

Pull out your current policy and check the box next to any coverage you can confirm is already in place — anything unchecked is worth a quick conversation with your advisor. Coverage checklist for automotive parts and component manufacturers supplying vehicle makers and the aftermarket. Priorities reflect typical exposure for this class; confirm against your actual parts, plants, and OEM contracts.

CORE

PREVALENT

SITUATIONAL

— Core: almost always needed · Prevalent: commonly carried by businesses in this class · Situational: depends on specific exposure

COVERAGE	WHY THIS BUSINESS NEEDS IT	PRIORITY
☐ Products Liability	Covers crash and injury claims from parts you make — safety-critical systems carry the most severe exposure.	CORE
☐ Automotive Product Recall	Pays recall and field-action costs automakers pass back to suppliers — products liability does not.	CORE
☐ Commercial Property & Business Income	Covers plant, presses, and inventory, plus income lost while production is down.	CORE
☐ Commercial General Liability	Covers premises and operations claims at plants and customer sites.	CORE
☐ Umbrella / Excess Liability	Adds limits for serious crash claims; OEM contracts often require high limits.	CORE
☐ Manufacturer's Errors & Omissions	Covers OEM financial losses from defective parts, such as line stoppages and rework.	PREVALENT
☐ Contingent Business Income	Covers income lost when a key supplier or customer plant shuts down.	PREVALENT
☐ Workers' Compensation	Required by law; press, machining, and lifting injuries.	PREVALENT
☐ Equipment Breakdown	Covers presses, CNC machines, furnaces, and robotics.	PREVALENT
☐ Property of Others / Customer Tooling	Covers OEM-owned tools and dies held at your plant.	SITUATIONAL
☐ Cyber / Privacy Liability	Covers ransomware on production systems and OEM portals.	SITUATIONAL
☐ Foreign Liability	Needed for plants, sales, or staff outside the U.S.	SITUATIONAL

COMMON COVERAGE GAP FOR THIS CLASS

The gap most often missed by auto parts makers is automotive recall cost. Automakers increasingly trace recalls to suppliers and recover the cost through supply contracts and warranty chargebacks, and the Takata recall showed how quickly those costs can reach billions. Products liability pays for injuries, not for pulling and replacing parts in vehicles already on the road. Confirm what your OEM contracts make you pay, add automotive recall coverage sized to that exposure, and consider contingent business income for single-source suppliers.

IMPORTANT — PLEASE READ

This checklist is a free educational tool from Cory Washington & Co. to help you review your own coverage and have a more informed conversation with a licensed insurance professional. It is general information only — not insurance, legal, or financial advice, and not a recommendation to buy, change, or cancel any policy. The Core / Prevalent / Situational labels describe general patterns observed for this class of business — what is commonly carried, not a personalized recommendation or needs analysis for your specific operations. Coverage terms, availability, limits, and requirements vary by policy, carrier, and state, and only the language in your actual policy governs what is and isn't covered. Checking or leaving blank any item above does not indicate that you are adequately insured or under-insured. Using this checklist does not create a client, agency, or fiduciary relationship. Always consult a licensed professional about your specific situation.