



IP Infringement Troll Defense Insurance Application (Troll Defense Form- Part 2)

We appreciate your interest in our Intellectual Property (IP) Infringement Troll Defense Insurance, and we sincerely appreciate your time and effort. IPISC is available to assist you through the underwriting process. We are committed to helping you understand your IP risk and to making the process as uncomplicated as possible.

Instructions

If the space provided is insufficient to answer the question(s), please use the “Blank Page” (page 8) at the end of this Form. If a question does not apply to you or your Company, please answer “N/A” (not applicable). However, “N/A” cannot apply to Questions P1-P9 on Page 5 of this application.

The use of the terms “you” and/or “your” shall refer to Applicant listed in this application.

A few things you need to know:

List of Patents of Concern: Please provide a list of all patents that Applicant is aware of that could be of concern (e.g. patents that others in Applicant's industry have been threatened against those that Applicant wishes to insure.)

Conditions: Please understand that the Troll Defense policy has a forty-five (45) day waiting period. That is, any threats of infringement brought during the initial 45 days of the policy are not covered under the policy. The 45 days are not lost; they are added on to the end of the last Troll Defense policy held by the Insured.

Due Diligence Fee Notice: If Applicant's list of "Patents of Concern" (above) contains any patents **NOT** listed in the Industry Menu, then underwriting may require a search fee. Contact your insurance professional or an IPISC Account Executive to obtain the cost.

Company Contact: Identify a contact person who is knowledgeable about the Standard Industrial Classification (SIC) Codes for Question P1 that are applicable to Applicant's business. **Please be advised that an IPISC underwriter may directly interact with the person identified as the appropriate contact, to ensure the correct SIC Codes are identified.**

If you need any assistance with the application or would like a copy of the specimen policy, please contact an IPISC representative, your insurance agent/broker or professional advisor. IPISC encourages you to review the policy specimen with your professional advisor.

Best regards,

Your IPISC Underwriting Group

Intellectual Property Insurance Service Corporation

IP Infringement Troll Defense Cost Reimbursement Insurance Application (Damages **NOT** Included)

(Troll Defense Form- Part 2)

The Intellectual Property (“IP”) Infringement Troll Defense Cost Reimbursement Insurance Policy reimburses Applicant for their litigation expenses should another sue Applicant for patent infringement. The policy responds to charges of infringement against Applicant’s **NON-CORE MANUFACTURED PRODUCT(S)** pursuant to the Schedule of INSURED-AGAINST PERILS issued with the Declarations Page of your Policy.

NON-CORE MANUFACTURED PRODUCT(S) (hereinafter referred to throughout this application form as “**Non-Core Products**”) shall mean any MANUFACTURED PRODUCT(S) and "associated" (as in combined or joined with other parts and used in conjunction to enable "supporting") software, hardware and infrastructure any and all of which are **not** in COMMERCIAL USE and do not contribute more than 2.5% of Named Insured’s COMPENSATION measured at the time of the CLAIM(S) under which reimbursement is sought and therefore are **not** CORE MANUFACTURED PRODUCT(S).

In completing this application, Applicant understands that the information provided in the answers to the questions is not privileged. This document and/or its contents may be required to be disclosed during litigation, or as a result of the statutory or regulatory action.

The Company agrees to use all information provided herein and herewith solely for evaluating the feasibility of issuing an insurance policy on the **Non-Core Products**.

NOTE: Please answer all questions. If further detail is requested, please use the “Blank Page” (Page 8) at the end of this application form. If necessary, attach additional information.

Coverage Request

1. Applicant Name:
Please note: Applicant name(s) is the Policyholder(s).
- 2-2. Include coverage for (Check one) **U.S. Coverage** **Worldwide Coverage**
- 2-3. Requested Effective Date should coverage be offered:
- 2-4. Requested Policy Limit: *(Aggregate Limits available are the same as per Claim Limits or higher):*
Per Claim: **Aggregate:**
- 2-5. Requested Policy Term:
- 2.6. Please list all additional insureds for which coverage is sought and their relationship to the **Non-Core Products**.
- 2.7. Indicate if Applicant has ever had IP Defense Insurance or IP Troll Defense Insurance. (Check one): Yes No
If “yes,” please provide the carrier name, limits, premium, type of policy and expiration date of policy.

Non-Core Products (General)

3. What is the average useful life of Applicant's **Non-Core Products**? (Years)
4. What is Applicant's total investment in the **Non-Core Products** to be insured?
5. Does Applicant's business involve "aftermarket supply" or a re-seller market (e.g. automotive replacement parts, printer ink replacement or long distance telephone re-seller)? (Check one): Yes No
If "yes," please give details.
6. Estimate the average percentage (%) of Net Profit of Applicant's company.
For Insured's **Non-Core Products**:
For Company as a **whole**:
7. Estimate the number of years the **Non-Core Products** to be insured have been used by Applicant:
8. What principal customers does Applicant's business serve?

Legal/Financial Information

Questions that refer to "**Non-Core Products**" are those that Applicant wishes to insure and has identified in the Patent Coverage **Non-Core Products** (Specific) section (page 5).

9. **Please attach/submit a current financial statement, if available, and/or Form 10K, if publicly traded.**
10. Has Applicant (or has anyone filed on Applicant's behalf) any Post-Grant Proceedings under the AIA?
(Check one): Yes No
11. Other litigation of any kind filed by or against Applicant in the past three (3) years, including state actions?
(Check one): Yes No
If Applicant's answer to any of the above is "yes," briefly give details and outcome on the "Blank" page (Page 8).
12. Are even small amounts of Applicant's **Non-Core Products** being sold for profit? (e.g. printers primarily used in offices, but when refurbished, sold to others.) (Check one): Yes No **If "yes," please describe.**
13. Has Applicant previously had, or is Applicant now engaged in, any disputes with any Troll, a.k.a Patent Assertion Entities ("PAE")?
(Check one): Yes No **If "yes," please provide details on "Blank" page.**
14. Would Applicant consider taking a license on the **Non-Core Products** to be insured if Applicant was likely to be found to infringe another's IP rights? (Check one): Yes No

15. Does Applicant have an IP attorney on staff with full time responsibilities for filing PATENTS, TRADEMARKS or COPYRIGHTS, giving advice about potential infringements and other IP legal advice? (Check one): Yes No
 If "yes," please indicate the name of the attorney(s):
16. Does Applicant have an outside, independent law firm that regularly provides Applicant with IP legal advice? (Check one): Yes No
 If "yes," please provide the contact information for the firm and the attorney.
17. Does Applicant use any Confidentiality/Non-Compete Agreements in their IP negotiations? (Check one): Yes No
18. What are Applicant's average IP- related defense costs, including settlements or damages paid, for **Non-Core Products** for the last **3** years? (Do not include costs of IP acquisition, IP prosecution or insurance premiums.)
- Year: Costs:
- Year: Costs:
- Year: Costs:
19. Is Applicant aware of any facts or circumstances not otherwise disclosed in this application that could reasonably increase the likelihood that another party might accuse Applicant of infringing upon its IP? (Check one): Yes No
 If "yes," please provide details

Patent Coverage – Non-Core Product(s) (Specific)

QUESTIONS FOR COVERAGE AGAINST CHARGES OF “Patent” INFRINGEMENT

Non-Core Products/Processes for which insurance is being requested. It is important that we have a clear understanding of the Non-Core Product(s) Applicant wishes to insure.

P1. Please identify by four-digit SIC Code the Industry for which IP Troll Defense Insurance is being requested.

Industry:

SIC Code(s):

Please attach any literature Applicant may have that describes the business. We must have a clear understanding of your industry and the **Non-Core Products** that Applicant seeks to insure.

P2. Does the applicant hold PATENT(S), PATENT application(s) or anticipate filing a PATENT application(s) on any **Non-Core Products** to be insured? (Check one): Yes No **If “yes,” please provide details.**

P3. Is Applicant obligated to defend any third party for patent infringement in relation to the **Non-Core Products** to be insured? (Check one): Yes No **If “yes,” please identify.**

P4. Does Applicant license any of the **Non-Core Products** to be insured to others? Yes No

P5. Specify in detail Applicant’s knowledge of suspected or anticipated infringements of other’s patent rights. (e.g. does Applicant anticipate or is Applicant about to use such **Non-Core Products**?) (Check one) Yes No **If “yes,” please provide details, including name of the other party, and date applicant intends to begin this use.**

P6. Is Applicant conducting any activities outside the U.S., which if conducted in the U.S. would be an infringement? (e.g. is Applicant using any patented features of another overseas without their authorization?) Yes No **If “yes,” please provide details, including name of the other party and date Applicant first began this use.**

P7. Has Applicant received any warning letters or notices of infringement from anyone concerning the **Non-Core Products** to be insured?(Check one) Yes No **If “yes,” please attach copies**

P8. Indicate if Applicant has been offered and refused a license covering any of the **Non-Core Products** to be insured. (Check one) Yes No **If “yes,” please provide details, including name(s).**

P9. Are there any circumstances that Applicant is aware of (including existing or threatened lawsuits) that could reasonably be expected to give rise to IP litigation against Applicant? (Check one) Yes No **If “yes,” please provide details on the “Blank” page (Page 8).**

In connection with this application for Intellectual Property Infringement Troll Defense Cost Reimbursement Insurance, applicant and/or his authorized representative, hereby represents and warrants as follows:

Applicant understands that the industries indicated in Question P1 for which this application for insurance is made will not cover charges of INFRINGEMENT for Applicant's CORE MANUFACTURED PRODUCT(S), but is intended to cover charges of INFRINGEMENT by Patent Assertion Entities ("PAEs") (i.e., trolls) on Applicant's business practices, which are defined in the Policy as "NON-CORE MANUFACTURED PRODUCT(S)."

Applicant understands that the statements and answers furnished to the Company are representations of Applicant and are also made on behalf of all persons and entities in or related to Applicant's company and the person signing this application represents that he has the authority to make these representations and sign this application.

Applicant has been provided with a specimen copy (or, if not, will request a copy) of the Infringement Troll Defense Cost Reimbursement Insurance Policy and understands that the policy only reimburses LITIGATION EXPENSE(S) for COVERED LITIGATION brought during the POLICY PERIOD, has read and understands the terms, conditions and exclusions of said Policy, and has had the opportunity to discuss the coverage with a professional intellectual property advisor.

The answers to the questions in this Application are true, accurate and complete to the best of Applicant's knowledge and belief. Applicant acknowledges and understands that any Intellectual Property Insurance Policy issued is issued in reliance on the information and statements contained herein and that any material misrepresentation or willful omission or inaccurate statement may result in voiding of coverage or rescission of the Policy. After Applicant is not aware of any current patent(s) that are infringed, nor has he any awareness of any suspected or anticipated infringements of any patent(s) except as noted above.

Applicant understands that while the insurer, its agents, servants and employees will endeavor to keep this information confidential, this Application is not a privileged document, and its contents may be required to be disclosed during litigation, or as a result of statutory or regulatory action.

The Applicant understands that the Intellectual Property Infringement Troll Defense Cost Reimbursement Insurance Policy only applies to those CLAIM(S) that are first reported to the Company during the POLICY PERIOD relating to COVERED LITIGATION brought during the POLICY PERIOD and with respect to which the Named Insured's first knowledge that he may be committing an INFRINGING act arises during the POLICY PERIOD. Applicant further understands that there is a forty-five (45) day waiting period from the Effective Date of the Policy within which, if a CIVIL PROCEEDING(S) (as defined in the Policy) is initiated against Named Insured, it will not be covered, and that should there be no renewal of this Policy, Applicant will have 45 days after the expiration date of the POLICY PERIOD in which if a CIVIL PROCEEDING(S) is initiated against Named Insured a CLAIM(S) thereon will be considered.

SIGNATURE PAGE – Please sign & date below

I am aware that willful, false statements are punishable by various state and federal laws including but not limited to 18 U.S.C. Section 1001.

Applicant's Signature:

Date:

Applicant's Name:

Applicant's Title:

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Please use this additional space for answers to the Application questions, if needed. Also, please list the Question Number to which you are responding. Please be as thorough as possible: