CORY WASHINGTON & CO.

SMARTER RISK. STRONGER BUSINESS.

BIKE SHOP — COVERAGE CHECKLIST

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 bicycle retail, repair, e-bike, and rental operations. Priorities reflect typical exposure for this class; confirm against the shop's actual mix of sales, service, and rentals.

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
☐	**Commercial General Liability (incl. Products-Completed Operations)**	Covers injury from a bike or part the shop sold, assembled, or repaired that later fails, plus premises injuries. Confirm products-completed operations is not excluded or sub-limited.	CORE
☐	**Business Personal Property (Stock)**	Covers inventory, tools, and fixtures. High-value bikes and e-bikes can push stock values well above what the limit assumes.	CORE
☐	**Lithium-Ion Battery / E-Bike Exposure Review**	Some carriers exclude or restrict e-bike and battery fires. Confirm neither the property nor liability policy carries such an exclusion.	CORE
☐	**Bailee's Customer Coverage**	Covers customers' bikes left for service — standard property forms may not cover property of others in the shop's care.	PREVALENT
☐	**Crime / Theft Coverage**	Bike inventory is portable and high-value; confirm burglary and theft are covered and that test-ride theft is not excluded.	PREVALENT
☐	**Business Income**	Replaces income after a covered loss. A battery fire can close a shop for months.	PREVALENT
☐	**Rental / Tour Liability**	Needed if the shop rents bikes or leads rides — many retail GL policies exclude rentals and guided activities unless endorsed.	SITUATIONAL
☐	**Workers' Compensation**	Required in most states with employees; covers mechanic injuries and guide injuries on rides.	SITUATIONAL
☐	**Commercial Auto / Hired & Non-Owned**	Covers delivery vans, support vehicles for tours, and employees running errands in their own cars.	SITUATIONAL
☐	**Cyber Liability**	Covers exposure of customer payment and contact data from online sales and service booking.	SITUATIONAL

COMMON COVERAGE GAP FOR THIS CLASS

The biggest gap for this class right now is lithium-ion battery exposure. Many bike shops bought their coverage before e-bikes became a large share of sales and service, and some carriers have since added battery or e-bike exclusions. CPSC data shows fire accounts for every recorded micromobility battery fatality, and more than half of incidents happen while charging — exactly what shops do with inventory and customers' bikes overnight. CPSC proposed its first mandatory battery standard in June 2026, built on UL 2849 and UL 2271. Shops that install conversion kits, sell uncertified batteries, or remove speed limiters face the highest severity, because a fire or crash ties the shop directly to the modified product.

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.