

## C — D

**CAST INSURANCE** - Provides coverage for additional or extra expenses incurred in the completion of a scheduled production or project over and above normal budgeted costs, occasioned by death or disability of a scheduled artist or performer including costs resulting from abandonment of the project. A medical examination of those persons to be insured is required within a specified time prior to commencement of coverage.

**CERTIFICATE OF INSURANCE** - A statement of coverage issued to an interested third party (such as a leinholder, mortgage holder, creditor, vender, or lesser) that outlines your insurance coverage, limits, insurers, policy numbers and policy term.

**CLAIMS MADE** - A liability policy that provides coverage for an injury or loss if the claim is first reported or filed during the policy period. This is in contrast to the broader occurrence policy forms, which cover injury or loss that occurs during the policy period, regardless of when the claim is first made. Generally, medical malpractice, professional liability, and high hazard product liability policies are written on a claims-made basis.

**COMMERCIAL AUTO INSURANCE** - Provides coverage for claims for which your business becomes legally liable arising out of your business' use of autos. It may include protection for the damage to an auto that is titled to your business. See *Hired Auto*; *Non-Owned Auto*.

**COMPLETION BOND** - Sold by a select category of insurers known as completion guarantors, completion bonds shield financial backers of larger production projects from the effects of budget overruns, delays and other production problems beyond the producer's control that can cripple the potential profitability of a project. Candidates for completion bonds typically involve larger budget projects of at least \$1 million. For feature films, the motion picture completion guarantor will require placement of the "standard" coverage assortment and demand that specific insurance be arranged to protect against the unusual and/or extra-hazardous exposures that are often customary to film production. In return for providing this protection the guarantor typically receives a sizable fee (3% of budget subject to minimums fees in excess of \$50,000) and contingent authority to exercise substantial control over key aspects of the production.

**COMPUTER COVERAGE** - See *Data Processing Coverage*

**CONCEALMENT** - Withholding material facts from an insurance company when negotiating an insurance contract or making a claim with the intention of deceiving the insurance company; may be grounds for voiding the policy.

**CONTINGENCY COVERAGE** - This is a broad category of coverage offering protection from any number of causes, but is most often used to protect against cancellation, delays or event diminishment due to adverse weather or conditions.

**CRIME COVERAGE** - A broad term that applies to insurance for the taking of money, securities and other property—included are employee dishonesty, forgery, theft, robbery, burglary and fraud coverage.

**DATA PROCESSING COVERAGE (COMPUTERS & MEDIA)** - Reimburses you for any physical loss or damage to your computer hardware, software, or data and includes coverage for the cost to reconstruct software or data.

**DECLARATIONS** - The portion of the insurance policy that contains specific information, such as the name and address of the insured, description of the property, coverage, premium and policy term.

**DEDUCTIBLE** - The total dollar amount you must pay before your insurance policy begins to pay your covered loss.

**DEPRECIATION** - A decrease in value over a period of time as a result of use, wear and tear, or obsolescence.

**DIRECTOR'S AND OFFICERS LIABILITY** - A specialized form of professional liability coverage for legal expenses and liability to shareholders, bondholders, creditors or others due to actions or omissions by a director or officer of a corporation or nonprofit organization. Directors and officers are not liable for an honest mistake of business judgment made with reasonable prudence or care that results in a financial loss; but officers and directors are held personally liable for actions or omissions made with negligence, recklessness, or bad faith. Most policies have two parts: (A) provides direct reimbursement to the directors and officers for third-party claims; (B) reimburses the corporation if it is required or permitted, under state law or the corporate charter or by-laws, to indemnify the directors and officers. Coverage is on a claims-made basis. A few policies contain only Coverage (A), and some pay expenses on behalf of directors and officers, as opposed to paying on an indemnity basis.

**DISABILITY** - A physical or mental impairment that substantially limits one or more major life activities. It may be partial or total.

**DISCOVERY PERIOD** - Under certain types of "claims made" policies, a discovery period is the time after the end of the policy period in which the insured has to report a loss that occurred during the policy period. The usual discovery period is one year.

**DISCRIMINATION** - Unfair treatment or denial of rights to a person on the basis of the group, class, or category to which the person belongs—coverage for which is typically excluded from most general liability business policy coverage. See Employment Practices Coverage.

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The abbreviated outlines of coverage used throughout this proposal are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of some of the coverage options available. Please consult your agent, broker or insurance consultant and your actual insurance policy for more specific coverage details.