



Liberty Entertainment
INSURANCE SERVICES



Motion Picture & Television Production Insurance

Presented By:

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Introduction

- Why do you need Production Insurance
- Completion Bond vs. Production Insurance
- Safety Precautions
- Production Insurance Details
- Special Policies
- Hazardous Activity
- Certificates of Insurance
- Cost



Why Do You Need Production Insurance?

- Vendor & Location Requirements
- City Permits
- To meet state/ federal laws (Work Comp)
- Protect the production from unexpected extra expenses as a result of covered claims
- Financier/ Bond Company Requirements
- Distributor Requirements



Bond vs. Insurance

Completion Bond

The bond guarantees the completion of a production on budget. The bond company underwrites a production in a similar way that an insurance company does to evaluate potential risks that could cause the project to go over budget or over schedule. The bond will be required by most financiers depending on the budget of your project.

Evaluate Production Details:

- 1. Cast (any known substance abuse issues)**
- 2. Stop Date issues**
- 3. Budget (can they make this movie for this budget)**
- 4. Production Schedule**
- 5. Is proper insurance in place**
- 6. Dictate what level Contingency is needed in the budget**



Safety Precautions

- Walk through locations with owners/ landlords and take photos before and after your shoot
- Inspect/ Test equipment with vendors
 - Make sure to take memory cards when returning cameras
- Use off-site backup for digital recorded media
- Inspect rental vehicles (before and after)
- Use experienced stunt/ pyro personnel



Production Policies

Overview

1. Production Package
2. Commercial Package
 - a. General Liability
 - b. Non-Owned/ Hired Auto Liability
3. Workers Compensation (as required by law)
4. Guild Travel Accident (if you are using guild members such as SAG, PGA or DGA)
5. Excess/ Umbrella Liability
6. Errors & Omissions (this will be required for distribution)
7. Other Special Policies
 - a. Railroad Protective
 - b. Non-Owned Aircraft Contingent Liability
 - c. Watercraft Coverage
 - d. Foreign Coverages



Production Package

Cast Insurance – Extra out-of-pocket costs incurred in completing principal photography, as a direct result of a covered artist being unable to work as a result of death, injury or illness.

Miscellaneous Equipment - Pays the value of camera, sound and lighting equipment and similar property, for which the production company is legally liable and which is damaged or destroyed.

Negative Film - Extra out-of-pocket costs incurred in re-shooting only the portion which is unacceptable as a result of damage to negative film, video tape and “digitized images”.

Faulty Stock – Extra out-of-pocket costs incurred in re-shooting only the portion which is unacceptable as a result of loss of or damage to negative film, video tape, “digitized images” caused by faulty materials, faulty equipment or faulty processing.



Production Package

Continued...

Extra Expense - Reimburses the production company for the extra out-of-pocket costs incurred in completing principal photography as a direct result of damage to or destruction of property or facilities used in connection with the production.

Props, Set & Wardrobe - Pays the value of props, sets, wardrobe and similar property which is damaged or destroyed.

Third Party Property Damage - Pays all sums the production company becomes legally obligated to pay as damages because of injury to or destruction of the property of others while it is in the care, custody or control of the production company.



Commercial Package

Commercial General Liability

CGL protects the producer against claims for Bodily Injury and Property Damage arising out of the filming of the production. Typically, there is an exclusion under this policy for property of others in the care, custody or control of the production company which is covered under Third Party Property Damage.

Non-Owned & Hired Automobile Liability

This coverage protects the production company against claims for Bodily Injury and/or Property Damage to third parties arising out of the use of Non-owned or Hired Automobiles.

Hired Automobile Physical Damage

This coverage provides comprehensive and collision coverage for any Hired vehicle used in connection with the production, for which the insured is legally liable.



Additional Policies

Workers Compensation & Employers Liability

With few exceptions, Workers Compensation Insurance must be purchased by all employers. This coverage provides the mandatory benefits employers must provide to their employees should they get injured during the course of employment. Employer's Liability protects the employer from claims brought by injured employees when the claim is not covered under Workers Compensation or in the case of other special circumstances (e.g. gross negligence). Most productions utilize a payroll service which will include Workers Compensation coverage for all people paid through their service.

Guild Travel Accident

Provides Accidental Death & Dismemberment benefits to guild members while travelling to or from the location of filming. This policy is required in SAG, DGA and other guild contracts. This policy benefits the guild member and not the production



Additional Policies

Umbrella Liability

Provides additional limits above the General Liability, Automobile Liability, and Third Party Property Damage Liability.

Errors & Omissions (Producer's Liability)

This coverage will protect the Production Company's legal liability and provide defense against lawsuits alleging unauthorized use of titles, format, ideas, characters, plots, plagiarism, unfair competition, libel, slander, defamation of character and/or invasion of privacy.



Special Policies

Non-Owned Aircraft Liability

Non-Owned Aircraft coverage is required when a plane or helicopter is in used in a production as a picture aircraft, aerial photography, scouting or chartering purposes. Covers the productions liability out of the operations of the aircraft.

Protection & Indemnity (Watercraft)

This coverage may be required if the Production Company hires watercraft on a bareboat charter basis. This means without master or crew or when your employees are working over navigable waters.

Railroad Protective Liability

If filming activities take place on railroad or subway property, this coverage may be required. This coverage provides an insurance policy in the name of the Railroad covering Third Party Liability, Physical Damage to the Railroad and Federal responsibility to Railroad Personnel.



Hazardous Activity

Typically there are exclusions on all production policies with regard to stunts, pyrotechnics and other hazardous activity. The policies can be amended to include coverage for these items once the insurance company has underwritten the exposures appropriately.

Stunts

1. Description of the stunts (what/ when/where)
2. Safety measures to people and property
3. Information on the Stunt Coordinator including their resume and contact information

Pyrotechnics

1. Description of the Pyro scene (what/ when/where)
2. Safety measures to people and property
3. Information on the Pyro Coordinator including their resume and contact information



Certificates of Insurance

A certificate evidences coverages included in the insurance policies. It does not afford any extra coverage to the certificate holder or those listed in the Description of Operations box.

Every certificate states “This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.”

An endorsement to the insurance policy must be provided to modify terms and coverage of the insurance policy.

In many cases vendors and/or locations will be required to be added as an Additional Insured on the policy. If they are renting or lending you the property, they will be added as a Loss Payee on the policy. Loss Payee status allows the vendor to be paid directly in the case of damage to property they provided to the production.



What Does it Cost?

- Premiums Based on:
 1. Budget
 2. Locations (New Orleans during Hurricane season)
 3. Cast
 4. Hazardous Activity
- Minimum Premiums
- Short Term vs. Annual policies