39. CANNABIS

Rule **39.** is replaced by the following:

A. Exclusion Endorsement Options

**1.** Coverage for cannabis and that part of Business Income loss or Extra Expense incurred, due to a suspension of operations, which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of cannabis may be excluded by attaching Vermont – Cannabis Exclusion Endorsement CP 99 07**;** or

**2.** Coverage for cannabis and that part of Business Income loss or Extra Expense incurred, due to a suspension of operations, which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of cannabis may be excluded, with a hemp exception, by attaching Vermont – Cannabis Exclusion With Hemp Exception Endorsement CP 99 08**.**

**3.** If Endorsement CP 99 07 or Endorsement CP 99 08 is attached to a policy, Vermont – Cannabis Coverage Endorsement **CP 99 11** is not eligible for attachment to the policy.

B. Coverage Endorsement

1. Form

Coverage with respect to cannabis stock and Business Income loss or Extra Expense incurred, due to a suspension of operations, which is attributable to the design, cultivation, manufacture, processing, packaging, handling, testing, storage, distribution, sale, serving, furnishing, use, possession or disposal of cannabis may be provided by attaching Vermont – Cannabis Coverage Endorsement CP 99 11**.**

If Endorsement CP 99 11 is attached to a policy, Endorsement **CP 99 07** or Endorsement **CP 99 08** is not eligible for attachment to the policy.

2. Coverages

a. Coverage 1 – Your Cannabis Stock

Coverage for cannabis stock is activated by entry in the Schedule of Endorsement CP 99 11 with a Limit Of Insurance.

b. Coverage 2 – Cannabis Stock Of Others

Coverage for cannabis stock of others is activated by entry in the Schedule of Endorsement CP 99 11 with a Limit Of Insurance.

c. Coverage 3 – Cannabis Business Income

Coverage for cannabis Business Income is activated by entry in the Schedule of Endorsement CP 99 11 with a Limit Of Insurance.

d. Coverage 4 – Cannabis Extra Expense

Coverage for cannabis Extra Expense is activated by entry in the Schedule of Endorsement CP 99 11 with a Limit Of Insurance.

3. Deductible

An option is available for a deductible applicable to cannabis stock.

4. Valuation

A valuation option is available for market value to be applied to cannabis stock described in the Schedule of Endorsement CP 99 11**.**

5. Covered Causes Of Loss

With respect to the coverage provided in relation to Paragraphs **B.2.a.,** **B.2.b.,** **B.2.c.** and **B.2.d.,** when Endorsement CP 99 11 is attached to Building And Personal Property Coverage Form CP 00 10 or Condominium Commercial Unit-owners Coverage Form CP 00 18**,** the Covered Causes Of Loss are determined by an applicable Causes Of Loss Form and endorsements, if any, which supplement or restrict that Causes Of Loss Form as indicated in the Schedule of the endorsement and if the Causes Of Loss Form applicable to this endorsement differs from that shown in the Declarations for the Coverage Part or policy, it should be made part of the policy.

6. Rating Basis

Cannabis risks are eligible for both class rating or specific rates if specifically rated; however, for risks utilizing CSP Class Codes 1255, 2215, 5105 and 5155 only specific rates may be applied.

7. Ineligibility

Do not use Endorsement **CP 99 11** to cover farms or farming operations.

8. Premium Determination

Do not charge additional premium for the attachment of Endorsement CP 99 11**.**