginning of any trip.

I have a lot of empathy for Mr R's circumstances, and I fully appreciate that he took a pragmatic decision to return home via an alternative route which avoided the UAE. However, I'm not upholding this complaint because:

- Travel insurance policies don't cover every eventuality. The policy documentation sets out the specified risks which are and aren't covered under the policy terms.
- There is no cover for changing a return journey itinerary due to changes in FCDO advice and incurring additional costs as a result. So, on a strict application of the policy terms there is no cover available under the policy.
- Mr R's policy contains a clear general exclusion which applies to all sections of the policy. I'm satisfied Zurich reasonably concluded the exclusion applied in the circumstances of Mr R's claim. The UAE was impacted by conflict in the wider geographical area in early March 2026. This included conflict involving missile and drone attacks on the UAE. So, I think Zurich reasonably concluded this fell within the exclusion.
- I've thought about whether it would be fair and reasonable to direct Zurich to pay the claim outside of the policy terms. I'm not persuaded that it is in the circumstances of this case. Insurers are entitled to specify the risks they are prepared to cover. That's a commercial decision they are entitled to make. This is also a common policy term which appears in lots of travel insurance policies. So, I don't think it would be fair and reasonable to direct Zurich to pay Mr R's claim outside of the policy terms and conditions.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 20 May 2026.

Anna Wilshaw
Ombudsman