



Unauthorized Disclosure of Confidential Information Insurance Application (UDCI Defense Form – **Part 2**)

Thank you for your interest in the Unauthorized Disclosure of Confidential Information (“UDCI”) Defense Cost & Damages Reimbursement Insurance Policy, 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 risk and making the process as uncomplicated as possible.

This “UDCI Form” serves as **Part 2 of 2** of your application for Unauthorized Disclosure of Confidential Information Defense Cost & Damages Reimbursement Insurance. The “Base Form” will serve as Part 1 of 2.

Instructions

Where requested, please provide us with a list of products which may have embedded the Confidential Information (CI) you own, control or license for which you would like coverage. Once the application is complete, please email to info@patentinsurance.com, or, instruct your insurance agent/broker or professional advisor to submit to IPISC.

If the space provided is insufficient to answer the question(s), please use the “Blank Page” at the end of this Form. If a question does not apply to you or your Company, please answer “N/A” (not applicable).

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

A few things you need to know:

Conditions: Please understand that the Defense policy has a ninety (90) day waiting period. That is, any *threats* of infringement brought during the initial 90 days of the policy are not covered under the policy. The 90 days are not lost; they are added onto the end of the last Defense policy held by the Insured.

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 Services Corporation

Unauthorized Disclosure of Confidential Information Defense Cost and Damages Reimbursement Insurance Application

(Damages Optional)

(UDCI Defense Form - Part 2)

The Unauthorized Disclosure of Confidential Information (UDCI) Defense Cost and Damages Reimbursement Insurance Policy reimburses you for your litigation expenses if another sues you for UNAUTHORIZED DISCLOSURE of CONFIDENTIAL INFORMATION. The Policy responds to charges of UNAUTHORIZED DISCLOSURE of CONFIDENTIAL INFORMATION (as described below) which is/are listed, and/or on the Schedule of Confidential Information issued with the Declarations Page of your Policy.

Confidential Information (hereinafter referred to throughout this application form as “CI”) shall mean TRADE SECRETS, KNOW HOW and/or PROPRIETARY INFORMATION (defined as methods of identification of customers or patients, customer or patient lists, call lists and other data including memoranda, notes, records and the specialized requirements of customers or patients, sales information and forms, software programs and sources of information, quality control methods and procedures, operating and other cost data, information contained in manuals or memoranda, pricing and cost information and the like) owned, controlled and in the possession of a THIRD PARTY CONTRACTOR as of the effective date shown in Item 3 of the Declarations Page useful to efficiently run the business of, or giving an advantage over competitors of and/or useful to reduce to practice inventive concepts of the THIRD PARTY CONTRACTOR and disclosed to the Named Insured or its employees as a consequence of work being performed under a CONTRACT OF ENGAGEMENT identified in writing to Named Insured or its employees as confidential or proprietary.

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 CI.

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

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

Coverage Request

1. Applicant Name:
Please note: Applicant name(s) will be the Policyholder(s).
2. Include coverage for (*check all that apply*): **Worldwide Coverage:** **Additional Insureds:** **Additional Insureds – UCC:**
- 2-1. Requested Effective Date should coverage be offered:
- 2-2. Requested Policy Limit: (*Aggregate Limits available are the same as per Claim Limits or higher*): **Per Claim:** **Aggregate:**
- 2-3. Requested Policy Term: **1 Year:** **2 Year:** **3 Year:**
- 2-4. Please list all additional insureds for which coverage is sought and their relationship to the Confidential Information.

Confidential Information (General)

Questions that refer to “CI” are the Confidential Information that you wish to insure and have identified in the “**Confidential Information - Product(s) (Specific)**” section on pg. 4.

3. Estimate the average % Net Profit (before interest and taxes) experienced by your company.

For Company Products and/or Services as a whole: (<i>choose one</i>)	For Insured Products and/or Services associated with the CI: (<i>choose one</i>)
Less than 5%	Less than 5%
5% - 10%	5% - 10%
10% - 20%	10% - 20%
20% - 40%	20% - 40%
More than 40%	More than 40%

4. Are you currently in business selling the **CI**? (Check one) Yes No
5. Identify your Company's relationship to the **CI** (to be insured).
Please check: **Owner:** **Retailer:** **Licenser:** **User:** **Assignee:** **Distributor:** **Other** *(please explain):*
6. Is the **CI** to be insured used by you, for you or by another on your behalf? (Check one for each)
- **By You:** Yes No
 - **For You:** Yes No
 - **On your behalf:** Yes No
- Please explain the above:**
7. Estimate the number of companies that would likely have **CI** similar to the **CI** to be insured?
(Check one) **0 (None):** **Less than 5:** **5 - 10:** **10 - 20:** **More than 20:**
8. What is the average useful life of the **CI**? (Check one) **Less than one year: 1 - 3 years:** **3 - 5 years:** **5 - 10 years:**
9. Estimate the total size of the U.S. market which utilizes the type of **CI** to be insured.
(Check one) **Less than \$1M:** **\$1M - \$10M:** **\$10M - \$100M:** **\$100M - \$500M:** **Other:**
10. Report the number of years the **CI** has been in existence in its present form:
(Check one) **Less than one year:** **1 - 3 years:** **3 - 5 years:** **5 - 10 years:** **Other:**
11. Does the **CI** include any confidential trade secrets, or know-how, or any process/invention/device which is patented or for which a patent has been applied to be insured? (Check one) Yes No
12. How many end uses are there for the **CI** to be insured?
13. Are there presently in the market similar or competing alternatives to the **CI** to be insured? (Check one) Yes No
If "**yes,**" are there patent, trademark or copyright numbers, symbols, or pending notices on such competing devices?
(Check one) Yes No Unknown If "**yes,**" please give the numbers (if known):

Legal/Financial Information

13. **Please attach a current financial statement**, if available, and/or Form 10K, if publicly traded.
14. Have you ever been a Defendant in a patent, trademark or copyright infringement lawsuit? (Check one) Yes No If "**yes,**" please provide details.
15. What are your average IP related defense costs, including settlements or damages paid, for the last **3 years**? (Do not include costs of IP acquisition or prosecution or insurance premiums)
- Year: Costs: \$
- Year: Costs: \$
- Year: Costs: \$
17. Have you previously had or are you now engaged in any disputes with any third parties regarding the **CI** for which coverage is sought? (Check one) Yes No If "**yes,**" please give details.
18. Would you consider taking a license on the **CI** to be insured if you were likely to be found to infringe on another's intellectual property rights?
(Check one) Yes No

Confidential Information – Product(s) (Specific)

NOTE: As part of this application, please provide a copy of any evidence that you are entrusted with preventing disclosure of the CI, which is the subject of this Application, and any written policies or procedures to protect that confidentiality. Include references cited, or statutes if any.

CI1. Identify below or attach a list of products which may have embedded therein **CI** you own, control or license for which you would like coverage. (Please also attach any literature describing the products in which the **CI** to be insured is embedded. **It is important that we have a clear understanding of the CI that you wish to insure.**)

Date sales began of product(s) containing **CI**:

Country:

CI2. Is any part of the products in which the **CI** may be embedded protected by COPYRIGHT(s), TRADEMARKS or PATENT(s)?

COPYRIGHT(s) (Check one) Yes No **PATENT(s)** (Check one) Yes No **TRADEMARK(s)** (Check one) Yes No

CI3. Does anyone else have knowledge of or a right to the secret formula or subject matter of the **CI** embedded in the products (**CI**) to be insured?

(Check one) Yes No If **“yes,”** please identify party(ies).

CI4. Have you been notified by anyone that their trade secret is embedded in a product(s) (**CI**) for which insurance is sought in violation of their rights or was acquired in a divisive or unlawful way? (Check one) Yes No If **“yes,”** to whom?

CI5. **Specify in detail your knowledge of:**

A. Anticipated or existing use by you either in the U.S. or foreign countries of **CI** of others. For example, are you about to use or are you currently using any **CI** of another without their authorization? (Check one) Yes No

If **“yes,”** please provide details, including name of other party and date you began or intend to begin this use:

B. Activities outside the U.S. which if conducted in the U.S. would result in an unauthorized disclosure of the **CI** to be insured. For example, are you using any **CI** of another overseas without their authorization?

(Check one) Yes No If **“yes,”** please provide details, including name of other party and date you began this use.

CI6. Have you received any warning letters or notices from anyone that you might be using their **CI**?

(Check one) Yes No If **“yes,”** please attach copies.

CI7. Indicate if you have received offers for a license under any **CI** or products containing the confidential information of another which you have refused or denied. (Check one) Yes No If **“yes,”** please provide details:

CI8. Are any of your products in which **CI** may be embedded well known or famous? (Check one) Yes No If **“yes,”** please list the products and describe their fame.

CI9. Are you aware of any well-known or famous **CI** that is similar to any of the **CI** to be insured, even if it is in a different area of commerce?

(Check one) Yes No If **“yes,”** please list and describe those products in which the **CI** is embedded and their relationship to your area of commerce.

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: