

INTELLECTUAL PROPERTY INFRINGEMENT DEFENSE INSURANCE

PROGRAM SUMMARY

The following summary is for promotional purposes only, and in no way changes the terms or effect of the Policy language. Consult a copy of the Policy itself for any specific questions that you may have.

Program

Administrator: Intellectual Property Insurance Services Corporation

Carriers: Gotham Insurance Company (New York Marine & General Insurance Co.)
Lloyd's of London

A.M. Best Ratings: Gotham: A (Excellent), VIII
Lloyd's of London: A (Excellent), XV

Limits: From \$250,000 to \$5,000,000 Each Claim
From \$250,000 to \$5,000,000 Aggregate
Higher limits may be available

Self-Insured Retention: Minimum: 2% of the per Claim Limits; Higher Options Available

Co-Pay: 10% minimum; Higher Co-Pay Available

Unacceptable Classes: None

Coverage: Litigation Expense Reimbursement for:

1. Intellectual Property Infringement suits brought against the Named Insured during the Policy Period (i.e. Covered Litigation).
2. Assertion of Patent Invalidity counterclaims in Covered Litigation.
3. Re-examination proceedings initiated by Named Insured as a defense to Covered Litigation.

Territory: The United States, its Territories and Districts
Foreign Coverage is available by Endorsement

Partial List of Conditions:

1. Claims Made and Reported policy.
2. Any threats of Infringement brought during the initial 90 (ninety) days of the Policy Period are excluded from coverage under the Policy. The 90 (ninety) days of coverage are not lost, and are added on to the end of the last Policy held by the Insured. Newly added products are subject to the 90 (ninety) day Exclusionary Period.
3. Threats of Infringement must occur during the Policy Period to be covered by the Policy. The infringing activity, however, is not limited to the Policy Period to be considered Covered Litigation under the Policy. Calculation for Damages reverts to the date the infringing activity began, not when the threat of Infringement was made.
4. Named Insured must obtain an opinion of non-infringement to have the Claim authorized.
5. Company issues an authorization letter after claim form is received and all conditions are met.
6. Company may share pro rata in any award of attorney fees and costs up to the amount the Company has spent in respect to the Covered Litigation.

Partial List of Exclusions:

1. Pre-existing threats of Infringement are excluded from coverage under the policy. Threats include, but are not limited to, warning letters and/or emails and verbal threats of Infringement.
2. Willful acts of infringement.
3. Any litigation not specifically included in Policy.
4. Fines, penalties, punitive, exemplary, treble, multiple, direct, indirect and/or consequential damages.
5. Criminal acts.
6. Lawsuits of which Named Insured was aware or knew were imminent at the time of purchase.
7. Asbestos Liability.
8. Nuclear Liability.

NOTE: Applicant should refer to the Specimen Policy for all terms and conditions of the Policy as well as all Exclusions. The above Summary in no way changes the terms or effect of the Policy language.