

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANNABIS PROPERTY EXCLUSION WITH HEMP EXCEPTION**

This endorsement modifies insurance provided under the following:

### BUSINESSOWNERS COVERAGE FORM

**Section I – Property** is amended as follows:

**A. Paragraph A.2. Property Not Covered** of the Businessowners Coverage Form is amended as follows:

1. The following is added to Paragraph **A.2. Property Not Covered**:

a. "Cannabis".

2. Paragraph **A.1.** of this endorsement does not apply to goods or products containing or derived from hemp, including, but not limited to:

- a. Seeds;
- b. Food;
- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph **A.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

**B.** For the purpose of this endorsement, the following applies to Business Income and Extra Expense:

1. Coverage under this Policy does not apply to that part of Business Income loss or Extra Expense incurred, due to a suspension of your "operations", which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis".

2. Paragraph **B.1.** of this endorsement does not apply to Business Income loss or Extra Expense incurred which is attributable to goods or products containing or derived from hemp, including, but not limited to:

- a. Seeds;
- b. Food;
- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph **B.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

**C.** For the purpose of this endorsement, the following definition is added:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **C.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:
  - (1) Resin, oil or wax;
  - (2) Hash or hemp; or
  - (3) Infused liquid or edible cannabis;

Whether or not derived from any plant or part of any plant set forth in Paragraph **C.2.a.**