

SECTION VI. THIRD PARTY PROPERTY DAMAGE LIABILITY

I. INSURING AGREEMENT

Underwriters agree to pay to or on behalf of the Insured all amounts which the Insured shall become legally obligated to pay as damages because of loss of, injury to, or destruction of property of others during the term of coverage (defined in Paragraph III.) while such property is in the care, custody, or control of the Insured and is used or to be used in connection with the insured production(s) including loss of use of property of others for which the Insured is legally liable.

II. LIMIT OF LIABILITY AND DEDUCTIBLE

- a. Underwriters limit of liability with respect to any one occurrence shall not exceed the amount stated in the schedule in connection with the insured production(s).
- b. Underwriters liability for loss shall only be to pay the amount in excess of the deductible as stated in the schedule for each separate loss.

III. TERM OF COVERAGE

Coverage under this Section commences and expires as stated in the declarations.

IV. EXCLUSIONS

It is agreed, this policy will not respond and there is no coverage pursuant to this insurance to pay for any loss either in whole or in part, directly or indirectly for a loss based upon, relating to, arising out of, contributing to or resulting from any of the following:

- a. liability for injury to or destruction of property caused by or resulting from intentional acts of the Insured, or at the direction of the Insured;
- b. liability for injury to or destruction of motor vehicles, aircraft, watercraft, or railroad cars or equipment;
- c. liability for injury to or destruction of personal property which can be covered as props, sets, or wardrobe, or any miscellaneous equipment used or to be used in connection with the insured production(s) which is rented to or leased by the Insured;
- d. liability for damage to or destruction of premises, rented to or leased by the Insured for any purpose other than location filming in connection with the insured production(s);
- e. liability for loss or damage arising out of shortage of inventory, unexplained loss, or mysterious disappearance;
- f. liability for loss of or injury to any animal;
- g. liability for loss of, damage to or destruction of premises and/or property used as living quarters for the Insured's cast and crew;
- h. liability for loss of, or damage to, film, tapes, or soundtracks.
- i. liability for loss of, or damage to antiques, objects of art, rugs, furs, jewelry, precious or semiprecious stones/metals/alloys unless values for items in the Insured's care, custody or control had been specifically prior declared to Underwriters.

V. DEFENSE, SUPPLEMENTARY PAYMENTS

With respect to such insurance as is afforded by this coverage, Underwriters will:

- a. defend any suit against the Insured alleging such damages which are payable under the terms of this coverage, even if any of the allegations of the suit are groundless, false or fraudulent;
- b. pay within the applicable limit of liability:
 1. all expenses incurred by Underwriters, all costs taxed against the Insured in any such suit, and all interest on that part of any judgment entered and which accrues after entry of the judgment and before Underwriters have paid or tendered or deposited in court that part of the judgment on Claims covered by this Policy which does not exceed the applicable limit of Underwriters liability;
 2. premiums on appeal bonds required in such suit, and premiums on bonds to release attachments for the amount not in excess of the applicable limit of liability of this coverage, but without any obligation to apply for or furnish any such bonds; and
 3. all reasonable expenses other than loss of earnings, incurred by the Insured at Underwriters request.

VI. OTHER INSURANCE

It is agreed that this insurance shall be considered primary, but not exceeding the limit of liability of this section. However, if there is other similar Third Party Property Damage Liability Insurance in existence, this policy shall be pro rata with such other insurance.

VII. CONTINUING HIRE CHARGES EXTENSION

Underwriters will indemnify the Named Insured in respect of loss of hiring charges for which the Named Insured is responsible under the standard industry conditions of hire.

However

- a. Underwriters shall not be liable for hiring charges for more than thirteen (13) weeks from the date of loss or damage or for more than twenty five (25) per cent of the amount shown in the Schedule to this Section whichever is less.
- b. Underwriters shall not be liable for the Deductible stated in the Schedule
- c. the Named Insured must notify Underwriters and the hirer immediately if there is a problem and must return the equipment to the hirer within 48 hours of discovery of damage

It is further understood and agreed that Underwriters will agree to pay to any Third Party Hirer any reasonable "cross hire" charges which are incurred directly and solely as a result of an insured loss which may be incurred in order to reduce the Hirers Loss of Use Charges.

It is further understood and agreed that Underwriters will not be liable for any continuing hire charges as a result of the Named Insured's failure to settle any bill or invoice in accordance with any payment terms.

It is further understood and agreed that Underwriters will not be liable for any exacerbation of loss of any continuing hire charges as a result of unavailability of replacement parts if the replacement Equipment or Parts cannot be obtained within a period of 30 days.

VII. GENERAL POLICY CONDITIONS

The General Policy Conditions apply to the coverage provided under this Section III.C.