

**PRODUCERS'
ERRORS & OMISSIONS LIABILITY INSURANCE**

NOTICE: THIS IS AN APPLICATION FOR A "SPECIFIED CAUSE OF LOSS " CLAIMS MADE POLICY. EXCEPT AS PROVIDED IN THE POLICY, ANY INSURANCE POLICY ISSUED WILL BE LIMITED TO COVERAGE FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR WITHIN SIXTY DAYS AFTER THE TERMINATION OF THE POLICY PERIOD SUBJECT TO THE SPECIAL 36 MONTH REPORTING PROVISION. PLEASE READ AND REVIEW THIS APPLICATION CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT, BROKER OR LEGAL REPRESENTATIVE.

1. Name of Applicant: _____

2. Street & Mailing Address: _____

3. Applicant is a: Corporation Individual Partnership Joint Venture

4. Names and Titles of Principal Officers, Partners or Individuals: _____

5. Name of Producer (Individual): _____

Executive Producer (Individual): _____

6. Desired Effective Date: _____ Desired Term of Policy: _____ year

7. Title of Production to be Insured: _____

8. Has Title Report been obtained from any one of the Title Clearance Services?: Yes No

If "Yes", Name the Clearance Service: _____

(Attach Copy of Report)

9. Estimated Dates for:

(a) Completion of Principal Photography: _____

(b) First Release or Air Date: _____

10. Limits of Desired Coverage: Each Wrongful Act: \$ _____

Total Limit: \$ _____

Deductible amount: \$ _____

NOTE: Costs and Expenses of claims handling and defense are inclusive within the Deductible Amount.

11. Is Coverage desired for the following optional items?:

(a) Merchandising: Yes No If "Yes", describe in detail: _____

If "Yes", Sublimit desired: \$ _____

(b) Loss of Advertising or Promotional expenses, due to an Injunction: Yes No

20. Are actual events portrayed in the Production? Yes No
21. Has Applicant or any of its agents bargained for (a) any rights in Literary, Musical or other material; or (b) releases from any persons in connection with any Production, and been unable to obtain or refused an agreement or release? Yes No If "Yes", Please Explain: _____
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22. Is the Production: Entirely Fictional True Portrayal of Events or Happenings
 Entirely Fictional but inspired by specific Events or Happenings
 Portrayal of actual Events or Happenings, but which includes significant fictionalization
 Based on another Work If so, Please Specify: _____
 Other: _____

23. Is the Production: Quiz or Panel Interview or Forum Variety Musical
 Dramatic Children's Show Documentary Mini-Series Docudrama
 Other: _____

24. a. Does the Production use any literary, musical, or other material whatsoever that was copyrighted before January 1, 1978? Yes No
- b. If Yes, list separately the title of the material and the date of initial and renewal copyright for each such copyrighted matter:

<u>TITLE OF MATERIAL USED</u>	DATE OF COPYRIGHT (Mo./Day/Yr.)	DATE OF RENEWAL (Mo./Day/Yr.)
_____	_____	_____
_____	_____	_____
_____	_____	_____

- c. Does the license or assignment for all such material grant renewal rights? Yes No
- d. Was the copyright for such material renewed during the lifetime of the author? Yes No

25. Has a Copyright Report been obtained? Yes No If "Yes", is there an ambiguity or gap in the line of Ownership? Yes No If "Yes", Explain: _____
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26. Will any Film Clips be used in this Production? Yes No
 If "Yes", have all Licenses and Consents for the Film Clips been obtained as follows?:
- From Copyright Owners? Yes No Have Musical Rights been obtained? Yes No
 From Music Owners? Yes No Recording & Synchronization Rights? Yes No
 From Writers and/or Others? Yes No Performing Rights? Yes No
 From Performers or Persons appearing in the Film? Yes No
- If "No" to any of the foregoing, Explain: _____
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27. Have Musical Rights been cleared? Yes No
 (a) Recording and Synchronization Rights? Yes No
 (b) Performing Rights? Yes No
28. If Original Music was commissioned, has a Hold Harmless been obtained from the Composer?
 Yes No If "No", Explain: _____

29. Will a Soundtrack Album or Tape be produced? Yes No
30. Will the Production be distributed to the public on Videotapes, Videocassettes, Videodiscs or other technology? Yes No If "Yes", has Applicant acquired necessary Music and other Licenses and Consents therefor? Yes No
31. Has Applicant had prior Copyright, Libel, etc. (Producers' Liability) Insurance on the Production to be insured? Yes No **(If "Yes", Attach a Copy of prior Policy.)**
32. Has Applicant or any Officer(s), Director(s) or Partner(s) ever been refused similar Insurance for this Production or any other Production? Yes No If "Yes", Explain: _____

33. Applicant represents and warrants that neither it, nor any of its Officers, Directors or Partners, or their Counsel, have any knowledge, actual or constructive:
- (a) of any claims or legal proceedings made or commenced against the Applicant, or any Officers, Directors, Partners, or subsidiary or affiliated corporations within the last five (5) years for invasion of privacy, infringement of copyright (statutory or common law), defamation, unauthorized use of titles, formats, ideas, characters, plots or other program material embodied in any Production, or breach of implied contract arising out of alleged submission of any literary or musical material.
- If no exceptions, Please Initial
- Except as Follows (attach separate sheet if necessary): _____

- (b) of any threatened claims or legal proceedings against the Applicant or any Officers, Directors, Partners or subsidiaries against any other person, firm or corporation arising out of or based upon any Production including title thereof, or any material upon which any Production is or will be based, that would be covered by the Policy sought to be obtained by the Applicant.
- If no exceptions, Please Initial
- Except as Follows: _____

- (c) of any facts, circumstances or prior negotiations by reason of which they, or any of them, believe that a claim might reasonably be asserted or legal proceedings instituted against the Applicant that would be covered by the Policy sought to be obtained by the Applicant.
- If no exceptions, Please Initial
- Except as Follows: _____

34. Attach separate schedule of all known, suspected or reported claims.

35. Applicant agrees to obtain from third parties from whom it obtains matter, material or services for the Production written warranties, representations and indemnities against claims arising out of the use of such matter, material or services, including advertising agencies, advertisers, independent contractors and others providing copy, music, photographs, artwork and other material to be used in the Insured Productions.

Please Initial

36. Applicant agrees that it will use due diligence to determine whether any matter or materials to be used in the Production are protected by law and, where necessary, to obtain from parties owning rights therein the right to use the same in connection with the Production.

Please Initial

37. COVERAGE, CONFLICTS, ETC.

Applicant understands that there will be special provisions in the Policy (General Condition F.) covering the respective obligations of the Company and Applicant to provide DEFENSE and INDEMNITY where coverage issues or conflicts of interest are or may be present.

Applicant acknowledges that claims and lawsuits may be brought which may combine covered and uncovered claims or forms of relief and that conflicts of interest may arise as between one Insured and another Insured under the Policy, with respect to the Company or otherwise. In all such circumstances, Applicant recognizes that, under the Policy, the Company's obligation is only to provide one (1) counsel for defense of all claims and if any further counsel are desired by Applicant, they may be retained by Applicant, but the costs and expenses of such counsel shall be shared fifty percent (50%) by the Company and fifty percent (50%) by Applicant, fees shall be limited to amounts generally paid by the Company and representation shall be subject to further terms and conditions contained in the Policy. Applicant understands that the premiums set forth herein, the deductible, and the balance of the terms of the Policy have been specifically set and determined with the foregoing provisions in mind and acknowledges that it has agreed to such method of payment for any additional counsel desired to be retained by Applicant.

Please Initial

38. THIS APPLICATION IS SUBMITTED WITH THE FOLLOWING SPECIFIC UNDERSTANDING:

- (a) Applicant warrants and represents that the above answers and statements are in all respects true and material to the issuance of an Insurance Policy and that Applicant has not omitted, suppressed or misstated any facts.
- (b) If any claims, threatened claims, or other matters which might affect issuance of a Policy come to the attention of Applicant after execution or filing of this Application with the Insurer but before a Policy issues, Applicant must notify the Insurer immediately.
- (c) All exclusions in the Policy apply regardless of any answers or statements in this Application.
- (d) Deductible Provision - Please note that the Policy stipulates that any deductible or retention shall apply to investigation expenses and defense costs as well as indemnity.
- (e) Applicant understands that the limit of liability, deductible, term of coverage and other terms and conditions in any Policy issued in response hereto may be different than those requested herein and Applicant agrees to such differences.

39. This Application shall be attached to and become a part of any Policy, should a policy be issued as a result of this Application. The Application shall be deemed a schedule to such Policy, but the signing of this Application does not bind the Applicant or the Company unless and until a Policy of Insurance is issued in response to this Application.

FRAUD WARNING - ARKANSAS, FLORIDA, KENTUCKY, MICHIGAN, MINNESOTA, NEW JERSEY, NEW YORK, AND PENNSYLVANIA: Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and subjects the person to (NY: substantial) criminal and civil penalties.

COLORADO FRAUD WARNING: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

OHIO FRAUD WARNING: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Date Signed: _____

Applicant's Signature: _____

(Authorized Representative)

By: _____

Title: _____

Account Executive: _____

Agent/Broker: _____

Address: _____

Phone: _____ Telex: _____ Telefax: _____

NOTE: Please be sure to Attach 5 years Loss Experience in Detail of the Applicant or of any Officer, Director or Partner for any production in which they were included.

(SEE ATTACHED FOR CLEARANCE PROCEDURES)

CLEARANCE PROCEDURES

The Clearance Procedures below should not be construed as exhaustive and they do not cover all situations which may arise in any particular circumstance or any particular production.

1. Applicant and its counsel should continually monitor the production at all states, from inception through final cut, with a view to eliminating material which could give rise to a claim.
2. The script should be read prior to commencement of production to eliminate matter which is defamatory, invades privacy or is otherwise potentially actionable.
3. Unless work is an unpublished original not based on any other work, a copyright report must be obtained. Both domestic and foreign copyrights and renewal rights should be checked. If a completed film is being acquired, a similar review should be made on copyright and renewals on any copyrighted underlying property.
4. If the script is an unpublished original, the origins of the work should be ascertained - basic idea, sequence of events and characters. It should be ascertained if submissions of any similar properties have been received by the applicant and, if so, the circumstances as to why the submitting party may not claim theft or infringement should be described in detail.
5. Prior to final title selection, a Title Report should be obtained.
6. Whether production is fictional (and location is identifiable) or factual, it should be made certain that no names, faces or likenesses of any recognizable living persons are used unless written releases have been obtained. Release is unnecessary if person is part of a crowd scene or shown in a fleeting background. Telephone books or other sources should be checked when necessary. Releases can only be dispensed with if the applicant provides the Company with specific reasons, in writing, as to why such releases are unnecessary and such reasons are accepted by the Company. The term "living persons" includes thinly disguised versions of living persons or living persons who are readily identifiable because of identity of other characters or because of the factual, historical or geographic setting.
7. All releases must give the applicant the right to edit, modify, add to and/or delete material, juxtapose any part of the film with any other film, change the sequence of events or of any questions posed and/or answers, fictionalize persons or events including the release and to make any other changes in the film that the applicant deems appropriate. If a minor, consent has to be legally binding.
8. If music is used, the applicant must obtain all necessary synchronization and performance licenses from composers or copyright proprietors. Licenses must also be obtained on prerecorded music.
9. Written agreements must exist between the applicant and all creators, authors, writers, performers and any other persons providing material (including quotations from copyrighted works) or on-screen services.
10. If distinctive locations, buildings, businesses, personal property or products are filmed, written releases must be secured. This is not necessary if non-distinctive background use is made of real property.
11. If the production involves actual events, it should be ascertained that the author's sources are independent and primary (contemporaneous newspaper reports, court transcripts, interviews with witnesses, etc.) and not secondary (another author's copyrighted work, autobiographies, copyrighted magazine articles, etc.).
12. Shooting script and rough cuts should be checked, if possible, to assure compliance of all of the above. During photography, persons might be photographed on location, dialogue added or other matter included which was not originally contemplated.

CLEARANCE PROCEDURES (Cont'd)

13. If the intent is to use the production to be insured on Videotapes, Videocassettes, Videodiscs or other new technology, rights to manufacture, distribute and release the production must be obtained, including the above rights, from all writers, directors, actors, musicians, composers and others necessary therefore, **including proprietors of underlying materials.**
14. Film clips are dangerous unless licenses and authorizations for the second use are obtained from the owner of the clip or party authorized to license the same, as well as licenses from all persons rendering services in or supplying material contained in the film clip; e.g., underlying literary rights, performances of actors or musicians. Special attention should be paid to music rights as publishers are taking the position that new synchronization and performance licenses are required.
15. Aside from living persons, even dead persons (through their personal representatives or heirs) have a "right of publicity", especially where there is considerable fictionalization. Clearances must be obtained where necessary. Where the work is fictional in whole or in part, the names of all characters must be fictional. If for some special reason particular names need not be fictional, full details must be provided to the Company in an attachment to the Application.
16. Consideration should be given to the likelihood of any claim or litigation. Is there a potential claimant portrayed in the production who has sued before or is likely to sue again? Is there a close copyright or other legal issue? Is the subject matter of the production such as to require difficult and extensive discovery in the event of necessity to defend? Are sources reliable? The above factors should be considered in your clearance procedures and recommendations.