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# Cannabis Businessowners **CannaBOP**

## CannaBOP...for the Growing Cannabis Market

CannaBOP is built on the foundation of a traditional BOP (Businessowners Policy combining property & liability coverage), enhanced to include damage to cannabis or related equipment, or injury or damage arising from cannabis or cannabis activities.

## What does CannaBOP Cover?

CannaBOP is meant to provide coverage for cannabis dispensaries, storage facilities, distributors, processors, manufacturers, and private cannabis testing facilities and laboratories.

## Where is CannaBOP filed and approved?

CannaBOP is admitted in Arizona, California, Colorado, Illinois, Michigan, Nevada, and Washington state.

CannaBOP includes all the BOP coverages you are familiar with, together with the coverages **cannabis clients need**.

**Joe Jonas**

AAIS Commercial Lines Manager

## Are there any territorial restrictions?

For cannabis loss or liability, the coverage territory is limited to the state in which the policy was issued, and excludes activities conducted, and property located on federal land. For all other activities or property unrelated to cannabis, standard commercial coverage territory restrictions apply.

## Coverage Features within CannaBOP

### Property Coverage Highlights

- Buildings and Business Personal Property Coverages
- Income and Extra Expense Coverage
- Standard BOP Additional Coverages and Coverage Extensions
- Open Perils
- Track and Trace Coverage Condition: The policy does not cover cannabis property that has not been tracked via cannabis activity tracking (CAT) system. Condition can be removed via optional endorsement.
- Additional property options and coverages available by endorsement for cultivation, crime, contaminated food, spoilage, utility service disruption, and more

### Property Exclusions

- Cannabis property that has ever been the subject of illicit or unlicensed cannabis activity
- Cannabis property that has been combined with any other controlled substance
- Loss, cost, or expense resulting from viruses, bacteria, or other microorganisms that cause disease, illness, or physical distress
- Loss resulting from an error or omission that adversely affects the quality, nature, form, or function of any product, good, or merchandise, or any part thereof
- Glassware/fragile articles excluded, but glass cannabis accessories are exempt

### Liability Coverage Highlights

- Occurrence Based
- Defense Outside Limits
- Bodily Injury and Property Damage Liability Coverage
- Products/Completed Work Hazard (products liability) Coverage
- Medical Payments Coverage
- Fire Legal Liability Coverage
- Personal and Advertising Injury Liability Coverage
- Additional liability options and coverages available by endorsement for cultivation, EPL (claims made), non-owned/hired auto, Products Completed Work (claims made), and more

### Liability Exclusions

- Noncompliance with applicable state or local cannabis laws or regulations
- Cannabis-related illness, including addiction or dependency, birth defects
- Cancer, depression, organ damage, among others
- Cannabis use, inhalation, or exposure occurring at the described premises, as part of a sales demonstration or sample, or while the cannabis is in the insured's care, custody, or control
- Advice or recommendations from licensed pharmacist, physician, nurse, or other medical professional concerning the characteristics, uses, or effects of cannabis
- The use or sale of materials (other than cannabis) that are banned, prohibited, or restricted by the FDA
- Security guards, patrolmen, and watchmen (with exceptions)

For more information, contact an AAIS advisor:

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