

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 repossession and recovery agencies, including storage lots and skip tracing. Priorities reflect typical exposure for this class; confirm against the agency's actual operations and lender agreements.

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
☐ Repossessor Errors & Omissions (Wrongful Repossession)	Covers claims of wrong-vehicle recoveries, repossessions after an account was cured, conversion, and breach of the peace — exposures standard GL often does not cover and lenders commonly require.	CORE
☐ Commercial Auto Liability	Covers tow and recovery trucks operating day and night, often in residential areas and on quick-pickup jobs.	CORE
☐ On-Hook / Cargo Coverage	Covers damage to the recovered vehicle while it is being towed or transported.	CORE
☐ Garagekeepers Legal Liability	Covers recovered vehicles in the applicant's storage lot against theft, fire, and vandalism.	CORE
☐ Commercial General Liability	Covers premises and operations injuries, including bystander injuries during recoveries. Confirm assault and battery is not excluded.	CORE
☐ Workers' Compensation	Recovery agents face confrontations, assaults, and hookup injuries.	CORE
☐ Personal Property / Bailee Coverage	Covers debtors' belongings left in recovered vehicles while in the applicant's custody — a recurring regulatory and consumer complaint issue.	PREVALENT
☐ Umbrella / Excess Liability	Extends limits above auto, GL, and employers liability; confrontation and shooting claims are severe.	PREVALENT
☐ Cyber / Privacy Liability	Covers debtor personal data, skip-tracing records, and license-plate-recognition data.	PREVALENT
☐ Employment Practices Liability	Covers claims by agents and staff, including misclassification of 1099 agents.	SITUATIONAL
☐ Crime / Fidelity	Covers employee theft of stored property, personal belongings, or fees collected.	SITUATIONAL

COMMON COVERAGE GAP FOR THIS CLASS

The coverage most often missing for repossession agencies is reposessor errors and omissions. Wrongful repossession — taking the wrong car, a car whose loan was already cured or placed on hold, or a servicemember's car without a court order — is frequently framed as conversion or a statutory violation, not bodily injury or property damage, so a general liability policy may not respond. Federal regulators and the DOJ have repeatedly acted on exactly these fact patterns. Lenders and forwarders usually require E&O in their agreements; confirm the limit and that it covers subcontracted agents.

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.