

Welcome to Marijuana Business Insurance Policies!

Yes it's true! You can insure your Marijuana Business.

You paid an attorney to help you start your business. You need an accountant to take care of your taxes. But over the long haul the folks who are going to protect your business, the building, equipment, your income and now your actual product is your Insurance Broker. Most Companies in the US have an Insurance broker or sometimes two. One for Property Casualty and one for Life & Health. Here at Corinthian Capital we do both. Actually Insurance for the Marijuana Industry has been around over 10 years. And the carriers are very large "A" rated insurance companies. The first companies to take on the risk you may have heard of. Lloyds of London, Berkshire Hathaway (one of Warren Buffet's Companies) and James River. I have written these companies for many years involving other risk types. Now many other Insurance companies have gotten involved

Marijuana Business Insurance like the MJ business itself is evolving.

Insurance policies insuring a new risk, at first, are not the greatest. Often overpriced not covering much because the insurance companies have no risk experience. Insurance companies are statistical analysis companies. They analyze information to determine a cost for their insurance coverage. They call it "underwriting". To understand insurance you need to look at one of the first insurances. It goes back to the "Jack Sparrow Days" first ships carrying cargo. They used to carry allot of fertilizer and under the right conditions the ships would blow up. So the shippers got together and decided to each put a small amount of funds in an account after every voyage, and if their ship blew up they would draw from the account to recover their losses. Simply, it's a large number of people putting a small amount of money in a fund that will help the ones that are not so fortunate. That is modern insurance. And like today, they also had to be careful of insurance fraud which is a very serious crime these days. In the marijuana business one of the abuses was Crop Insurance. If the grower messes up the crop in some way (ex: over juicing) that is not an insurable claim. But the claims poured in and crop insurance was pulled from the market. The good news is Crop Insurance is back! Better coverage, stiffer underwriting and at a better price.

We can now insure up to 10Mil per location of living plants and Pesticide & Herbicide application endorsements in your General Liability Policy. So along with Crop and General Liability there is Product Liability (for whatever your making), Property (the Harvested Plant) including Transportation/Cargo, Equipment Breakdown and Workers Compensation. And who do we insure?

Cultivators (Indoor and outdoor) Processors/Harvesters, Wholesaler/Distributers, Transportation (Business to Business), Franchisers, Dispensary/Retailers, Manufactures (Cannabis and Non-Cannabis Products), Wholesale Distributers (Brokers), Laboratories, Property Management, Landlord/Building Owners, Tobacco Retail Stores, Garden Stores (Retail/Wholesale and Hydroponics), Pot Doctors (Standard Mal Practice only covers FDA approved) and Lawyers, Pot Universities, Consulting Firms and Security Companies.

Now this is going to be a three part (Three Issue) piece on Insurance and the Marijuana Industry and I'm going to go into a greater detail on the policies in upcoming articles. But I would like to talk about Workers Compensation now because I'll bet most of you are in violation. The fastest way to get shut down, not only for the Marijuana Industry, but any company that has employees is not having or being in violation of Workers Comp Laws. In a nut shell, workers compensation is priced via your payroll. So in a normal Corporation (LLC, C Corp, S Corp) the Owners who make the most can be exempt from workers

compensation coverage. But as of Jan 2nd 2017, according to my State Fund Underwriter, Non-Profit Companies must have all working Officers included in Workers Comp calculations.

Workers Compensation is mandatory in all states but the laws are different in each state. So you need to check with your state compensation program. We can help! As an Example: California only requires W-2 employees to be covered under Workers Compensation. 1099 Employees or Independent Contractors are exempt. But in other states it doesn't matter. All employees must be counted for Workers Comp. Non-Profit Officers also have minimum and maximum income guidelines. Meaning if you are only paying yourself 25k, the min. might be 34K the underwriter is going to price it at 34K. It's called "Minimum Premium".

I hope this was informative and look for the continuation of Marijuana Business Insurance in future Issues. For any question or to start the quoting process call 877-315-3443 or email us at corcap@live.com. Corinthian Capital Marijuana Business Insurance. See Our Ad!