

The complaint

Mr and Mrs F are unhappy Fairmead Insurance Limited declined a claim on their pet insurance policy following an accidental pregnancy.

What happened

Mr and Mrs F said their pet fell pregnant after slipping its leash. Their vet dealt with the birth. But when Mr and Mrs F submitted a claim to Fairmead it was declined - even though they'd been told it would be covered when they first reported the claim. Fairmead said breeding wasn't covered under the policy terms.

Mr and Mrs F understand that. But they don't feel accidental pregnancy is the same as breeding. And they've confirmed it was their pet's first pregnancy. So they want Fairmead to settle their claim.

Fairmead apologised that Mrs F had wrongly been told that her claim would be covered. The adviser had told Mrs F the cover would continue if there had been an accidental pregnancy. But any second accidental pregnancy would be classed as breeding. And any claim would be declined due to the breeding exclusion in the pet insurance policy.

Although Fairmead felt it'd correctly declined the claim it recognised Mr and Mrs F hadn't received a high standard of service. And it paid them £100 compensation.

Mr and Mrs F weren't satisfied with Fairmead's response. So they contacted our service and our investigator looked into the matter. She looked at the insurance documents. But she felt the exclusion relied on by Fairmead suggested the first accidental pregnancy wasn't classed as breeding.

The pet's records showed this was the first time the pet had become pregnant. So our investigator felt a reasonable interpretation of the policy wording meant that the treatment shouldn't be excluded. And Fairmead should reconsider Mr and Mrs F's claim.

Fairmead didn't agree with our investigator. So it's asked for an ombudsman's final decision. Fairmead said it was clear that the policy wasn't designed to cover animals used for breeding.

And if a pet has more than one accidental pregnancy it would void the policy, as it would class the pet as being used for breeding. It felt that breeding was a common term which was easily understood to mean 'the mating and production of offspring by animals'.

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.

I'm sorry to hear about the difficulties Mr and Mrs F have experienced. So I've looked carefully at the pet insurance policy documents to decide if Fairmead has applied the breeding exclusion fairly when declining Mr and Mrs F's claim.

Fairmead says 'breeding' is a common term relating to mating and pregnancy and didn't require any further definition in the policy. And it believes the policy document made it clear that any costs related to pregnancy are excluded by the breeding clause.

The policy excludes "*costs for any treatment relating to or resulting from breeding your pet and any complications that may occur as a result of these procedures*". And the policy further states in the 'what is not covered' section "*any pets used for breeding (any more than one accidental pregnancy would be classed as breeding)*."

But there's a difference between 'breeding your pet' – as stated in the policy document and implying a degree of action, and 'your pet breeding' – which would fit more with the typical dictionary definition of how animals create offspring. Some pets may fall accidentally pregnant through breeding. However other pet owners may choose to deliberately breed their pets to produce offspring – often for sale – and that's not something that's normally covered by a pet insurance policy.

In Fairmead's response to our investigator's view, it stated that the policy wasn't designed to cover animals used for breeding. But that's not what happened here. The pet slipped the leash and accidentally became pregnant. The pet wasn't used for breeding. The pregnancy was accidental. There was no intention for the animal to become pregnant.

As the policy doesn't clearly define breeding or pregnancy and the owners haven't made any conscious decision to 'breed their pet' I don't think it's unreasonable to say an accidental pregnancy should not be considered the same as breeding. It follows that the costs associated with an accidental pregnancy shouldn't be declined by reference to the breeding exclusion containing in the pet insurance policy.

The policy document contains a list of 'excluded pets' including "*any pets used for breeding (any more than one accidental pregnancy would be classed as breeding)*." This certainly implies that the first accidental pregnancy wouldn't be classed as breeding by Fairmead.

Fairmead has highlighted that the same section states there is "*no cover for any injury/illness/treatment resulting from or relating to breeding, whelping or kittening*." And the treatment for whelping the pet's pups is therefore excluded anyway.

I've carefully considered Fairmead's response. Whelping is the process of a dog giving birth to puppies. It's something most dogs would be able to do without difficulty or need for treatment. And the policy sentence follows on as part of the bullet point relating to pets used for breeding. It isn't a separate point relating to all pets.

Regardless of how this might be interpreted, in this case the vet treatment is related to the birth of puppies by c-section rather than whelping. And I don't think it would be fair for Fairmead to exclude Mr and Mrs F's claim on that basis.

If Fairmead had intended to exclude any costs relating to the treatment of pet pregnancy, regardless of how it'd occurred, it could've simply said that in the policy documents.

But that's not what the policy states. And I'm not convinced that Fairmead has applied the terms of the policy correctly and fairly in this instance.

The pet's records confirm that this was the first pregnancy. And the pregnancy was accidental and not related to breeding purposes. So I think Fairmead should reconsider Mr and Mrs F's claim.

Putting things right

I can see that Mr and Mrs F have already settled the vet's invoice for the treatment. So to put things right Fairmead should pay Mr and Mrs F the sum of £1094.45 and it should add interest of 8% starting from the date of 15 February 2021 when it gave incorrect advice until the date of payment.

My final decision

My final decision is that I uphold this complaint. Fairmead Insurance Plc should provide the redress set out above in "putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 23 March 2022.

Andrew Mason
Ombudsman