

## ISSUE:

*In general, companies may risk going out of business if they are not able to protect their innovations from the predatory business practices of others. One of these predatory business practices is extorting money from companies by entities known as Patent Trolls bringing ill-founded lawsuits based upon overly-broad patents. The specter of Patent Trolls prompted a response from the public sector in the form of the America Invents Act (AIA). While the America Invents Act (AIA) was well intended in curbing the "Troll" type activities, it also carried with it the unintended consequence of creating a formidable barrier to legitimate enterprises in the form of Post-Grant Reviews.*

## SOLUTION:

*Post-Grant Patent Defense Insurance is a unique Policy, which reimburses the expenses incurred in defending the policy holder's patent rights. This Policy helps level the playing field, and enables the policy holder to resist the first wave of attack i.e. Post Grant Review in the face of a patent threat.*

## COVERAGE

- Scheduled coverage for patent applications and issued patents.
- Authorized Litigation claims for defense of Re-Examination or Post-Grant Proceedings and Reissue Proceedings initiated during the Policy period.

## PARTIAL LIST OF CONDITIONS

- The AIA proceedings must begin, be reported and Claims made during the Policy period.

## CLAIMS

- Claim Authorization is based upon a Favorable Validity Opinion provided, under company guidelines, by the Insured or from an independent, outside counsel, chosen from a list of counsel provided by the Company.
- Upon compliance with the Policy terms, the Company will then give its decision in writing regarding authorization of the suit and, if favorable, the Policy will begin to reimburse the Named Insured for the Post-Grant Expenses.
- In the event that Covered Actions result in the Named Insured receiving Recovered Costs, recovery is shared pro rata between the Company and the Named Insured in proportion to their respective contributions to the Post-Grant Expenses.

## PARTIAL LIST OF EXCLUSIONS

- Post-Grant Proceedings arising from 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.
- Post-Grant Proceedings that the Named Insured was aware of, or knew were imminent, at the time of Policy purchase.
- Any litigation not specifically included in the Policy.
- Expenses incurred prior to the initiation of a Civil Proceeding underlying the Post Grant Proceeding.
- Any loss, costs or expenses arising from any declaratory actions of any nature.
- Willful acts of the Named Insured giving rise to a Post-Grant Proceeding.
- Criminal acts.
- Damages.

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- *Limits available up to \$5 million (USD, higher limits may be available*
  - *Policy terms available up to 3 years*
  - *U.S. coverage only*
  - *SIR- 2% of Policy Limits/ Co-pay- 10%*