

Pull out your current warehouse legal liability policy and check the box next to each feature you can confirm it includes — anything unchecked is worth a quick conversation with your advisor.

STANDARD

OFTEN LIMITED

IF NEEDED

— Standard: should be included · Often limited: frequently sublimited, excluded, or optional · If needed: depends on your operations

POLICY FEATURE	WHAT TO CONFIRM	PRIORITY
☐ Limits Matched to Peak Stored Values	Confirm per-location and per-occurrence limits cover peak season, not the average.	STANDARD
☐ Receipt Terms Reflected in the Policy	Confirm the policy responds to the liability your receipts and storage agreements actually accept.	STANDARD
☐ Customer Goods Regardless of Fault	Legal liability pays only when the warehouse is at fault — some contracts require coverage regardless of fault.	OFTEN LIMITED
☐ Mysterious Disappearance & Shortage	Unexplained inventory shortages are often excluded or limited.	OFTEN LIMITED
☐ Refrigeration Breakdown & Spoilage	Needed for cold storage — excluded unless added.	IF NEEDED
☐ Contamination	Covers stored goods contaminated by leaks, pests, or odors.	IF NEEDED
☐ Goods in Transit	Transportation between facilities or to customers usually needs cargo coverage.	IF NEEDED

COMMON GAP IN THIS COVERAGE

The most commonly missed gap in this coverage is a mismatch between receipts and the policy. If receipts don't limit liability — or contracts promise coverage regardless of fault — the warehouse can owe far more than its legal liability policy pays, and in a distribution warehouse the stored goods often exceed the building's value. Operators should align receipts, contracts, and limits, and confirm shortage coverage.

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 Standard / Often Limited / If Needed labels describe general market patterns for this coverage — 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.