

MPTV PRODUCERS PORTFOLIO POLICY

SPECIAL CONDITIONS

Throughout this Policy, "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance. Other words and phrases that appear in **bold** have special meaning.

The following Special Conditions apply in addition to any applicable Additional Conditions, Additional Exclusions and Additional Definitions in the MPTV Producers Portfolio Coverage Forms. They also apply in place of any similarly named General Conditions.

SECTION I – CONDITIONS

1. Abandonment

There can be no abandonment of any property to us without our written consent.

2. Access To Records And Examination

We or our representatives may examine and audit your books and records as they relate to this Policy at any time during the **term of coverage** or while a claim is pending.

No such examination of books or documents, nor any other act by us or any of our employees or representatives in connection with the investigation of any loss or claim hereunder, shall be deemed a waiver of any defense which we might otherwise have with respect to any loss or claim, but all such examinations and acts shall be deemed to have been made or done without prejudice to our liability.

3. Deductible

- 3.1. When a deductible applies, the terms of this insurance, including those with respect to your duties in the event of loss or damage, apply irrespective of the application of the deductible amount.
- 3.2. We may pay any part or all of a deductible amount to effect settlement of any claim and, upon notification of the action taken you shall promptly reimburse us for such part of the deductible amount that has been paid by us.

4. Inspections and Surveys

- 4.1. We have the right to:
 - 4.1.1. Make inspections and surveys at any time;
 - 4.1.2. Give you reports on the conditions we find; and
 - 4.1.3. Recommend changes.
- 4.2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety recommendations. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - 4.2.1. Are safe or healthful; or
 - 4.2.2. Comply with laws, regulations, codes or standards.
- 4.3. The above subparagraphs 4.1. and 4.2. apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

5. Territory

Except as otherwise provided, this Policy only covers property within Canada and the United States of America.

6. Liberalization Clause

If we adopt any provision which would broaden the coverage under this Policy without additional premium within ninety (90) days prior to or during the **term of coverage**, the broadened coverage will immediately apply to this Policy.

7. Duty to Declare

Prior to the commencement of **principal photography**, you shall declare to us each production that you undertake during the **term of coverage**, including any increase in the number of episodes of a series of television productions over and above the number originally declared.

8. Term of Coverage

We cover loss or damage commencing during the **term of coverage** stated on the Declarations attached to and made a part of this Policy.

In the event that **principal photography** has not been completed by the estimated completion date stated on the Declarations, the insurance accorded under this Policy shall automatically be extended until completion of **principal photography**, or until the expiration date of this Policy, whichever occurs first. This extension will be subject to additional premium, based on the rating schedule(s) attached to and made a part of this Policy.

9. Premium

- 9.1. The first Named Insured shown in the Declarations:
 - 9.1.1. Is responsible for the payment of all premiums; and
 - 9.1.2. Will be the payee for any return premiums we pay.
- 9.2. We will compute all premiums for this Policy in accordance with the rating schedule(s) attached to and made a part of this Policy.
- 9.3. You must advise us of the exact date of termination of **principal photography** of an **insured production** within seven (7) days of that termination date.
- 9.4. The premium shown in this Policy is a deposit premium only unless specifically stated otherwise. At the end of the **principal photography** we will compute the earned premium by applying the rates set forth in the rating schedule(s) to the final **insurable production cost**, subject to any applicable minimum premiums.
- 9.5. If the earned premium is greater than the deposit premium, we will send a bill to the first Named Insured that shows the amount due and when it is payable. If the earned premium is less than the deposit premium, we will return the excess to the first Named Insured.

- 9.6. The first Named Insured must keep records of the **insurable production cost** and other information we need for premium computation, and send us copies at such times as we may request.

10. Stop date loss

This Policy does not insure against loss or damage caused by or resulting from a **stop date loss** unless the need to incur the **stop date loss** directly prevents or reduces loss or damage to which this insurance applies. In that case only, coverage will apply to a **stop date loss**, subject to the following conditions:

- 10.1. If you necessarily incur the **stop date loss** solely and directly as a result of loss or damage to which this insurance applies, the **stop date loss** will be recoverable, subject to the applicable limit of insurance, any applicable deductible provisions and all other terms and conditions of this Policy;
- 10.2. If you necessarily incur the **stop date loss** partly as a result of loss or damage to which this insurance applies and partly as a result of uninsured loss or damage, then an apportionment of the **stop date loss** will be made;
- 10.3. If you necessarily incur the **stop date loss** not as a result of loss or damage to which this insurance applies, then no part of the **stop date loss** will be recoverable.

Your performance contract must be sufficiently longer than your originally scheduled time for completing **principal photography** but may not be less than (10) days unless approved in writing by us.

11. Suspension or Abandonment of an Insured Production

- 11.1. You may suspend or abandon an **insured production** for reasons other than loss or damage covered under this Policy at any time at your sole discretion, upon written notice to us.
 - 11.1.1. If you elect to suspend **principal photography**, the insurance afforded by this Policy shall remain in effect, and the **principal photography** of the **insured production** shall be deemed to be continuing for the purposes of determining the earned premium due. **Principal photography** will be deemed completed only if you notify us within seven (7) days after the **principal photography** is discontinued. Permission is granted to you to abandon the **insured production** during the suspension period.
 - 11.1.2. If you elect to abandon an **insured production**, coverage under this Policy will end thirty (30) days after the abandonment date declared to us or the expiration date of the Policy, whichever occurs first.
- 11.2. Should a covered loss or damage result in abandonment of an **insured production** during the term of coverage, under any Coverage of this Policy, we have the right to require that you surrender all owned or licensed rights, titles and interests in all documents, underlying works, copyrights and all related material of the **insured production**. You cannot unreasonably withhold agreement to such surrender.

We agree to increase the limit of insurance for the applicable coverage by the amount actually incurred for all owned or licensed rights, titles and interests in all documents, underlying works, copyrights and all related material of the **insured production**. As consideration for the increased limits, we may charge an additional premium, using the rate charged for the original policy against the value of the rights obtained.

SECTION II – COMMON EXCLUSIONS

The following exclusions are applicable to all Coverages of this Policy.

This Policy does not insure against increased costs, and loss or damage caused directly or indirectly by:

1. Order of governmental authority

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by a governmental authority and taken at the time of a **covered cause of loss** in order to protect **covered property**.

2. Contraband

Risks of contraband or illegal transportation or trade.

3. Criminal act

Dishonest or criminal acts committed by:

- 3.1. You, any of your partners, members, officers, managers, employees, leased employees, directors, trustees or authorized representatives;
- 3.2. Anyone else with an interest in the property, or their employees or authorized representatives; or
- 3.3. Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

4. Stop date loss

A **stop date loss**, except as otherwise provided in Special Condition 10.

5. War

In whole or in part, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power.

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

6. Nuclear

- 6.1. Any nuclear incident (as defined in the *Nuclear Liability and Compensation Act* any other nuclear liability act, law or statute or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas; or
- 6.2. Contamination by radioactive material.

7. Pollution

- 7.1. Any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**, nor the cost or expense of any resulting **clean up**. This exclusion does not apply:
 - 7.1.1. If the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** is directly caused by a **covered cause of loss** not otherwise excluded in this Policy; or
 - 7.1.2. To loss or damage caused directly by a resultant **covered cause of loss** not otherwise excluded in this Policy;
- 7.2. To any cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**.

8. Terrorism

Terrorism, in whole or in part, or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**.

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

9. Fungi and Spores

9.1. Any **fungi** or **spores**, in whole or in part, unless such **fungi** or **spores** are directly caused by a **covered cause of loss** not otherwise excluded by this Policy;

9.2. The cost or expense for any testing, monitoring, evaluating or assessing of **fungi** or **spores**.

SECTION III – COMMON DEFINITIONS

The following definitions are applicable to all Coverages of this Policy.

1. Continuity means costs incurred to match or maintain the Environment of the **insured production** during the **principal photography**.

The Environment includes weather, climate, natural lighting or seasonal changes in which you are filming the **insured production**.

2. Clean up means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of **pollutants**, including testing which is integral to any of these processes.

3. Fungi includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic and any substance, vapour or gas produced by, emitted from or arising out of any **fungi** or **spores** or resultant mycotoxins, allergens or pathogens.

4. Insurable production cost includes:

4.1. All costs, including overhead, chargeable to an **insured production** or series of productions, including any amount of other overhead you declare at the time you declare an **insured production** or series of productions. However, the following costs shall not be included in **insurable production cost**:

4.1.1. Royalties, residuals, premiums paid for this insurance, interest on loans, and personal and real property taxes;

4.1.2. Story, scenario, music rights, and sound rights, except with respect to television series, specials and pilots; and

4.1.3. **Continuity**, except when a period of suspension due to covered loss or damage exceeds ninety (90) days.

Nevertheless, you have the option to include these excluded costs at the time you declare an **insured production** or series of productions. In that case, such costs will be included in the **insurable production cost** and the amount of any loss or damage paid under this Policy. This provision does not apply where premium is based on an episodic charge.

5. Insured production means a production that has been declared and accepted by us and endorsed to this Policy.

6. Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

6.1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

6.2. Vehicles that travel on crawler treads;

6.3. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted equipment, or maintained primarily for purposes other than the transportation of persons or cargo.

However, **mobile equipment** does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

7. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

8. Principal photography means the continuous period of time from the start date to the completion date you actually require to photograph or tape an **insured production**, including any necessary wraptime.

9. Spores includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any **fungi**.

10. Stop date loss means a loss you necessarily incur because of a delay in completing the original shooting schedule of an **insured production** that will otherwise prevent you from honoring the termination date to which you have agreed in a written performance contract or agreement for persons or property.

11. Terrorism means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.