

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 electronic component makers, board assemblers, and electronics contract manufacturers. Priorities reflect typical exposure for this class; confirm against your actual products, end markets, and contracts.

COREPREVALENTSITUATIONAL

— 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 & Products Liability	Covers fires, shocks, and injuries from products or components you make — battery and power products carry the most severe exposure.	CORE
☐ Manufacturer's Errors & Omissions	Covers customers' financial losses from defective parts — rework, line stoppages, and field replacement — that products liability excludes.	CORE
☐ Commercial Property & Business Income	Covers plant, SMT lines, and inventory, plus income lost while production is down.	CORE
☐ Product Recall	Pays to recall and replace products or components — including customer recall costs passed back to you.	PREVALENT
☐ Umbrella / Excess Liability	Adds limits for fire and serious injury claims; OEM contracts often require it.	PREVALENT
☐ Equipment Breakdown	Covers SMT, reflow, and test equipment and the spoilage that follows a breakdown.	PREVALENT
☐ Cyber / Privacy Liability	Covers ransomware on production systems and loss of customer design files.	PREVALENT
☐ Contingent Business Income	Covers income lost when a key supplier's plant shuts down.	SITUATIONAL
☐ Aircraft Products Liability	Needed if any component goes into aircraft — usually excluded under standard products coverage.	SITUATIONAL
☐ Workers' Compensation	Required by law; solvent, solder, and repetitive-motion injuries.	SITUATIONAL
☐ Ocean / Inland Cargo	Covers parts and finished goods in transit, including imported components.	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 electronics manufacturers is customer financial loss. When a bad component forces an OEM to rework boards, stop a line, or replace units in the field, the claim is for money, not bodily injury or property damage — so products liability usually won't respond. Contracts often make you pay for that rework and for counterfeit parts. Battery and power products add severe fire exposure. Confirm you carry manufacturer's E&O, review contract caps on consequential damages, and check whether aircraft or battery products are excluded.

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.