

**SPECIAL PRODUCERS'
ERRORS & OMISSIONS LIABILITY INSURANCE**

* Commercials * Industrial Films * Educational Films *

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
State of Incorporation: _____

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

5. Name of Producer (Individual): _____
Executive Producer (Individual): _____

6. Names and Addresses of all Subsidiaries, State of Incorporation, and Percentage of Ownership by Applicant: _____

7. Years in Business: _____ Under Present Name: _____
Previous experience in this field: _____

8. Affiliation with other Persons or Firms: _____

9. Is the Applicant engaged in any Business or Profession other than as described above? Yes No
If "Yes", Explain: _____

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

11. 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.

12. Please provide below full particulars of all similar insurance carried in the past five (5) years:

Name of Insurer	Policy Period Fr: Mo/Day/Yr To: Mo/Day/Yr	Limits of Liability	Deductible
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

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

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

If "Yes", Sublimit desired: \$ _____

14. Are Title Reports regularly obtained from any one of the Title Clearance Services? Yes No

If "Yes", Name the Clearance Service: _____

15. Estimated Number and Types of Productions to be Produced Annually:

(a) Commercials: _____ (c) Educational Films: _____

(b) Industrial Films: _____ (d) Other (Describe): _____

16. State Applicant's last 3 years and current Estimated Total Annual Gross Production Costs and Revenues:

	_____ year	_____ year	_____ year	_____ year
(a) Gross Production Costs:	_____	_____	_____	_____
(b) Gross Revenues:	_____	_____	_____	_____

17. Names of Authors and Writers:

(a) Of Underlying Works: _____

(b) Of Screenplays, etc.: _____

18. Give Name, Address & Phone Number of the person who performs the Clearance Work in connection with the Productions of Applicant: _____

19. Name & Address of Applicant's Attorney: Individual: _____

Firm: _____ Phone: _____

20. Has Applicant's Attorney read the "Clearance Procedures" included within this Application?
 Yes No If "No", Explain: _____
21. Has Applicant's Attorney approved as adequate the steps taken for Clearance Procedures used in connection with the Productions? Yes No If "No", Explain: _____

22. Is the name or likeness of any living person used or is any living person portrayed (with or without use of name or likeness) in any Production? Yes No
If so, have clearances been obtained in all cases? Yes No
- Is the name or likeness of any deceased person used or is any deceased person portrayed (with or without name or likeness) in any Production? Yes No If so, have clearances been obtained in all cases from Personal Representatives, Heirs or other Owners of such rights?
 Yes No
23. Is there a plausible risk that a living person could claim (without regard to the merits) to be identifiable in any Production, whether or not the person's name or likeness is used or the Production purports to be fictional? Yes No If so, has a release been obtained from such person? Yes No
24. 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: _____

25. Please Describe in detail the various Productions of the Applicant: _____

26. Are the Productions: Entirely Fictional True Portrayal of Events or Happenings
 Entirely Fictional but inspired by specific Events or Occurrences
 Portrayal of actual facts, but which includes significant fictionalization
 Based on another Work If so, Please Specify: _____
 Other: _____
27. Will any Film Clips, Photographs or Artwork be used in these Productions? Yes No
If "Yes", Please answer each of the following:
Have all Licenses and Consents been obtained as follows?:
- | | | | |
|-----------------------------|--|---|--|
| From Copyright Owners? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Have Musical Rights been obtained? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| From Music Owners? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Recording & Synchronization Rights? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| From Writers and/or Others? | <input type="checkbox"/> Yes <input type="checkbox"/> No | Performing Rights? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | From Performers or Persons appearing in the Film? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
- If "No" to any of the foregoing, Explain: _____

28. Have Musical Rights been cleared? Yes No
(a) Recording and Synchronization Rights? Yes No
(b) Performing Rights? Yes No
29. If Original Music was commissioned, has a Hold Harmless been obtained from the Composer?
 Yes No If "No", Explain: _____

30. Will a Soundtrack Album or Tape be produced? Yes No
31. Describe in detail the planned Distribution and Exhibition of the Applicant's Productions: _____

- (a) Is Distribution to be to the Public at large? Yes No
To a Specified Smaller Group? Yes No Names: _____

- (b) How many Prints of each Production are made? _____
- (c) Are the Prints for sale to the Public? Yes No
- (d) Any Product for Television Release? Yes No
Any Motion Pictures for Television Release? Yes No
32. Will any Production be distributed to the public on Videotapes, Videocassettes, Videodiscs or other new technology? Yes No If "Yes", has Applicant acquired necessary Music and other Licenses and Consents therefor? Yes No
33. Has Applicant had prior Copyright, Libel, etc. (Producers' Liability) Insurance on any Production to be insured? Yes No **(If "Yes", Attach a Copy of prior Policy.)**
34. Has Applicant or any Officers, Directors or Partners ever been refused similar Insurance for any Production? Yes No If "Yes", Explain: _____

35. 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: _____

(b) of any threatened claims or legal proceedings against the Applicant or any Officers, Directors, subsidiaries or Partners or 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: _____

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

37. If the Policy is to cover failure to give credit provisions under written contracts, then such written contracts must provide that no casual or inadvertent failure to give credit shall be deemed a breach of such contract and the coverage of this Policy shall only extend to failure to give credit on prints, advertising, or publicity controlled by the Applicant.

38. Applicant agrees to obtain from third parties from whom it obtains matter, material or services from any Production written warranties and indemnities against claims arising out of the use of such matter, material or services.

Please Initial

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

Please Initial

40. Applicant also 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 this Policy or as against the Company. In all such circumstances, Applicant recognizes that, under this 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 at the Applicant's own cost and expense in accordance with the terms of the Policy. Applicant understands that the premiums set forth herein, the deductible, and the balance of the terms of this Policy have been specifically set and determined with the foregoing provisions in mind and acknowledges that he is waiving his right to separate counsel paid for by the Company but shall retain the right to such counsel paid by himself.

Please Initial

41. 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) Applicant understands that the deductible under any Policy to be issued in response hereto shall include both loss payment, investigation expenses & defense costs as defined in the Policy.

42. This Application shall be attached to and become a part of any Policy, should a policy be issued as a result of this Application, which shall then be deemed a schedule to such Policy as well, but the signing hereunder does not bind the Applicant or the Insurer to complete the Insurance 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: _____

Brokerage Firm: _____

Address: _____

Phone: _____ Telex: _____ Telefax: _____

NOTE: Please be sure to Attach 5 years Loss Experience in Detail.

(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 should 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.).

CLEARANCE PROCEDURES (Cont'd)

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.
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 should 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 should 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.