

No major traffic citations or incidents in the past five (5) years 60 months. Major citations are as follows:

- Hit and run, eluding policy, felony with a motor vehicle, negligent homicide or manslaughter
- Felony auto theft or filing a false report of theft
- DUI or DWI / Open Container / Implied Consent / Possession of a controlled substance (offenses involving cannabis only may be referred to CUSI for consideration)
- Falling asleep at the wheel
- Operating a motor vehicle without the owner's consent
- Driving under a suspension / revocation / cancelled license
- Leaving the scene of an accident
- Following too close
- Dishonesty or breach of trust
- Refusal to submit to a blood, urine, or breath test
- Reckless driving
- Excessive speeding, driving 30 or more MPH over the speed limit; speed contest, or racing

OTHER CONSIDERATIONS

You agree that no driver will be allowed to operate a vehicle on your behalf if that driver does not comply with the following:

1. Handlers of money and securities must submit to a background check. The Background check should evidence NO convictions or arrests for dishonesty, breach of trust, or theft.
2. Drivers are required to have at least two years of experience, and must be at least 25 years old and no more than 70 years of age. Drivers over 65 years of age and older (up to 70) must have a short form medical report.
3. Driver must be at least 25 and hold a valid cannabis related identification card which indicates they are legally able to possess the amount of product being transported
4. All vehicles driven on behalf of the Insured meet the state's safety requirements.
5. Drivers/transporters will not be accompanied by passengers other than your employees or contracted security service providers.
6. All contracted security services must provide a certificate of insurance from an A rated carrier. Proof of insurance should evidence proof of General Liability, Commercial Auto and Workers Compensation coverage (WC requirement is not applicable to sole proprietorships).

In addition, contracted security services must provide the following:

- Additional insured endorsement specifically naming you/your corporation as additional insured with primary coverage and a waiver of subrogation.
 - Hold Harmless agreement, solely in your favor, releasing you from any liability or loss arising from activities covered under policies issued by us.
7. A driver charged with any major citation, arrest or conviction will be suspended from driving duties until all charges have been dismissed or a judgment is entered in favor of the driver. Until this is resolved, the driver may not drive.
 8. Any driver observed driving in an unsafe manner or driving an unsafe vehicle will be barred immediately from driving duties.
 9. You stipulate that you do not advertise to the buying public that a delivery will be accomplished within a specified time of receiving an order and that you do not require drivers to make deliveries in a specified time.
 10. You agree not to waiver any of the carrier's rights under any contract and understand such agreements will not be honored by the policy contract
 11. You agree to provide a list of drivers at binding and at renewal each year and to notify us of any new drivers within 30 days.
 12. Driver's will be added effective the day following the receipt of the driver change request. NO BACKDATING of drivers is permitted.
 13. You agree to keep accurate records of delivery, routes and receipts. The policy is subject to audit at the company's discretion.
 14. All employees have documented training on active documented procedures to protect cargo. Procedures must include response in case of security events, driver illness, vehicle breakdown, detours, accidents bad weather and refusal to accept delivery.

SPECIAL RESTRICTIONS AND CONDITIONS — HIGH VALUE SHIPPING WARRANTY

As a condition of coverage provided by the company, you certify and agreed to the following terms. Failure to provide documentation proving all such conditions existed at the time of loss will result in reduction or denial of coverage.

Unmarked Vehicle Warranty—We will not pay for theft of Covered Property (Cannabis & Cash) where the insured fails to comply with the Unmarked Vehicle Warranty. This warranty requires that any Covered Vehicle (power unit or trailer) does not display any verbiage or imagery relating to cannabis, marijuana, hemp, or CBD on the outside. Unmarked vehicles will naturally be a lower theft target versus one that blatantly displays cannabis related imagery on the outside.

High Value Shipping Warranty—The requirements for this warranty vary depending on the limits chosen. There are three (3) different coverage form options available to enforce this warranty. The requirements are outlined below, along with descriptions of each form and their differences. A more restrictive version of the HVS warranty can always be applied if the underwriting justifies it—this can be at your discretion, or it may be required by your CUSI underwriter depending on the account characteristics.

HIGH VALUE SHIPPING WARRANTY REQUIREMENTS

Covered Vehicle Limit	Required HVS Warranty
\$1 - \$250,000 Covered Vehicle Limit	CUS MC 423
\$250,001 - \$500,000 Covered Vehicle Limit	CUS MC 424A
\$500,000+ Covered Vehicle Limit	CUS MC 424B (includes 423 and 424A)

CUS MC 423—Required for all risks with a Covered Vehicle Limit up to \$250,000

This version of the warranty requires the insured comply with the following criteria for theft and attempted theft to be covered:

- Vehicles must be loaded in a secure location with no street or public visibility.
- Contract of carriage or bill of lading must be signed and verified by shipper and carrier prior to transport.
- Covered Vehicle(s) must not make unscheduled stops for any reason, other than as required by law enforcement or need to protect property covered property from loss or damage.
- Cannabis and Cash must be counted/weighed and sealed prior to provision to driver or delivery person. There must be written documentation to account for the value/weight/number of items that is reviewed and signed by manager or owner.
- Covered Property must be transported in locked and sealed containers and not be accessible while in transit.
- Your employee training program must include threat awareness, robbery response, recognition of threats and appropriate response to threatening events.
- Trailers and packaging must include tamper evident security seals.

CUS MC 424A—Required for all risks with a Covered Vehicle Limit between \$250,001 and \$500,000

This version of the warranty requires the insured comply with the following criteria for theft and attempted theft to be covered:

- Vehicles must be loaded in a secure location with no street or public visibility.
- An approved tracking device must be installed in a covert location in all vehicles used for the transport of Cannabis and Cash and, where available, must be capable of utilizing at least two methods of signaling such as 3G, or SMS/GPRS using GSM or CDMA and must be equipped with at least one covert antenna.
- Contract of carriage or bill of lading must be signed and verified by shipper and carrier prior to transport.
- Covered Vehicle(s) must not make unscheduled stops for any reason, other than as required by law enforcement or need to protect covered property from loss or damage.
- Cannabis and Cash must be counted/weighed and sealed prior to provision to driver or delivery person. There must be written documentation to account for the value/weight/number of items that is reviewed and signed by manager or owner.
- Covered Property must be transported in locked and sealed containers and not be accessible while in transit.
- Your employee training program must include threat awareness, robbery response, recognition of threats and appropriate response to threatening events.

- Your employee training must include documented procedures in place to protect cargo in case of security incidents, driver illness, vehicle breakdown, strikes, detours, bad weather and refusal to accept delivery any third- party security service must provide documentation of the same.
- Trailers and packaging must include tamper evident security seals.
- You must have documented protocol(s) in place to check functionality of all tracking devices prior to departure.

CUS MC 424B—This includes all of the requirements from CUS MC 424A, with two additional requirements available (noted below)

This form is fillable, and can be used to craft a more bespoke warranty depending on certain situations. This is required for all MTC policies requesting a covered vehicle limit exceeding \$500,000 (all boxes must be checked).

- Covered Vehicle(s) must be accompanied by a follow-car. Follow car must be (this requirement can be waived with a description of approved threat identification procedure):
- an unmarked non-descript vehicle that follows the cargo from point of origin to destination.
- Covered Vehicle(s) must be operated with a 2-person crew with at least one (1) individual remaining with the vehicle at all times during the transportation of Covered Property.

I have read this SPECIAL RESTRICTIONS AND CONDITIONS in its entirety and agree on behalf of all insureds, to comply with all of its terms and conditions. I understand failure to adhere to these conditions may result in reduction or nullification of coverage.

Signature of Insured or Officer of Insured Entity _____

Print Name _____ Title _____

Date _____

Other terms remain unchanged unless otherwise indicated in the policy contract. This application is a part of the policy contract upon issuance.