

## The complaint

X complains Red Sands Insurance Company (Europe) Limited unfairly declined claims under a pet insurance policy.

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

## What happened

The circumstances of this complaint are well known to both parties, so I've summarised what happened.

- X has a pet insurance policy for their dog – who I'll refer to as D. It is underwritten by Red Sands.
- Following treatment an exclusion was added to the policy which said: *"Excludes cover on all claims with respect to the Digestive System with effect from March 2021"*.
- In December 2022, D began to be poorly after ingesting a glove. Red Sands settled the claim regarding the glove and added an exclusion which said: *"Excludes all cover on all claims with respect to anything to do with Foreign Body Glove Ingestion that occurred on 15 December 2022 and Resulting Conditions with effect from 7 March 2023."*
- In January 2023, X made a claim following investigations into D having diarrhoea. And subsequent claims were made regarding a gastric ulcer and pancreatitis. All three claims were declined by Red Sands - it said the conditions were in respect of the digestive system and so, were excluded.
- X complained to Red Sands about its decision, but it maintained its position. X remained unhappy about Red Sands decision to not cover the pancreatitis claim and so, brought a complaint to this Service. An Investigator considered it but didn't uphold it saying the exclusion had been applied fairly as the pancreas is part of the digestive system.
- In response, X provided information from their vet which said: *"The ulcer and the IBD [inflammatory bowel disease] are unrelated to the pancreatitis and should be treated as such."*
- The Investigator considered this information, but it didn't change his mind. Because X disagreed, the complaint has been passed to me for a final 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 issue to be decided here is whether Red Sands has applied the terms of the policy fairly. Red Sands is seeking to rely on the exclusion that claims in respect of the digestive system won't be covered – and it says pancreatitis is to do with the digestive system.

It seems X has accepted the claims for the gastric ulcer and diarrhoea are related to the digestive system. For completeness, given the ulcer was on D's stomach, and the diarrhoea was a symptom of inflammatory bowel disease, I'm satisfied these conditions are to do with the digestive system and therefore, excluded. But X says the pancreatitis is unrelated to the digestive system and has provided evidence from their vet which they say shows the claim for pancreatitis shouldn't be considered part of the digestive system.

I've considered this information, but I'm not persuaded it changes things. Notably, it simply says the pancreatitis is unrelated to the inflammatory bowel disease – not that the pancreatitis is not in respect of the digestive system – which is what's key here.

From my own research, I'm satisfied the pancreas is part of the digestive system, and so, Red Sands has reasonably considered 'pancreatitis' as a claim in respect of the digestive system, and therefore, excluded under the policy.

It follows therefore, that I'm satisfied Red Sands' decision to decline all three claims is fair 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 X to accept or reject my decision before 25 December 2023.

Nicola Beakhust  
**Ombudsman**