



City of
Laguna Woods

**CANNABIS STOREFRONT RETAILER
INSURANCE AGREEMENT – BUSINESS**

Planning & Environmental Services Department
24264 El Toro Road, Laguna Woods, CA 92637

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I. INTRODUCTION

This Cannabis Storefront Retailer Insurance Agreement – Business memorializes the amounts and types of insurance that the business is required to maintain as a condition of approval of any Commercial Cannabis Permit per Laguna Woods Municipal Code Section 13.26.025(c)(4)b.-c.

II. BUSINESS INFORMATION (#1-#4 MUST MATCH “SUPPLEMENTAL INFORMATION FORM”)

- 1) Business’ Legal Name: _____
- 2) Business’ Fictitious Business Name(s) (if applicable): _____
- 3) Business’ Proposed Operating Location: _____
- 4) Business’ Mailing Address (if different than #3): _____
- 5) Business Owner’s Authorized Agent (person signing this agreement): _____
- 6) Business Owner’s Telephone Number: _____
- 7) Business Owner’s Email Address: _____

III. AGREEMENT

Leave the first three fields in this Section III blank.

This Cannabis Storefront Retailer Insurance Agreement – Business (“CANNABIS INSURANCE AGREEMENT”), is made and entered into this _____ day of _____ 20_____, by and among the City of Laguna Woods, a California municipal corporation (“CITY”) and _____ (“CANNABIS PERMITTEE”).
(BUSINESS’ LEGAL NAME – MUST MATCH LINE II(#1) ABOVE)

CITY and CANNABIS PERMITTEE agree as follows:

(a) As a condition of approval of CANNABIS PERMITTEE’s Commercial Cannabis Permit, and at all times during the effectiveness of its Commercial Cannabis Permit, CANNABIS PERMITTEE shall maintain insurance that is at least as broad as the following:

- 1. General Liability:
 - o If CANNABIS PERMITTEE is not also the property owner of record for the parcel(s) where the business of the cannabis storefront retailer is to be carried on: \$2,000,000 per occurrence for all covered losses and no less than \$4,000,000 general aggregate for bodily injury, personal injury, and property damage, written on Insurance Services

Case # (CITY USE ONLY): _____

Office form Commercial General Liability coverage (Occurrence Form CG 0001);

- If CANNABIS PERMITTEE is also the property owner of record for the parcel(s) where the business of the cannabis storefront retailer is to be carried on: \$4,000,000 per occurrence for all covered losses and no less than \$8,000,000 general aggregate for bodily injury, personal injury, and property damage, written on Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001);
- 2. Commercial Automobile Liability (if CANNABIS PERMITTEE engages in deliveries): \$1,000,000 per accident for bodily injury and property damage for all non-owned automobiles, scheduled automobiles, and hired automobiles used by CANNABIS PERMITTEE, written on Insurance Services Office form number CA 0001 (Ed. 03/10);
- 3. All insurance policies must name the City of Laguna Woods, its respective elected and appointed boards, officials, officers, agents, employees, and volunteers as additionally insured;
- 4. Insurance coverage shall be primary insurance with respect to CITY, its respective elected and appointed boards, officials, officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its respective elected and appointed boards, officials, officers, agents, employees, and volunteers, shall apply in excess of, and not contribute with, CANNABIS PERMITTEE's insurance;
- 5. Insurance coverage shall contain no special limitations on the scope of protection afforded to CITY, its respective elected and appointed boards, officials, officers, agents, employees, and volunteers; and
- 6. Each required insurance policy shall be endorsed and state that the coverage shall not be suspended, voided, cancelled or reduced in coverage or in limits by the insurer or cannabis storefront retailer, except after 30 calendar days' prior written notice by certified mail, return receipt requested, to CITY. If an insurer is unable to provide such written notice, a letter from the insurer confirming as much shall be provided to CITY together with a notarized statement from the single owner of at least 51% of CANNABIS PERMITTEE agreeing not to suspend, void, cancel, or reduce in coverage or in limits, each required insurance policy, except after 30 calendar days' prior written notice by certified mail, return receipt requested, to CITY. CITY will provide a form to use for the notarized statement.

CONSULTATION WITH LEGAL COUNSEL. The person or persons executing this CANNABIS INSURANCE AGREEMENT on behalf of CANNABIS PERMITTEE has reviewed this CANNABIS INSURANCE AGREEMENT and has had the opportunity to consult with legal counsel on the terms and provisions herein.

AUTHORITY TO EXECUTE. The person or persons executing this CANNABIS INSURANCE AGREEMENT on behalf of CANNABIS PERMITTEE represents and warrants that he/she/they has/have the authority to so execute this CANNABIS INSURANCE AGREEMENT and to bind CANNABIS PERMITTEE to the performance of its obligations hereunder.

BINDING EFFECT. This CANNABIS INSURANCE AGREEMENT shall be binding upon the heirs,

Case # (CITY USE ONLY): _____

executors, administrators, successors, and assigns of the parties.

SEVERABILITY. If any term, condition, or covenant of this CANNABIS INSURANCE AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this CANNABIS INSURANCE AGREEMENT and the conditions of approval to CANNABIS PERMITTEE’s Commercial Cannabis Permit shall not be affected thereby and this CANNABIS INSURANCE AGREEMENT and the conditions of approval to CANNABIS PERMITTEE’s Commercial Cannabis Permit shall be read and construed without the invalid, void, or unenforceable provision(s).

NO THIRD-PARTY BENEFICIARIES. Unless specifically set forth, the parties to this CANNABIS INSURANCE AGREEMENT do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

Signature of Business identified in Line II(#1) above or Business’ Authorized Agent identified in Line II(#4) above: _____

Date Signed by Business identified in Line II(#1) above or Business’ Authorized Agent identified in Line II(#4) above: _____

AGREED:

CITY MANAGER or ADMINISTRATIVE SERVICES DIRECTOR/CITY TREASURER
CITY OF LAGUNA WOODS

Date Signed: _____

**THE SIGNATURES ON THIS DOCUMENT MUST BE NOTARIZED. ATTACH
ACKNOWLEDGEMENT FORMS.**

**IF AN AUTHORIZED AGENT IS SIGNING THIS SECTION III, A SIGNED AND
NOTARIZED LETTER FROM THE BUSINESS OWNER CONFIRMING THE AUTHORIZED
AGENT HAS AUTHORITY TO SIGN FOR THE BUSINESS OWNER IS REQUIRED.**