

General Liability Insurance



What is General Liability Insurance, and What Does it Cover?

General liability (GL) insurance protects business owners against liability claims for bodily injury and property damage arising out of premises, operations, products (usually requires separate product liability policy for cannabis), completed operations, advertising and personal injury. A GL insurance policy also provides legal defense costs and indemnity payments when a business is sued by a third party for bodily injury, property damage, or advertising injury. Related to their business

Why Does a Cannabis Business Need General Liability Insurance?

General liability insurance is often a prerequisite for a cannabis business to open its doors to the public. Most lease agreements require proof of general liability insurance when signing a lease and many state regulations require it. Additionally, GL is a way for you to help protect clients and others who may become injured on your clients premises.

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What Else Does my General Liability Policy Protect me Against?

Fire legal

On most policies, the fire legal (Damages to Premises Rented to You) sublimit provides coverage for a tenant's negligence that results in damage to a leased building caused by fire. Typically, limits are capped between \$50,000 and \$300,000. We can negotiate with the insurance carrier to increase a client's sublimit when required by lease agreements. An employee's personal auto policy will not be covered either the employee or their business if the vehicle is being used for delivery.

What is Hired and Non-Owned Auto and Does it Cover Delivery?

According to the International Risk Management Institute, "Hired and non-owned auto insurance (HNOA) protects a commercial business from liability associate with accidents involving hired (e.g., rental cars) or borrowed vehicles (e.g., employee-owned) for business use. All businesses that rely on rented vehicles to facilitate transportation—or even those that ask employees to run errands in their personal vehicles

HNOA policy limits on a GL policy are not intended to cover a business's delivery operations, though some carriers have made exceptions during Covid. With Covid driving an increase in cannabis delivery, it's crucial that your business has a true delivery/commercial auto policy, which our team can help you set up. HNOA is truly intended for running errands to the bank, your home, or other retailer locations and is not intended to cover delivery directly to customers.

What is not covered:

Damage to your property, product, or work
Employment Practices
Product liability/product recall
Professional Services

Automobiles/Delivery
Pollution
Liquor/On-Site Consumption Liability
Workers Compensation



**Let's talk about your insurance needs.
Contact a cannabis industry insurance expert today.**

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