

**Table 5. Buildings the NFIP Does Not Insure**

<b>Building Used for the Manufacture or Distribution of a Controlled Substance</b>	The NFIP may not knowingly insure a building or its contents used for the manufacture or distribution of a controlled substance in violation of federal law. Doing so would directly promote, effectuate, or encourage a violation of the law, which would violate public policy and general principles of insurance. This restriction includes buildings or contents used to grow or dispense marijuana in locations where this activity is legal under state law, because governing federal law makes it unlawful to use any place for the manufacture or distribution of a controlled substance. FEMA can provide additional information on the application of this guidance to specific circumstances.
<b>Private Market</b>	

- Building coverage is the most straightforward and eligible for coverage if it fits the definition of a building and within the program guidelines. Our markets will offer coverage for building owners (landlords) or retail tenants where the building coverage is required due to a rental agreement. This includes cannabis operators as a retail tenant or building owner, landlords on dispensaries, cultivation and extraction facilities that meet the definition of a building, ordinary warehouses (Frame, NC, MCN, ETC)
- Deductible options from \$2,000 to \$50,000
- Non-special Flood Hazard Area- X, B, and C zones
- Special Flood Hazard areas- A and V zones
- Primary or excess coverage
- Up to \$15 million coverage limit per single-building or single location++
- RCV up to max limit
- Business income available (max 10% of the property limit scheduled)
- Tenants' betterments and improvements on lease property
- Contents/BPP coverage available- Contents would only be available to standard items- shelving, cash registers, office furniture etc. \*\*
- Prior with 1 loss are reviewed on case-by-case basis.
- Optional no wait No waiting period to be effective
- All states except Alaska \*\*\*
- Elevation certificate not required but can be beneficial for rating.

**Exclusions Include:**

- Individual machinery or item valued over \$100,000
- Buildings located in a CBRA
- Buildings over water
- Barrier Islands
- Maximum elevation difference accepted is -2 feet
- ¼ mile minimum distance to tidal water

++ Depending on what carrier program the risk fits. Only lower limits might be available.

\*\*Based on carrier- allow for completed stock . Underwriting guidelines do not exclude cannabis-related businesses from coverage, so the written provisions of the policy would prevail. For commercial, "Stock" is covered, which covers merchandise held in storage or for sale whether raw material, in-process or finished goods.

\*\*\*Availability based on markets open. No including active moratorium at the time of submission. Excluding LA south of 10