

Hammond
Martin
Walsh &
Smith



Insurance
Brokers

Insurance Terms Part Two

Audit

A survey of the financial records of a person or organization conducted annually (in most cases) to determine actual exposures for the prior year. Those figures are then compared to the estimated exposures used to issue the policies to determine whether a return or an additional premium is due.

Cost of Hire

The budget cost for vehicle rentals – used to determine Hired Auto insurance exposures and premiums.

Declaration

The formal addition of a new production, stunt, new equipment purchased, etc. to an existing insurance program. Also the first page of an insurance policy that summarizes key information specific to the policy; sometimes called “dec page.”

Deductible

The amount of the claim for which an insured is responsible. The insurance company pays the claim less any deductible(s).

DICE

A type of production package policy. Acronym for Documentary, Industrial, Commercial, Educational.

Endorsement

An insurance policy form that amends, excludes, or adds to the provisions included in one or more of the other forms used to construct the policy. Insurance policy endorsements may serve any number of functions, including broadening, limiting, or restricting the scope of coverage, clarifying the application of coverage to some unique loss exposure, adding other parties as insureds, adding locations to the policy, etc.

Foreign Liability

Often sold as a bundle, a foreign package policy provides a suite of coverages that protect employees, property and liability against a multitude of known and unknown overseas risks and can provide local in-country solutions for policyholders whose headquarters are in the United States.

Gross Production Cost

All costs, including overhead, chargeable directly to the production stated at the time of declaration of an insured production or series of productions.

Hired/Non-Owned Auto

The liability portion of this coverage provides coverage for Bodily Injury and Property Damage to third parties arising out of the insured's use of hired or non-owned vehicles. The Physical Damage section provides coverage for damage to the insured vehicle itself.

Railroad Protective

Coverage for claims that arise from the production at or near railroads. Coverage includes Bodily Injury Liability, Property Damage Liability and Physical Damage to railroad property.

Voluntary Parting, False Pretenses, Trick and Device

Refers to an exclusion from insurance coverage that can deprive camera and equipment owners and rental houses of recovery if items are stolen by a larcenous renter.

Weather Insurance

Provides coverage for extra expense incurred by the interruption or abandonment of the production due to adverse weather conditions at the location that reasonably and necessarily prevents filming or taping.

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