

The complaint

Mrs B complains that Casualty & General Insurance Company (Europe) Ltd (“C&G”) has unfairly declined a claim and voided two pet insurance policies.

Where I refer to C&G, this includes the actions of its agents and claims handlers for which it takes responsibility.

What happened

The detailed background to this complaint is well known to both parties, so I’ll only summarise the key events here.

- Mrs B held two pet insurance policies, underwritten by C&G, for her cats.
- In the process of reviewing a claim Mrs B had made, C&G became aware the cats were registered at the veterinary practice under a business name. It made enquiries and found that Mrs B runs an animal rescue.
- Because of this, C&G voided the policies from inception and refunded the premiums. This meant the claim wasn’t paid. It said Mrs B hadn’t disclosed that she runs a business and that the policy is intended to cover domestic pets, not animals used for a business, trade, or profession.
- Mrs B didn’t think this was fair. She says she isn’t a business – she’s a self-funded rescue which doesn’t charge for the animals she rehomes; she accepts a voluntary donation which is put towards the care of the animals. She raised a complaint, which she brought to our Service.
- Our Investigator didn’t uphold the complaint as she was satisfied Mrs B hadn’t provided accurate information when she took out the policy, which led to a qualifying misrepresentation. She was persuaded C&G were entitled to void the policies.

As Mrs B didn’t agree with our Investigator, the complaint has been passed to me to decide.

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.

Having done so, I’ve reached the same outcome as our Investigator, and for broadly the same reasons. Before I explain why, I wish to acknowledge the parties’ submissions in respect of this complaint. Whilst I’ve read them all, I won’t comment in detail on every single point that has been made. Instead, I’ll focus on the key points that are relevant to the outcome I’ve reached. That’s in line with our remit, which is to resolve complaints promptly and with minimal formality.

The relevant law in this case is The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). This requires insurers to ask clear and specific questions and for customers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract (a policy).

CIDRA allows an insurer certain remedies in situations where it can show a qualifying misrepresentation has occurred. A misrepresentation is a qualifying one if the insurer can show that it would've done something differently had a misrepresentation not been made – like offering the policy on different terms or not offering one at all.

When Mrs B took out her pet insurance policy online, she was asked to agree to a list of assumptions, one of which said:

“You are a resident of the United Kingdom, the owner of the pet on the policy and the pet resides at the same address as you.”

Mrs B agreed to this assumption. And she maintains that this is correct. She says the animals she takes in are her pets until such time that they're rehomed, and some of them may never be. She says the animals are chipped in her name so she's the legal owner.

Whilst I understand the arguments Mrs B has made, I don't agree. This is because Mrs B registered these cats at the veterinary practice in her business name – not her personal name. And she had them advertised online for adoption. This indicates these were foster animals and not intended to remain with Mrs B as her personal pets. Whilst she may be responsible for the animals and have temporary ownership of them, I don't think this is the intention of the statement above.

For this reason, I don't think it was reasonable for Mrs B to agree to the above assumption in these circumstances. And C&G have shown that if Mrs B had not agreed to it, it wouldn't have offered a policy. Furthermore, had Mrs B taken out the policy in her business name, I'm persuaded C&G wouldn't have offered a policy. As such, this is a qualifying misrepresentation and, under CIDRA, C&G are entitled to void the policy to inception which means claims that have been made will not be paid.

C&G are treating the misrepresentation as careless, so they've refunded the premiums back to Mrs B and I think that's reasonable.

I've also been provided with a copy of the policy documentation which was sent to Mrs B after she took out the policy. C&G has highlighted the following:

Terms of business agreement

“Statement of demands and needs

This policy is suitable for pet owners who wish to protect themselves against the unforeseeable costs associated with pet ownership.”

Terms and conditions

“General exclusions

- *We shall not pay any claims where your pet has been used for or in connection with a trade, profession, breeding (whether as a business or not) or where your pet has been bred for monetary gain or reward, unless we have agreed in writing to cover such use.*
- *Any of the following cats are excluded from coverage:*
 - *Any cats used for business, commercial, trade, racing, guarding, showing*

or working purposes.”

This further highlights the intention of the policy isn't to cover businesses or animals in temporary foster homes. I appreciate Mrs B says she isn't a business, because she doesn't make a profit. But this doesn't mean she isn't running a non-profit commercial entity. And, as I've explained above, I'm not persuaded she intended to keep these animals as her own personal pets otherwise I think she would've registered them at the veterinary practice in her personal name and not listed them online for rehoming.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 30 December 2025.

Sheryl Sibley
Ombudsman