The following steps can be taken to duplicate the error, at least on my system.

1) In the "Library Menu" set the sort by "Date Modified"

2) Drag the Skateboard.mp4 to the timeline

3) In "Produce", just use H.264, AVC M2TS, 1920x1080/60i (16 Mbps) and nothing checked in "Fast video rendering technology:" and produce the video

4) Return to editing with the "Edit" tab

5) The following "This parameter is incorrect" will appear and your edit session is partially hung.