SYNOPSIS

MOTION PICTURE AND TELEVISION PRODUCTION INSURANCES

PRESENTED BY

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The following brief description of motion picture and television production insurance is general in nature and is not meant to be a complete explanation of the policy terms.

**CAST INSURANCE**

This coverage is usually only purchased on Feature Films or TV Productions (excluding Documentaries) but can be done for all types of production. It serves to indemnify the production company for the net loss sustained, or for the extra expenses necessary to commence, continue, or complete principal photography of an insured production, due to death, injury or illness of any insured artist or director. Insured persons are initially covered for accident only, until such time as they are medically examined and they complete a medical questionnaire. The carrier then will expand upon the coverage to include illness, if the person qualifies, based upon the medical examination and/or questionnaire. Coverage can also extended to include kidnapping of any insured artist or director along with Family Bereavement Coverage due to death or serious illness of immediate family members.

Cast insurance normally begins four weeks prior to the first camera day, however, additional time can be purchased in the form of Extended Pre-Production Cast Coverage.

**NEGATIVE FILM AND VIDEOTAPE**

This coverage protects against direct physical loss, damage or destruction of raw film or tape stock, exposed film (developed or undeveloped), videotape, matrices, lavenders, positives, interpositives, working prints, cutting copies, fine grain prints, color transparencies, cels, art work and drawings, software and related materials used to generate computer images, and sound tracks and tapes, up to the amount of the insured production cost. This does not cover a loss caused by fogging; faulty camera or sound equipment; faulty developing, editing or processing; manipulation by the cameraman; exposure to light, dampness or temperature changes; error in judgement in exposure, lighting or sound recording; or from the use of an incorrect type of raw film stock or tape. In addition, there are other policy exclusions.

**FAULTY STOCK, CAMERA AND PROCESSING**

Covers the loss, damage, or destruction of raw film or tape stock, exposed film (developed or undeveloped), recorded videotape, matrices, lavenders, positives, interpositives, working prints, cutting copies, fine grain prints, color transparencies, cels, art work and drawings, software and related materials used to generate computer images, and sound tracks and tapes, caused by or resulting from fogging or the use of faulty materials (including cameras or videotape recorders), faulty sound equipment, or faulty developing. Faulty coverage does not include loss caused by errors of judgement in exposure, lighting or sound recording; from the use of incorrect type of raw stock; or faulty manipulation by the cameraman. Faulty Stock, Camera and Processing can only be purchased with Negative Film and Videotape coverage.
PROPS, SETS, AND WARDROBE

Provides coverage on props, sets, scenery, costumes, wardrobe and similar theatrical property against risks of direct physical loss, damage or destruction during the specified production period, subject to certain policy exclusions. Coverage may include loss of use of property of others for which the production is legally liable.

MISCELLANEOUS EQUIPMENT

Covers against risks of direct physical loss, damage or destruction, subject to certain policy exclusions, to camera equipment, sound and lighting equipment, portable electric equipment and generators, mechanical effects equipment, grip equipment, and similar miscellaneous equipment owned by or rented to the production company. Coverage may include loss of use of property of others for which the production is legally liable.

THIRD PARTY PROPERTY DAMAGE LIABILITY

Provides legal liability coverage for damage to or destruction of property belonging to others (including loss of use of the property) while the property is in the care, custody or control of the production company and is used or to be used in an insured production. Coverage does not apply to liability for damage to property caused by operation of any motor vehicle, aircraft or watercraft, including damage to the foregoing; or liability for damage to any property rented or leased that may be covered under props, sets, or wardrobe; or miscellaneous equipment insurance. This coverage is not included under a Comprehensive General Liability Policy. Property Damage Liability written as part of a comprehensive general liability policy excludes damage to any property in the production company's care, custody or control.

EXTRA EXPENSE

Indemnifies the insured for extra expense incurred as a result of interruption, postponement or cancellation of a declared production as a direct and sole result of loss of (including damage to) property or facilities contracted by the insured (Props, Sets, Wardrobe; Miscellaneous Equipment; Third Party Property) in connection with the production insured.

ERRORS AND OMISSIONS - PRODUCERS'/ DISTRIBUTORS' LIABILITY

Provides legal liability coverage, including defense, against claims alleging unauthorized use of titles, format, ideas, characters, and plots; plagiarism; and unfair competition. Also provides coverage for alleged libel, slander, defamation of character or invasion of privacy. This coverage will usually be required by a distributor prior to release of any theatrical or television production.
**WORKERS' COMPENSATION**

This coverage is required by state law and applies to all temporary or permanent cast or production crew members. The policy provides coverage for medical, disability or death benefits to any cast or crew member who becomes ill or who is injured in the course of his/her employment. *Individuals who consider themselves "independent contractors" or "subcontractors" will usually be held to be employees as far as Workers' Compensation is concerned,* and failure to carry this insurance can result in having to pay any benefits required under the law plus penalties. Even though a payroll service may be utilized as the employer of record, the production entity should always have their own Workers' Compensation Policy.

**COMPREHENSIVE GENERAL LIABILITY AND BUSINESS AUTOMOBILE POLICY**

Provides legal liability coverage for claims involving bodily injury or property damage arising out of the filming of the picture. Coverage may include the use of owned and/or non-owned vehicles (both on and off camera), including physical damage to such vehicles. This coverage will be required prior to filming on any city or state roadways, or any location sites requiring filming permits. Coverage does not apply to use of any aircraft or watercraft, which must be separately insured.

**GUILD/UNION TRAVEL ACCIDENT**

Provides travel accident coverages as required by the guild or union contacts to which the producer is signatory. Coverage is blanket and the limits of liability meet all signatory requirements. Coverage may also be extended to non-union employees up to a benefit limit of $50,000 each.
OTHER PRODUCTION INSURANCES

ANIMAL MORTALITY/ EXTRA EXPENSE

Provides indemnification to the production company for the pre-established value of an animal who becomes deceased during a production; or for the net loss sustained due to the illness, injury or destruction of an animal used in connection with a production. Values of animals have to be established in advance and current Veterinarian Certificates are required for full Mortality/Extra Expense Coverage.

NON-OWNED AIRCRAFT LIABILITY (Fixed Wing and Rotary)

Required when a plane or helicopter is rented, leased, or borrowed for use as a picture-plane, to scout locations, or for aerial photography. Hull coverage may also be required if production company is responsible for physical damage to the aircraft itself.

NON-OWNED WATERCRAFT LIABILITY

Required when a boat is rented, leased or borrowed for use as a picture boat, chase boat or camera boat. Hull Coverage may also be required if production company is responsible for physical damage to the craft itself.

RAILROAD PROTECTIVE LIABILITY

Can be required by a railroad, when a production is utilizing the railroad's property. Coverage includes Bodily Injury Liability, Property Damage Liability, and Physical Damage to Property of the railroad or adjacent thereto.

MONEY AND SECURITIES CRIME PACKAGE

Provides coverage for actual physical loss of funds during production (i.e.: petty cash) against robbery, theft, embezzlement, or forgery of checks, etc....

ADVERSE WEATHER EXTRA EXPENSE

Provides coverage for extra expense incurred by the interruption, delay, or abandonment of the production due to adverse weather conditions at the location which reasonably and necessarily prevent filming or taping from taking place.
FOREIGN COMMERCIAL GENERAL LIABILITY

Covers Bodily Injury and Property Damage for liability arising out of accidents and fortuitous occurrences outside of the United States of America/Canada.

FOREIGN WORKERS’ COMPENSATION

Coverages United States Citizens while working outside the United States, and extends coverage to Third Country Nationals (meaning employees who are not citizens of the country of the work-place) and Local Nationals (meaning employees while traveling outside the country of their work-place and who are citizens of the country of their work-place).

KIDNAP, RANSOM AND EXTORTION
WAR RISK (INTRANSIT ONLY)
POLITICAL RISKS COVERAGE
CONFI SCATION, EXPROPRIATION, NATIONALIZATION AND DEPRIVATION