

Production Insurance

BC Ministry of Agriculture and Food

Berries

Policy Wording
for
The Continuous
Specified Perils
Production Insurance
Contract

This policy contains a
clause which may limit
the amount payable

Ministry of Agriculture and Food
<http://www.gov.bc.ca/CropInsurance/Berries>



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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;
- "Berry" means any of strawberry, raspberry, blueberry, and cranberry;
- "Blueberry Plant" means a high bush blueberry plant insured under this contract that, when mature and healthy, can bear blueberries and has been in its permanently planted position since before May 20 of the Crop Year preceding the Crop Year for which insurance is requested;
- "Blueberry Plant Loss" has the meaning given in paragraph 2.3;
- "Category" means, when referring to Strawberry Plants, a category described on a table available for viewing at one of our Business Risk Management Branch Offices from before the Crop Year starts (Categories may, without limitation, be based on age of plants, planting density, and fumigation).
- "Crop" means a crop of a Type of Berry which is insured under this contract;
- "Crop Year" means
 - (a) for blueberry, cranberry and raspberry Crops, a period starting on November 1 of a year and ending on October 31 of the next year,
 - (b) for strawberry Crop, a period starting on April 1 of a year and ending on October 31 of that year,
 - (c) for Strawberry Plants, a period starting on November 1 of a year and ending on March 31 of the next year, and
 - (d) for Blueberry Plants, a 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;
- "Insurable Loss" means any of
 - (a) Yield Loss (defined in paragraph 2.1),
 - (b) Strawberry Plant Loss (defined in paragraph 2.2), and
 - (c) Blueberry Plant Loss (defined in paragraph 2.3)
- "Insurable Value" means the indemnity payable per unit 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;
- "Notice of Loss" has the meaning given in paragraph 6.1;
- "Production Guarantee" means the yield of a Type of Crop that we guarantee for Yield Loss purposes, being the probable yield less the deductible you select before the Crop Year starts from the choices we offer, as specified on a Statement of Premiums and Coverages;
- "Statement of Premiums and Coverages" means a document which sets out your coverage details and premiums for a Crop Year;

- "Strawberry Plant" means a plant insured under this contract that, when mature and healthy, can bear strawberries and is one or two growing seasons old;
- "Strawberry Plant Loss" has the meaning given in paragraph 2.2;
- "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);
- "Type" means, when referring to Berries or a Crop of Berries, one of strawberries, raspberries, blueberries, and cranberries;
- "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;
- "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 Strawberry Plant Loss and Blueberry Plant 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 yield of a Crop below the Production Guarantee ("Yield Loss") caused by
- (a) hail;
 - (b) spring frost;
 - (c) drought;
 - (d) excessive moisture, including rainfall and flooding;
 - (e) wind;
 - (f) landslide;
 - (g) extreme heat;
 - (h) freeze; or
 - (i) snow.

The formula for calculating Yield Loss indemnity is found in paragraph 8.1

Strawberry Plant Loss Coverage

2.2 If you obtain coverage for loss of Strawberry Plants, we must indemnify you for damage ("Strawberry Plant Loss") to a Strawberry Plant caused by

- (a) excessive moisture, including rainfall and flooding;
- (b) freeze; or
- (c) landslide;

and which, in our opinion, renders the Strawberry Plant no longer economical to maintain.

The formula for calculating Strawberry Plant Loss indemnity is found in paragraph 8.2

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

- (a) You must request coverage for all Strawberry Plants you own.
- (b) You must own the Strawberry Plants and have a right to occupy the lands upon which they grow.
- (c) You must, before the Crop Year starts, provide us with a list of all those Strawberry Plants, by variety, number, age and planting date, and spacing and a map showing their location.

Blueberry Plant Loss Coverage

2.3 If you obtain coverage for loss of Blueberry Plants, we must indemnify you for damage ("Blueberry Plant Loss") to a Blueberry Plant caused by

- (a) freeze;
- (b) fire
- (c) landslide;
- (d) excessive moisture, including rainfall and flooding, which destroys the plant;
- (e) hail;
- (f) wind;
- (g) ice and snow;
- (h) extreme heat; or
- (i) drought caused by loss of irrigation water supply.

and which, in our opinion, renders the Blueberry Plant

- (i) no longer economical to maintain,
- (ii) unable to bear 50% of the previous Crop Year's crop, and
- (iii) incapable of producing 100% of the previous Crop Year's crop within two growing seasons.

The formula for calculating Blueberry Plant Loss indemnity is found in paragraph 8.3

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

- (a) You must request coverage for all Blueberry Plants you own or lease.
- (b) You must own or have a minimum 5-year lease of the Blueberry Plants and have a right to occupy the lands upon which they grow.
- (c) You must, before the Crop Year starts, provide us with a list of all those Blueberry Plants, by variety, number, age and planting date, and spacing and a map showing their location.

Blueberry Plant Loss Part Of Minimum Coverage

2.4 If you are eligible for Blueberry Plant Loss coverage and you pay the premium for Yield Loss coverage of blueberries by the due date (see paragraph 10.1), you are, subject to meeting all other requirements, automatically covered for Blueberry Plant Loss 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,
 - (b) damage resulting from insects, diseases, weeds, animals, low prices, market problems, labor problems, or equipment problems, or
 - (c) 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 days 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.

Deadline For New Applications

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

Statement Of Premiums and Coverages If No Changes

- 4.3** If you are already insured under the Berry 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 for the type of insurance (Yield, Strawberry Plant, Blueberry Plant) that you had the previous Crop Year, or
 - (b) decline to offer you insurance.

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 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.

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.

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.

You Must Request Coverage For All Of Your Crop/Plants

- 4.7 If you request coverage for Yield Loss of a Type of Berry, you must request coverage for the entire crop 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 Production Guarantee.

If you request Strawberry Plant Loss coverage, you must request Strawberry Plant Loss coverage on all Strawberry Plants you own at the start of the Crop Year.

If you request Blueberry Plant Loss coverage, you must request Blueberry Plant Loss coverage on all Blueberry Plants 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 plants that will bear the Crop,
 - (b) the variety of the plants or Crop,
 - (c) the health and vigor of the plants that will bear the Crop, and
 - (d) for Blueberry Plants, any application of sawdust which contains red cedar or other products harmful to plant health.

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 obtain coverage again, 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.

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 plants used to grow the Crop, the condition of the equipment used

to manage the Crop and plants, changes in the lands that you farm, and your history of losses and production, and

- (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.

Crop Management

- 5.3 You must care for and manage the Crop and plants that will bear it according to recognized agricultural management practices and horticultural techniques: this includes taking reasonable precautions to avoid damage from all hazards, insured or not.

Keep Records And Declare Production

- 5.4 You must keep complete records of Berries that you produce, harvest, sell, and otherwise come into possession of or dispose of, whether insured or not, by Type of Berry, 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 plant grown or stored on it,
 - (b) determine whether a proposed Crop or plant 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 Strawberry Plants and Blueberry Plants 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 plants 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 plants 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 plants 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, Strawberry Plants, or Blueberry Plants (an “Event”), you must give us a notice (a “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, Strawberry Plants, or Blueberry Plants grow,
 - (d) the Crop, Strawberry Plants, or Blueberry Plants potentially damaged,
 - (e) any agronomic conditions or symptoms observed that indicate there may potentially be damage to the Crop, Strawberry Plants, or Blueberry Plants,
 - (f) the potential damage to the Crop, estimated in terms of yield potentially lost,
 - (g) the acres and ages of any Strawberry Plants potentially damaged, and
 - (h) the number and location of any Blueberry Plants 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 Plants

- 7.3** If you claim an indemnity, you must not remove any plant that produces Berries or work down or use other than to produce Berries, land covered by this contract before we give written consent. Once you do any of these, you must tell us so we may inspect what you have done. To be eligible for indemnity for Strawberry Plant Loss or Blueberry Plant Loss, you must remove the damaged Strawberry Plants or Blueberry Plants, once we give written consent to do so. A claim will not be paid until those plants are removed and have been inspected.

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 plant and crop care practices,
 - (b) losses caused by uninsured hazards,
 - (c) losses excluded by paragraph 3.1
 - (d) unauthorized removal of plants 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), and
 - (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 Strawberry Plants, losses of Blueberry Plants, and Yield Losses of each Type of Berry 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

Yield Loss Indemnity

- 8.1 An indemnity for Yield Loss of each Type of Berry is calculated according to the following formula: (Production Guarantee - Assessments - Total Yield) X Insurable Value

Strawberry Plant Loss Indemnity

- 8.2 An indemnity for Strawberry Plant Loss is calculated according to the following formula:
Sum of [(Acres of Strawberry Plants of each Category suffering Strawberry Plant Loss and removed with our written consent - Assessments) X Insurable Value for that Category]

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

Blueberry Plant Loss Indemnity

8.3 An indemnity for Blueberry Plant Loss is calculated according to the following formula:

[(Number of Blueberry Plants suffering Blueberry Plant Loss and removed with our written consent - Assessments) minus (the deductible we specify or, if applicable, which you select before the Crop Year starts from the choices we offer)] X Insurable Value.

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) the land is worked down or put to a use other than to produce Berries, if we so require,
- (e) you provide evidence of the removal of Strawberry Plants for which a Strawberry Plant Loss claim is made,
- (f) you provide evidence of the removal of Blueberry Plants for which a Blueberry Plant Loss claim is made,
- (g) you provide a Canada Revenue Agency income tax reporting number, or
- (h) 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.

Claim Summary Report by Mail

9.3 If the claim summary report is sent by ordinary mail, you are deemed to have received it the seventh day after it is mailed.

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 email, 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 plants 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

Exclusions From Arbitration

13.1 All disputes arising out of this contract of insurance must be decided by binding arbitration under the *Arbitration Act*, S.B.C. 2020, c. 2. This excludes the following:

- (a) our annual offer of coverage, or our refusal to make such an offer, under either of paragraphs 4.3 or 4.4;
- (b) our refusal to provide coverage under paragraph 4.8; and
- (c) any of our underwriting decisions, as described in paragraph 4.10.

Non-Arbitration Means Satisfaction

13.2 If you do not initiate arbitration in accordance with paragraph 13.3 within 30 days after receiving your claim summary report under paragraph 9.2, you are deemed to be satisfied with the settlement of your claim.

How To Arbitrate

13.3 If you want a dispute arbitrated, you must

- (a) deliver to us within 30 days after receiving our decision, a written notice of arbitration stating
 - (i) full details of the loss, including date, location, and cause
 - (ii) the nature of the dispute and
 - (iii) the relief claimed and
- (b) submit with the notice of arbitration 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, or
 - (ii) for an arbitration concerning Yield Loss, one percent of the Production Guarantee for that Type of Berry times the Insurable Value for that Type of Berry, or
 - (iii) for an arbitration concerning Strawberry Plant Loss, one percent of the acres of insured Strawberry Plants of each Category times the Insurable Value for that Category, or
 - (iv) for an arbitration concerning Blueberry Plant Loss, one percent of the insured Blueberry Plants times the Insurable Value of a Blueberry Plant, whichever is greater.

Hearing

13.4 If you initiate arbitration in accordance with paragraph 13.3, we must appoint a single arbitrator and request the arbitrator to conduct an oral hearing at a time and location set by the arbitrator in consultation with the parties. The arbitrator may conduct a written hearing if both you and we agree. If you do not comply with paragraph 13.3, the arbitrator has no jurisdiction to hear the matter.

Procedures

13.5 The arbitrator has the jurisdiction to determine all procedures in the arbitration.

Decision Binding

13.6 The arbitrator's decision is final and binds you and us, but may be appealed to the Court of Appeal on a question of law if one of s. 59(2)(a) or (b) of the *Arbitration Act* is met.

Written Reasons

13.7 The arbitrator must give written reasons for the decision.

Costs

13.8 The arbitrator has no jurisdiction to award costs to either party under s. 50 of the *Arbitration Act*. We are responsible for the arbitrator's fees and costs. Any party who requests additional services in the arbitration (including translator services, clerk/stenographer services, transcripts) is responsible for the costs of those services, unless we agree to pay them.

Deposit

13.9 The deposit must be refunded to you if the arbitrator decides in your favour or if the decision is mixed and partly in your favour, but is forfeited to us if the arbitrator decides entirely in our favour.

References To The *Arbitration Act*

13.10 All references to the *Arbitration Act* in section 13 are to the Act as amended from time to time, except in sections 13.6 and 13.8, which are references to the Act as of September 1, 2020.