# MANUFACTURERS ERRORS & OMISSIONS — 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 manufacturers, fabricators, and component makers. Priorities reflect typical exposure for this class; confirm against your actual operations.*

**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 |
|---|---|---|---|
| ☐ | **Manufacturers E&O** | Covers customers' financial loss when your product fails to perform, is late, or is built wrong. | CORE |
| ☐ | **Products Liability / General Liability** | Covers injury and damage claims; it does not cover failure to perform. | CORE |
| ☐ | **Umbrella / Excess Liability** | Adds limits over products and general liability; E&O usually sits outside it. | CORE |
| ☐ | **Commercial Property & Business Income** | Covers plants, machinery, tooling, and inventory. | CORE |
| ☐ | **Workers' Compensation** | Covers production, engineering, and warehouse employees. | CORE |
| ☐ | **Product Recall Expense** | Pays to pull and replace product; most E&O forms exclude recall. | PREVALENT |
| ☐ | **Cargo / Stock Throughput** | Covers raw materials and finished goods in transit. | PREVALENT |
| ☐ | **Technology E&O / Cyber** | Covers embedded software and firmware failures and data incidents. | SITUATIONAL |
| ☐ | **Contingent Business Income** | Covers your lost income when a key supplier or customer shuts down. | SITUATIONAL |
| ☐ | **Directors & Officers Liability** | Covers leadership in customer, lender, and investor disputes. | SITUATIONAL |

## COMMON COVERAGE GAP FOR THIS CLASS

*The gap most often missed by manufacturers is a product that simply does not work. A general liability policy pays for injury and damage, but its impaired property and your-product exclusions often leave a customer's downtime, rework, and lost profits uninsured -- Texas's high court applied that exclusion to diesel units restored by replacing faulty flanges. Read customer contracts for consequential and liquidated damages, then confirm a Manufacturers E&O policy responds and its retroactive date reaches back far enough.*

## 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.



This checklist is an educational self-review tool. It affords no coverage and is not insurance, legal, or financial advice.