

SECTION VI. C. CIVIL AUTHORITY COVERAGE

I. COVERAGE

- a. Underwriters will pay the actual and necessary loss you sustain as Extra Expense due to the interruption, postponement or cancellation of an "Insured Production". But:
- (1) The interruption, postponement or cancellation must be directly caused by action of Civil Authority during the "Term of Coverage";
 - (2) The action of Civil Authority must result from a Covered Cause of Loss;
 - (3) The action of Civil Authority must prohibit access to facilities or result from a withdrawal of the permit allowing you to use facilities being used or to be used in connection with the "Insured Production"; and
 - (4) Civil Authority Coverage applies only to the interruption, postponement or cancellation of the "Insured Production" being filmed or taped in the United States of America.

This Coverage will apply for a period of up to 5 consecutive days from the date of the action of Civil Authority. The expiration date of this policy will not cut short this period.

- b. Extra Expense, as used in this Coverage, means the following expenses you incur that you would not have incurred had there been no interruption, postponement or cancellation of the "Insured Production":
- (1) Necessary additional "Costs" incurred to avoid or minimize the interruption, postponement or cancellation of the "Insured Production"; and
 - (2) Necessary expenses incurred to the extent they reduce the amount of loss that otherwise would be payable under this Coverage. Extra Expense does not include:
 - (a) Loss of earnings or profit;
 - (b) Expense to repair or replace property, including animals; or
 - (c) Expense payable under any other Coverage of this policy.
- c. Covered Cause of Loss means the following:
- (1) Weather Conditions;
 - (2) Direct physical loss of or damage to property you own or occupy, caused by or resulting from fire;
 - (3) Riot or civil commotion; and
 - (4) Natural disasters, such as earthquake or flood.

The Causes of Loss described in paragraphs (2), (3) and (4) must occur within a five mile radius of the facilities necessary for the "Insured Production".

II. ADDITIONAL EXCLUSIONS

For the purposes of this Coverage, the following exclusions apply in addition to the exclusions described in Part V. of the Policy Conditions - Exclusions Applicable To All Coverages of This Policy.

Underwriters will not pay for Extra Expense loss caused by or resulting from any of the following:

- a. Failure or inability to secure any required license, permit or authorization;
- b. Suspension, lapse or cancellation of any license, permit, authorization, lease or contract;
- c. Actions by any person or organization other than the authorized Civil Authority;
- d. Your failure or inability to comply with any requirement or follow any procedure necessary for the issuance of any permit or authorization;
- e. Any violation of the terms or conditions of a permit or authorization; or
- f. Refusal or revocation of any permit or authorization due to a violation of any existing civil or criminal codes.

III. LIMITS OF INSURANCE

The most Underwriters will pay for loss in any one occurrence is the Limit of Insurance shown in the Declarations for Civil Authority coverage.

IV. DEDUCTIBLE

Underwriters will not pay for loss in any one occurrence until the amount of the adjusted loss before applying the applicable limits of insurance exceeds the deductible amount shown in the Declarations for Civil Authority Coverage. Underwriters will then pay the amount of the adjusted loss in excess of the deductible, up to the applicable limit of insurance.

V. METHOD OF VALUATION

- a. The amount of your loss will be determined based on:
 - (1) All "Costs" that exceeds the amount of "Costs" you would have incurred if there had been no interruption, postponement or cancellation of the "Insured Production"; and
 - (2) All other necessary expenses that reduce the amount of loss otherwise payable.
- b. Underwriters will reduce the amount of your loss to the extent you can resume the "Insured Production" and discontinue Extra Expense or do not resume the "Insured Production" as quickly as possible.

Underwriters will pay based on the length of time it would have taken to resume the "Insured Production" as soon as possible.

- c. The following provision applies only when this Coverage is part of the MPTV Producers Portfolio or the DICE Producers Portfolio:

If you abandon an "Insured Production" that has been made substantially valueless solely because the interruption, postponement or cancellation reasonably, practically and necessarily prevents you from completing the "Insured Production", irrespective of any completion or delivery date requirements for the "Insured Production", Underwriters will pay as loss the total "Costs" you have incurred for the "Insured Production".

VI. ADDITIONAL CONDITION

For the purposes of this Coverage, the following Condition applies in addition to the Policy Conditions.

Additional Duty In The Event of Loss or Damage

The following is added to Policy Condition I.f. - Duties In The Event of Loss Or Damage:

Unless you intend to abandon the "Insured Production", you must resume the "Insured Production" as quickly as possible.

VII. ADDITIONAL DEFINITIONS

For the purposes of this Coverage, the following definitions apply in addition to the definitions described in Part IV. of the Policy Conditions - Definitions Applicable to All Coverages of This Policy:

a. "Costs":

- (1) If this Coverage is part of the MPTV Producers Portfolio, "Costs" means "Insurable Production Cost".
- (2) If this Coverage is part of the DICE Producers Portfolio, "Costs" means "Gross Production Costs".
- (3) When this Coverage is part of the Theatrical Productions Portfolio, "Costs" means expenses other than the following:
 - (a) Bad debts or collection expenses;
 - (b) Royalties, residuals, premiums paid for this insurance, interest on loans, personal or real property taxes;
 - (c) Story, scenario, music rights, sound rights; and
 - (d) Administrative costs not directly related to an "Insured Production".

b. "Term of Coverage":

- (1) If this Coverage is part of the MPTV Producers Portfolio, "Term of Coverage" means the period beginning with the effective date shown in the Declarations, and continuing until the expiration date of this policy or completion of "Principal Photography", whichever occurs first.
- (2) If this Coverage is part of the DICE Producers Portfolio, "Term of Coverage" means the policy period.
- (3) When this Coverage is part of the Theatrical Productions Portfolio, "Term of Coverage" means the period beginning with the effective date shown in the Declarations, and continuing until the expiration date of this policy or the date the "Insured Production" is completed, whichever occurs first.