

COVERAGE C. THEATRICAL COVERAGE EXTENSIONS

SUMMARY OF COVERAGES

Items	Extensions of Coverage	Amounts of Insurance
1.	Accounts Receivable	\$25,000 for any one occurrence
2.	Confiscation or Seizure of Property	\$10,000 for any one occurrence
3.	Contractual Penalties Coverage	\$5,000 for any one occurrence
4.	Equipment Upgrade	\$25,000 for any one occurrence
5.	Expediting Expenses	\$10,000 for any one occurrence
6.	Fire or Police Department Service Charges	\$10,000 for any one occurrence
7.	Fire Suppression Recharge Expense	\$10,000 for any one occurrence
8.	Land and Water Pollutant Clean Up Expenses	\$10,000 for any one occurrence
9.	Pairs and Sets	\$15,000 for any one occurrence
10.	Professional Fees	\$10,000 for any one occurrence
11.	Proof of Loss and Inventory Preparation Expense Coverage	\$5,000 for any one occurrence
12.	Valuable Papers and Records, Computer Data	\$25,000 for any one occurrence

The following Extensions of coverage apply in addition to the amounts of insurance stated on the Declaration Page(s) for Coverage A. Theatrical and Personal Property Coverage Form, and, except as otherwise provided under this Form, are subject to all terms, conditions limitations and exclusions of the Coverage A. Theatrical and Personal Property Coverage Form, up to an individual limit per occurrence as specified in the Summary of Coverages for this Form, unless stated otherwise on the Declaration Page(s).

In the event that more than one Extension of Coverage in this Form applies to the same property lost or damaged as a result of a single occurrence and provides any duplicative coverage, only the Extension with the highest available amount of insurance will apply to the portion of the loss or damage with duplicative coverage. In the event that coverage for loss or damage as a result of a single occurrence provided by an Extension of Coverage in this Form is also provided elsewhere in the policy, then the Extension of Coverage in this Form is deleted in its entirety. The following Extensions of Coverage are not subject to a co-insurance requirement.

EXTENSIONS OF COVERAGE

1. ACCOUNTS RECEIVABLE

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover:

- 1.1. all sums due to the Insured from customers, provided the Insured is unable to collect such sums as the direct result of a direct physical loss of or direct physical damage to records of accounts receivable which are inside the **production facility**, provided such loss or damage is caused by a **covered cause of loss**;
- 1.2. interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectable by such loss or damage;
- 1.3. collection expense in excess of normal collection cost and made necessary because of such loss or damage;
- 1.4. other expenses, while reasonably incurred by the insured in reestablishing records of accounts receivable following such loss or damage.

The Insurer shall not be liable for loss or damage:

- 1.5. due to bookkeeping, accounting or billing errors or omissions;
- 1.6. the proof of which as to its factual existence is dependent upon an audit of records or an inventory computation. This shall not preclude the use of such procedures in support of claim for loss;
- 1.7. due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining, or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding.

Basis Of Settlement:

- 1.8. When there is proof that a loss insured by this Extension has occurred but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be based on the Insured's monthly accounts receivable and shall be computed as follows:
 - 1.8.1. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
 - 1.8.2. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding the month in which the loss occurs, or such part thereof for which the Insured has furnished monthly statements to the Insurer, as compared with such average for the same months of the preceding year;

- 1.8.3. the amount determined under (1.8.1.) above, increased or decreased by the percentage calculated under (1.8.2.) above, shall be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said loss occurs;
- 1.8.4. the amount determined under (1.8.3.) above shall be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month for which statement has been rendered.

There shall be deducted from the total amounts of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an amount to allow for probable bad debts which would normally have been uncollectable by the Insured. On deferred payment accounts receivable, unearned interest and service charges shall be deducted.

2. CONFISCATION OR SEIZURE OF PROPERTY

If **covered property** is confiscated or seized from the Insured by public authority, and the Insured purchased such property from a person who had acquired such property illegally, the insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover such loss.

This Extension shall not apply if the Insured was aware they were purchasing illegally acquired property.

3. CONTRACTUAL PENALTIES COVERAGE

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover sums the Insured is of legally liable to pay in discharge of contractual penalties incurred solely by the failure of the Insured to meet the written contractual obligations because of a direct physical loss or direct physical damage to **covered property** caused by a **covered cause of loss**. Such contract must be written and must have been executed prior to the date of the loss.

4. EQUIPMENT UPGRADE

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover any increase in the replacement cost of **covered property** which has been lost or damaged as a direct result of a **covered cause of loss** and which the Insured elects to replace with **covered property** that is capable of performing the same functions and that may include technological improvements from that lost or damaged.

Coverage will only apply in the event of the total loss of the **covered property**. In case of a partial loss to the **covered property**, the basis of settlement will be applied according to the terms in the Coverage A. Theatrical and Personal Property Coverage Form.

This Extension does not apply to **covered property** that is obsolete at the time of the loss or damage.

5. EXPEDITING EXPENSES

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover expediting expenses, including overtime, incurred as a result of direct physical loss of or direct physical damage to **covered property** caused by a **covered cause of loss**, for such costs incurred to:

- 5.1. make reasonable temporary repairs;
- 5.2. expedite reasonable permanent repairs;
- 5.3. expedite permanent replacement of the **covered property** that has been lost or damaged.

This Extension does not apply to additional costs incurred for the rental or borrowing of property while the damaged property is being repaired or replaced.

Replacement means repair, construction, or reconstruction with new property of like kind and quality.

6. FIRE OR POLICE DEPARTMENT SERVICE CHARGES

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover service charges assessed when a fire or police department is called to save or protect the **covered property** from a **covered cause of loss** at a **production facility**.

This Extension only provides reimbursement for service charges for which the Insured is legally liable and which have been received directly from:

- 6.1. the Insured's municipal fire or police department; or
- 6.2. a neighbouring municipality's fire department or police department for which there is an inter-municipal agreement.

7. FIRE SUPPRESSION RECHARGE EXPENSE

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover any **fire suppression system** recharge expense (including system inspection expenses) incurred by the Insured due to the leakage or discharge of the fire suppressant within any **fire suppression system** at the **production facility** of the Insured where such discharge or leakage is caused by or results from a **covered cause of loss**.

Coverage under this Extension may also be applied to the cost incurred during the policy period of upgrading any **fire suppression system** following a direct physical loss or direct physical damage arising out of a fire to which this Form otherwise applies, and that caused such **fire suppression system** to discharge. The cost incurred for upgrading **fire suppression systems** does not apply to any **automatic sprinkler system** designed to protect the **production facility**.

Fire Suppression System means special fire suppression equipment, which is not water based and has been designed and installed to conform with National Fire Protection Association (NFPA) guidelines.

Automatic Sprinkler System means a system that consist of an integrated network of piping designed in accordance with fire protection engineering standards that includes a water supply source, a water control valve, a water flow alarm and a drain. The system shall be activated by heat from a fire that automatically discharges water over the fire area.

8. LAND AND WATER POLLUTANT CLEAN UP EXPENSES

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover expenses incurred for the **clean up** of **pollutants** from land or water at the **production facility**, provided the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**:

- 8.1. arises directly from a direct physical loss of or direct physical damage to **covered property** at the **production facility** caused by a **covered cause of loss**; and
- 8.2. is sudden, unexpected and unintended from the standpoint of the Insured; and
- 8.3. first occurs during the policy period.

Reporting Period

It is a condition precedent to recovery under this Extension that all expenses insured by this Extension must be incurred and reported to the Insurer within 365 days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of **pollutants** for which **clean up** expenses are being claimed.

Limit of Insurance

The maximum amount of insurance under this Extension during any one annual policy period shall not exceed, in the aggregate, \$10,000, regardless the number of occurrences.

No automatic reinstatement

Notwithstanding the Reinstatement Clause or other provision to the contrary in this policy, the amount of insurance specified for this Extension will be reduced, following a loss, by the amount payable.

This Extension of coverage does not apply to:

- 8.4. expenses for **clean up** away from or beyond the **production facility** resulting from any spill, discharge, emission, dispersal, leakage, seepage, migration, release or escape of **pollutants**, even if the **pollutants** emanated from the **production facility**;
- 8.5. expenses for **clean up** of any spill, discharge, emission, dispersal, leakage, seepage, migration, release or escape of **pollutants** that began before the effective date of the policy;

- 8.6. fines, penalties, punitive or exemplary damages;
- 8.7. expenses incurred for the **clean up of pollutants** at or from any **production facility**, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste.

Other insurance

The insurance afforded by this Extension shall apply as excess over any other valid and collectible insurance available to the Insured or any other interested party, unless the Insured has no other valid and collectible insurance, in which case this policy shall be primary.

9. PAIRS AND SETS

In the event of direct physical loss of or direct physical damage to any articles of **covered property** which are part of a set, caused by a **covered cause of loss**, the insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover any undamaged property that forms part of the same set but which has become unusable as a complete item.

10. PROFESSIONAL FEES

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover necessary and reasonable fees incurred by the Insured, with the prior written approval of the Insurer, for professional services provided by auditors, accountants, architects, surveyors, engineers and other professionals.

This Extension only applies to professional services required for the purpose of producing or certifying particulars or details of the Insured's business that are requested by the Insurer, in connection with direct physical loss of or direct physical damage to **covered property** caused by a **covered cause of loss**, in order for the Insurer to arrive at the loss payable under this Form or under the Coverage A. Theatrical and Personal Property Coverage Form.

This Extension does not apply to any fees:

- 10.1. relating to the preparation of a proof of loss or inventory;
- 10.2. incurred for services provided by lawyers, public adjusters, loss appraisers, loss consultants or the Insured's own employees.

11. PROOF OF LOSS AND INVENTORY PREPARATION EXPENSE COVERAGE

If, as the result of a direct physical loss of or direct physical damage to **covered property** caused by a **covered cause of loss**, the Insurer requests:

- 11.1. the preparation of a proof of loss; or
- 11.2. the preparation of inventories to help determine the amount of the loss;

the insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover the necessary expenses incurred to prepare such proofs or inventories.

This Extension does not apply to expenses to prove this Form or the Coverage A. Theatrical and Personal Property Coverage Form insures against a loss, nor for expenses incurred under the condition of this policy relating to appraisal.

12. VALUABLE PAPERS AND RECORDS, COMPUTER DATA

The insurance provided by the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover direct physical loss of or direct physical damage to **valuable papers and records** and **computer data** at the **production facility**, caused by a **covered cause of loss**.

In the event of such loss or damage, the Coverage A. Theatrical and Personal Property Coverage Form is extended to cover the extra expense necessarily incurred in the reproduction of the **valuable papers and records** and **computer data**, including the cost of gathering or assembling information or data for such reproduction.

This Extension of coverage does not apply to:

- 12.1. errors or omissions in processing or copying unless fire or explosion ensues and then, coverage is only provided for direct physical loss of or direct physical damage to **valuable papers and records** and **computer data** caused by such ensuing fire or explosion;
- 12.2. **money** or **securities**;
- 12.3. computer viruses, harmful code or similar instructions introduced into or enacted on a **computer system**, equipment or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.

Computer Data means facts, concepts and information which is converted to a form useable for computer equipment and includes programs, software and coded instructions for the processing and manipulation of **data** or the direction and manipulation of such computer equipment.

Computer System means electronic office equipment including computer servers, component parts, networks, mainframes, accounting machines, drives, associated peripheral equipment, and any storage devices that are used for computer data storage and processing.

Money means currency, coins, bank notes and bullion, traveller's cheques, registered cheques and money orders held for sale to the public.

Securities means all negotiable and non-negotiable instruments or contracts representing **money** or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include **money**.

Valuable Papers and Records means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts and electronically stored records.

All other terms and conditions of the policy remain unchanged.