



Production INSURANCE

for British Columbia

Grapes

Policy Wording
for
The Continuous
Specified Perils
Production Insurance
Contract

This policy contains a clause which may limit the amount payable



Ministry of Agriculture
www.gov.bc.ca/agribusinessriskmanagement



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BASIS AND TERM OF CONTRACT

Definitions

1.1 In this contract, the following words have the following meanings:

- "Appraised Unharvested Yield" has the meaning given in paragraph 7.2;
- "Assessment" has the meaning given in paragraph 7.4;
- "Coverage Value" means the value of each Type of Crop that we guarantee for Yield Loss purposes, being the sum of [(probable yield of each Variety of Grape less the deductible you select before the Crop Year starts from the choices we offer) X (Insurable Value for that Variety)], as specified on a Statement of Premiums and Coverages;
- "Crop" means a crop of a Type of Grapes which is insured under this contract;
- "Crop Year" means the period starting on November 1 of a year and ending on October 31 of the next year;
- "Declaration of Production" has the meaning given in paragraph 5.4;
- "Event" has the meaning given to it in section 6.1;
- "Grape" means a table grape of any Variety or a wine grape of any Variety;
- "Grape Vine" means a grape vine insured under this contract that has been in its permanently planted position for at least one growing season and which has produced either a single leader at least 60 cm in length, or more than one leader, the strongest of which is more than 50 cm in length;
- "Grape Vine Loss" has the meaning given in paragraph 2.2;
- "Grape Vine Top" means the portion that is more than 30 cm above the ground of a Grape Vine that was planted before the start of the previous Crop Year;
- "Insurable Loss" means any of
 - (a) Yield Loss (defined in paragraph 2.1), and
 - (b) Grape Vine Loss (defined in paragraph 2.2);
- "Insurable Value" means
 - (a) for Yield Loss, the value, per weight unit of Variety of Grape lost, used to calculate indemnity, which we specify before the Crop Year starts or which you select before the Crop Year starts from the choices we offer, as applicable, and
 - (b) for Grape Vine Loss, the indemnity payable per Grape Vine or Grape Vine Top lost, which we specify before the Crop Year starts or which you select before the Crop Year starts from the choices we offer, as applicable;
- "Minimum Coverage" means coverage at the Insurable Value and deductible we specify plus, if you qualify, Grape Vine Loss coverage at the Insurable Value and deductible we specify;
- "Notice of Loss" has the meaning given in paragraph 6.1;
- "Statement of Premiums and Coverages" means a document which sets out your coverage details and premiums for a Crop Year;
- "Total Yield" means the yield of a Crop you produce and harvest in a Crop Year, as modified by paragraph 4.7, if applicable, plus Appraised Unharvested Yield (defined in paragraph 7.2), but excludes hail damaged table grapes which are harvested for salvage;
- "Type", when referring to Grapes or Crop, means either table grapes or wine grapes, and, when referring to Grape Vines, means either table Grape Vines or wine Grape Vines;
- "us", "we", and "our" refer to the Province of British Columbia alone: they never refer to the combination of you and the Province of British Columbia;
- "Variety" means, when referring to table grapes or wine grapes, a distinct category listed on a table of varieties available for viewing at one of our Business Risk Management Branch Offices from before the Crop Year starts;
- "Yield Loss" has the meaning given in paragraph 2.1;

Contract Terms And Formation

- 1.2 The following are included as terms of the contract between you and us:
- (a) your initial application for insurance and your application for specific coverages in each Crop Year, including all representations you make to us in the applications and in any documents we require in support of your applications,
 - (b) this document,
 - (c) all changes to this document that we make and notify you of in accordance with this document,
 - (d) the Statement of Premiums and Coverages for the Crop Year in question, and
 - (e) all terms implied by law, including those applicable terms specified under the Insurance Act, SBC 2012, c.37 and the Insurance for Crops Act, RSBC 1996, c. 229.

Our acceptance of your original application for insurance creates a contractual relationship between you and us. It continues in force from year to year during your lifetime until terminated according to this document. Details of coverage for each Crop Year are determined in accordance with the procedures described in this contract. If you do not arrange for and pay for a specific coverage by the appropriate deadline in a Crop Year, you do not have that coverage, even though the contract continues in other respects.

Changes To Contract

- 1.3 We may change the terms of this contract by notifying you of the change 30 days before the start of the Crop Year affected. We may change, without limitation, the kinds of Crops insurable, the perils covered, premium rates, minimum premiums, insurable value choices, deadlines, and general terms of coverage. If you do not agree with the change to the contract, you can cancel it by giving written notice (see paragraph 1.5), or you can elect to not have coverage by not paying your premium (see paragraphs 4.5 and 4.6) by the due date (see paragraph 10.1).

Periods Of Coverage

- 1.4 Insurance coverage specified on a Statement of Premiums and Coverages is effective from the start of the Crop Year until
- (a) for Grape Vine Loss, the end of that Crop Year, and
 - (b) for Yield Loss,
 - (i) the end of that Crop Year,
 - (ii) for any portion of a Crop, the day that portion is harvested, or
 - (iii) the day when, in our opinion, the harvesting of the Crop should have been completed, whichever is earlier.

Termination - You Must Give Us Written Notice

- 1.5 You may terminate this contract by giving us written notice. The notice takes effect immediately before the start of the next Crop Year.

Contract Ends Upon Death

- 1.6 In the event of your death, the contract terminates either
- (a) at the end of the Crop Year in which death occurs, or
 - (b) on the day that your insurable interest ceases to be part of your estate,
- whichever is the earlier.

No Transfer Of Insurance Without Consent

- 1.7 If you transfer all or part of your insurable interest (by selling or otherwise) the contract with respect to the transferred portion terminates at the time of the transfer. Any applicable reduction in premium due for optional coverages is determined according to a methodology available for viewing at one of our Business Risk Management Branch Offices before the Crop Year starts.

The contract does not terminate if we, you, and the transferee agree to substitute the transferee for you concerning that transferred interest. We may refuse to agree or we may vary the terms of the contract as a condition of agreeing.

No Indemnity Unless You Retain Insurable Interest

1.8 To be eligible for an indemnity, you must retain the insurable interest in the insured property until we have finished the adjusting process.

Limitation of Actions

1.9 Every action or proceeding against an insurer for the recovery of insurance money payable under this contract is absolutely barred unless commenced within the time set out in the Insurance Act.

PERILS AND COVERAGE CONDITIONS

Yield Loss Coverage

2.1 If you obtain coverage for loss of yield, we must indemnify you for any reduction in value of a Crop below the Coverage Value ("Yield Loss") due to a reduction in yield caused by

- (a) hail;
- (b) spring frost;
- (c) drought;
- (d) flood;
- (e) wind;
- (f) landslide;
- (g) fire;
- (h) rain; or
- (i) freeze.

The formulas for calculating Yield Loss indemnity are found in paragraphs 8.1 and 8.2.

Grape Vine Loss Coverage

2.2 If you obtain coverage for loss to Grape Vines, we must indemnify you for damage ("Grape Vine Loss") to a Grape Vine caused by

- (a) drought;
- (b) freeze;
- (c) landslide; or
- (d) fire;

and which, in our opinion, renders the Grape Vine or Grape Vine Top no longer economical to maintain.

The formula for calculating Grape Vine Loss indemnity is found in paragraph 8.3.

To be eligible for Grape Vine Loss coverage, you must meet all of the following conditions:

- (a) If you obtain Yield Loss coverage for wine Grapes, you must request Grape Vine Loss coverage for all Grape Vines that you own or lease that bear wine Grapes.
- (b) If you obtain Yield Loss coverage for table Grapes, you must request Grape Vine Loss coverage for all Grape Vines that you own or lease that bear table Grapes.
- (c) You must own or have a minimum of a 5 year lease of the Grape Vines and must have an interest in the lands upon which they grow.
- (d) You must, before the Crop Year starts, provide us with a list of all those Grape Vines by Variety, age, and spacing and a map showing their location.

Grape Vine Loss Part Of Minimum Coverage

2.3 If you are eligible for Grape Vine Loss coverage and you pay the premium for Yield Loss coverage of a Type of Grape by the due date (see paragraph 10.1), you are, subject to meeting all other requirements, automatically covered for Grape Vine Loss for Grape Vines of that Type at the deductible we specify.

EXCLUSIONS FROM COVERAGE

Exclusions

- 3.1** No indemnity is payable for
- (a) any loss that you could control, including, without limitation, loss resulting from poor management, negligence, or breach of this contract, or
 - (b) any loss caused by another person, including, without limitation, by vandalism.

We Decide What You Can Control

- 3.2** We may, in our sole discretion, decide, for the purposes of paragraph 3.1, what you can control, but we must act reasonably in making this decision. If an excluded event causes a loss, we may deny the claim or reduce the indemnity by applying an Assessment.

UNDERWRITING AND ANNUAL REVISION OF COVERAGE DETAILS

Deadline For Changes In Coverage

- 4.1** If you want coverage different from the previous Crop Years', we recommend you notify us in writing at least 30 Zdays before the Crop Year starts. In any event, you must request changes and give us all the information we require in support before the Crop Year starts.

before the deadline, we must, before the Crop Year starts or within 15 days after your application or change request, whichever is later, either

- (a) provide you a Statement of Premiums and Coverages for the ensuing Crop Year or
- (b) decline to offer you insurance.

Deadline For New Applications

- 4.2** Persons who are not already insured under the Grape production insurance program must apply for insurance and provide all the information we require in support before the Crop Year starts.

Accepting Our Offer Of Minimum Coverage

- 4.5** Your payment of the premium for Minimum Coverage by the due date (see paragraph 10.1) is your acceptance of our offer of that insurance described in the Statement of Premiums and Coverages: if we do not receive payment by the due date, you are deemed to have rejected our offer and elected to not have that insurance for the ensuing Crop Year.

Statement Of Premiums and Coverages If No Changes

- 4.3** If you are already insured under the Grape production insurance program, we must, 30 days before the Crop Year starts, either
- (a) provide you a Statement of Premiums and Coverages for Minimum Coverage for the ensuing Crop Year or
 - (b) decline to offer you insurance.

Accepting Our Offer Of Optional Coverage

- 4.6** Your payment of the premium for coverage other than Minimum Coverage by the due date (see paragraph 10.1) is your acceptance of our offer of optional insurance described in the Statement of Premiums and Coverages: if we do not receive payment by the due date, you are deemed to have rejected our offer and elected to not have any optional coverage for the ensuing Crop Year.

Statement Of Premiums and Coverages For New Applicants Or If Changes

- 4.4** If you apply for insurance before the deadline or request changes to your policy

You Must Request Coverage For All Of Your Crop/Vines

4.7 If you request coverage for Yield Loss of a Type of Grape, you must request coverage for the entire crop of that Type of Grape you grow on land you own or lease as of the start of the Crop Year. If you do not do this, production from the uninsured land will be included in Total Yield of that Crop for adjusting purposes, even though we do not increase your Coverage Value. If you request Grape Vine Loss coverage for a Type of Grape Vine, you must request Grape Vine Loss coverage on all Grape Vines of that Type you own or lease at the start of the Crop Year.

We May Deny Coverage

4.8 We may, in our sole discretion, refuse to provide you insurance coverage by giving you written notice before the start of a Crop Year. We may, without limiting the scope of our discretion, refuse coverage based on

- (a) the area and the site used to grow the vines that will bear the Crop,
- (b) the variety of the vines or Crop, and
- (c) the health and vigor of the vines that will bear the Crop.

We May Specify Conditions

4.9 We may require you to meet conditions to be eligible for insurance coverage.

Underwriting In Our Sole Discretion

4.10 We have the sole discretion to determine underwriting matters, including, without limitation, to establish probable yield of a Crop, premium rates, premiums, deductible level choices, and insurable value choices. You have no right to appeal underwriting decisions.

Termination of Contract – Failure to Obtain Coverage

4.11 If you have not obtained coverage for two consecutive Crop Years and do not obtain coverage at the start of the next Crop Year, this contract terminates at the start of that Crop Year. If you wish to again obtain coverage, you will have to reapply.

YOUR DUTIES

Information You Give Must Be Accurate

5.1 You represent and warrant that all information you have provided, and promise that all information you will provide, to us related to this contract is correct and true.

- (b) promptly report to us any change in circumstance or Crop management technique that may affect this contract or an indemnity or premium due under it.

You Have A Duty Of Good Faith And Full Disclosure

5.2 This is a contract of insurance. We will not necessarily make an inspection before the start of the Crop Year. We will rely on the information you provide us. You owe us the duty of utmost good faith and full disclosure required by the common law of insurance. This includes, without limitation, the duty to

- (a) accurately disclose to us all details of your growing operation which may affect our risk in insuring you, including the condition of the vines used to grow the Crop, the condition of the equipment used to manage the Crop and vines, changes in the lands that you farm, and your history of losses and production, and

Crop Management And Salvage

5.3 You must care for and manage the Crop and vines on which the Grapes grow according to recognized agricultural management practices and horticultural techniques: this includes taking reasonable precautions to avoid damage from all hazards, insured or not.

You must make a reasonable effort to harvest and sell for a reasonable price table grapes damaged by hail as a condition of receiving a Yield Loss indemnity for them.

Keep Records and Declare Production

5.4 You must keep complete records of Grapes that you produce, harvest, sell, and otherwise come into possession of or dispose of, by Type, Variety, lot, and weight. You must, upon completing harvest, complete, sign, and deliver to us a document (a "Declaration of Production") in a form we specify which gives full details of those records.

Right To Enter And To Inspect Records

- 5.5** You must allow any agent we appoint, at any reasonable time, to enter upon your land to
- (a) inspect and measure your land and any crop or grape vine grown or stored on it,
 - (b) determine whether a proposed Crop or Grape Vine that will bear it is acceptable for insurance,
 - (c) inspect any record that you are required by this contract to keep,
 - (d) ensure that the terms of this contract are being complied with, and
 - (e) adjust a claim for indemnity, including, without limitation, determine the extent and cause of loss, the size of the area involved, and the number and age of Grape Vines and Grape Vine Tops and which of them are no longer economical to maintain.

Right To Records Held By Others

5.6 You authorize us to inspect any records held by other persons pertaining to your Crop or Grape Vines and direct those other persons to disclose those records to us. You must confirm that direction to those persons upon our request.

You Must Provide Information

5.7 You must give us the information required by this document by the times specified and must provide, on demand, all information that is, in our opinion, relevant to underwriting or to determining a claim for indemnity.

You Must Show Insurable Interest

- 5.8** You must, upon request, provide us with
- (a) full details of the location of the lands upon which the Crop or vines that produce it are located,
 - (b) evidence of your interest in those lands, and
 - (c) evidence that you have an insurable interest in the crops and grape vines insured under this contract.

Report Acquired (Uninsured) Crops Immediately

5.9 If, after the Crop Year starts, you acquire, by ownership or lease, land which produces Crop of a Type for which you are covered under this contract, you must tell us about it immediately.

Store Crop In A Way That It Can Be Measured

5.10 You must store all Crop insured under this contract, including discarded Crop, separately from production not insured under this contract and in such a way that we can accurately measure its quantity when adjusting a claim for indemnity.

NOTICE OF LOSS

You Must Give Detailed Notice Of Loss

- 6.1** Each time you become aware of an event that has the potential to damage the Crop or Grape Vines (an "Event"), you must give us notice ("Notice of Loss") that describes
- (a) the Event,
 - (b) the date(s) the Event occurred,
 - (c) the location of the land on which the potentially damaged Crop or Grape Vines grow,
 - (d) the Crop or Grape Vines potentially damaged,
 - (e) any agronomic conditions or symptoms observed that indicate there may potentially be damage to the Crop or Grape Vines,
 - (f) the potential damage to the Crop, estimated in terms of yield potentially reduced, and
 - (g) the number and age of any Grape Vines potentially damaged.

How To Give A Notice Of Loss

- 6.2** You may give the Notice of Loss by telephone, in person, or by mail, delivery, or fax. Upon receiving notice, we must give you a confirmation number. If you do not receive a confirmation number within 14 days of giving the Notice of Loss, you must tell us immediately. You are deemed not to have given the Notice of Loss any earlier than 14 days before you tell us that you did not receive the confirmation number.

Deadline For Giving Notice Of Loss

- 6.3** You must give us a Notice of Loss at the earliest of the following:
- (a) the date(s) you become aware of an Event,
 - (b) the start of harvest of any portion of the Crop for which a claim for indemnity is made,
 - (c) the end of the period of coverage in the relevant Crop Year (see paragraph 1.4).

If a Notice of Loss is not received by the required time, we may deny the whole claim or reduce it by an Assessment to take into account the harm caused us by your late notice.

ADJUSTING LOSS

We May Require Crop To Mature

- 7.1** After inspecting a Crop, we may require you to allow the Crop to mature.

Permission To Abandon Crop

- 7.2** If you claim an indemnity for a Crop, you must harvest within a reasonable time after it matures all Crop of that Type, unless we give written consent not to harvest (any Crop that you refrain from harvesting with our written consent is defined as "Appraised Unharvested Yield").

Removing Or Cutting Back Grape Vines

- 7.3** If you claim an indemnity for Grape Vine Loss or Grape Vine Top Loss, you must not remove or cut back any grape vines or work down or use other than to produce Grapes, land covered by this contract before we give written consent.

To be eligible for an indemnity, you must tell us in writing in a form we approve how many Grape Vines suffered Grape Vine Loss. You must do this before September 15 of the Crop Year in which the Grape Vine Loss occurred.

To be eligible for indemnity for Grape Vine Loss if the whole Grape Vine is damaged, you must remove all damaged Grape Vines, once we give written consent to do so. Once you have done this, you must tell us so we may inspect what you have done.

To be eligible for indemnity for Grape Vine Loss if the Grape Vine Top only is damaged, you must cut back all damaged Grape Vine Tops to within 6 inches of the bud union once we give written consent to do so and before March 30 of the Crop Year that follows the Crop Year in which the Grape Vine Loss occurs. Once you have done this, you must tell us so we may inspect what you have.

We May Reduce Indemnity (Assessments)

- 7.4** We may reduce the indemnity otherwise payable by deducting an amount (an "Assessment") to take into account losses attributable to uninsured causes, including, without limitation
- (a) poor management and Grape Vine and crop care practices,
 - (b) losses caused by uninsured hazards,
 - (c) losses excluded by paragraph 3.1
 - (d) unauthorized removal of Grape Vines or Crop,
 - (e) unrecorded Crop disposal,
 - (f) pruning,
 - (g) not harvesting Crop within a reasonable time after it matures,
 - (h) abandoning Crop without obtaining written consent,
 - (i) not giving a Notice of Loss by the required deadline (subject to our considering the claim at all), or
 - (j) your breach of this contract, including falsely describing the nature of, location of, acreage of, or yield of a Crop, knowingly misrepresenting or not disclosing any facts required to be disclosed, or failing to discharge your duty of good faith and full disclosure to us.

We Have Right To Determine Yield And Assessments

- 7.5** We may determine Total Yields, causes of loss, amounts of loss, and Assessments by the most practical and reasonable methods available, including, without limitation, sampling, inspecting, measuring, estimating, reviewing documents, comparing records of production from nearby lands, and using information you provide. If there is a discrepancy between information you provide and information we obtain from other sources, we may use the latter to determine an indemnity.

Separate Adjustment

- 7.6** Losses of Grape Vines and Yield Losses of each Type of Grape are adjusted separately. The indemnities and any applicable deductibles are calculated separately.

Adjusting Costs Covered

- 7.7** You are obliged to pay premiums associated with the adjusting process. We must indemnify you for these costs and, therefore, there will be no net additional cost to you.

INDEMNITY CALCULATIONS

Wine Grape Yield Loss Indemnity

- 8.1** An indemnity for Yield Loss of wine grapes is calculated according to the following formula:

Coverage Value minus the sum of

[(Total Yield of each Variety plus Assessments for that Variety)

X Insurable Value for that Variety]

Table Grape Yield Loss Indemnity

- 8.2** An indemnity for Yield Loss of table grapes is calculated according to the following formula:

Coverage Value minus

[(Total Yield plus Assessments) X Insurable Value] minus

75% of the amount you receive for selling hail damaged table grapes.

Grape Vine Loss Indemnity

8.3 An indemnity for Grape Vine Loss is calculated according to the following formula:

(number of Grape Vines suffering Grape Vine Loss and removed with our written consent) X (Insurable Value for Grape Vine)

plus (number of Grape Vine Tops suffering Grape Vine Loss and cut back with our written consent) X (Insurable Value for Grape Vine Top)

minus the deductible we specify or, if applicable, which you select before the Crop Year starts from the choices we offer.

INDEMNITY PAYMENT

Things That Must Happen Before Indemnity Is Payable

9.1 We may withhold payment of an indemnity until any one or more of the following, as we in our discretion may specify, occurs:

- (a) the Crop is harvested,
- (b) you provide a Declaration of Production and we verify its contents,
- (c) you establish that an insured peril caused the loss,
- (d) you provide evidence of the removal of Grape Vines or the cutting back of Grape Vine Tops for which a Grape Vine Loss claim is made,
- (e) you provide a Canada Revenue Agency income tax reporting number, or
- (f) you provide a statutory declaration attesting to any representation you make to us for the purpose of obtaining an indemnity.

Payment and Claim Summary Report

9.2 Within 30 days after determining the amount of indemnity payable for an Insurable Loss, we must pay you and provide you with a claim summary report showing the amount of indemnity and the calculations used to determine it.

Cashing Cheque Means Satisfaction

9.3 If you cash an indemnity cheque issued by us as final settlement for a claim of loss, you admit that your claim is satisfied.

Set-Off

9.4 If you owe us money, we may set-off against that debt any money that we owe you.

Assigning Indemnity

9.5 An indemnity under this contract is not assignable unless

- (a) we give written consent to the assignment and
- (b) the assignment is made to a single assignee.

Only One Assignment Allowed

9.6 You must not have more than one assignment of indemnity under this contract outstanding at any one time.

PREMIUM PAYMENT

Premium Due Date

10.1 You must pay the premium due for each Crop Year before

- (a) the start of the Crop Year or

- (b) the 15th day after the approval date on the Statement of Premiums and Coverages,

whichever is later.

No Liability For Refusing Credit

10.2 We are not liable for any loss you suffer relating to our refusal to extend credit for premium payment.

GENERAL

Errors And Omissions

11.1 We may correct clerical or mathematical errors or omissions made in this contract, or in other communication between us and you, and may make any resulting changes.

Subrogation

11.2 If we pay you an indemnity, we are subrogated to your rights concerning the loss. For example, we are entitled to demand that you transfer to us your rights in the damaged property and any right of action you may have against any person, by reason of whose conduct we are obliged to pay the indemnity.

Notices

11.3 A notice from us to you or from you to us must be in writing and may be given in person or by fax or mail unless this contract specifies otherwise.

Waiver

11.4 No waiver of any term or of any breach of this contract is effective unless it is in writing, signed by us.

IF YOU BREACH CONTRACT

Remedies

12.1 If you breach a term of this contract, falsely describe the nature of, location of, acreage of, or yield of a Crop, knowingly misrepresent or do not disclose any facts required to be disclosed, or fail to discharge your duty of good faith and full disclosure to us, we, unless we have consented in writing to the conduct, may at our option, do any or all of the following:

- (a) terminate the contract,
- (b) continue the contract but cancel insurance coverage and pay no indemnity for the current Crop Year, or
- (c) continue the contract but apply an Assessment to the indemnity otherwise payable.

No Indemnity Unless Notice Of Loss Properly Given

12.2 We are not obliged to pay you unless you provide a Notice of Loss complying with this contract.

Contractual Remedies Not A Bar To Other Claims

12.3 If we exercise any of the options in paragraph 12.1, we can still claim damages for any losses incurred as a result of your breach.

No Refund Of Premium

12.4 If we exercise any of the options in paragraph 12.1 or the contract terminates due to death, the premium for the Crop Year is deemed earned.

Effect On Premium Of Overstating Insurable Interest

12.5 If you overstate the quantity of the crops and grape vines to be insured, you must pay premium on the basis of that overstatement, even though we use the actual measured quantities to recalculate the insurance coverage and determine the amount of any indemnity.

ARBITRATION

Right To Appeal

13.1 You may appeal a decision of ours, except an underwriting decision, that

- (a) affects the amount of indemnity or
- (b) terminates the contract.

How To Appeal

13.2 If you want to appeal, you must

- (a) deliver to us within 30 days after receiving the decision, a written notice of appeal stating
 - (i) full details of the loss, including date, location, and cause and
 - (ii) the grounds for the appeal, and
- (b) submits with the notice of appeal a deposit in the form of a certified cheque payable to the Minister of Finance and Corporate Relations in an amount equal to
 - (i) \$100.00,
 - (ii) for an appeal concerning Yield Loss of a Type of Grape, one percent of the Coverage Value for that Type of Grape, or
 - (iii) for an appeal concerning Grape Vine Loss, one percent of the number of Grape Vines insured times the Insurable Value for each Grape Vine, whichever is greater.

Hearing

13.3 If you file an appeal in accordance with paragraph 13.2, we must appoint a single arbitrator and request the arbitrator to conduct an oral hearing of the appeal at a time and place set by the arbitrator. We are responsible for paying for the arbitrator's services. If you do not comply with paragraph 13.2, the arbitrator has no jurisdiction to hear the appeal.

Procedures

13.4 The arbitrator has the jurisdiction to determine all procedures in the appeal.

Decision Binding

13.5 The arbitrator's decision is final and binds you and us.

Written Reasons

13.6 The arbitrator is directed to give written reasons for the decision.

Arbitration Act

13.7 The Arbitration Act, R.S.B.C. 1996, c. 55 applies, except where it is inconsistent with this contract and except its provisions concerning costs, including, without limitation, section 11.

Appeal Deposit

13.8 The appeal deposit must be refunded if the appeal is allowed, but is forfeited to us if the appeal is dismissed.