

InventPro™

IP ABATEMENT INSURANCE

Intellectual Property Insurance Services Corporation

Hobson Insurance

The Issue

Inventors, Start-ups and Small Companies must be able to protect their innovations from the predatory business practices of some companies, or they risk incurring burdensome royalty payments under licensing agreements, forced and unfavorable settlement terms or going out of business.

The Solution

InventPro™ Intellectual Property (IP) Abatement Insurance specifically accommodates inventors and small companies who have 1 to 3 Patent applications, issued Patents, Trademark applications and/or registered Trademarks. This policy helps level the playing field and enables a resolution based on the merits of the case by providing access to affordable funds to help enforce the policyholder's IP against infringers.

Policy Coverage

- Authorized Litigation claims of IP infringement lawsuits brought by the Named Insured
- Re-examination/re-issue proceedings
- Defense of Patent invalidity counterclaims
- Scheduled coverage for 1-3 Patent applications, issued Patents, Trademark applications and/or registered Trademarks
- Additional IP insurance solutions are available to serve the needs of larger companies, companies wishing to insure additional IP and companies wishing to secure limits in excess of \$500K

Applying for Coverage & Underwriting

- Complete, sign and date the InventPro™ Abatement Insurance application
- Complete Appendix I to reflect all IP to be scheduled under the policy
- Provide the underwriter all unpublished patent applications and/or foreign IP to be scheduled under the policy

Adding IP During Policy Term

- Alternative pricing is available for adding additional IP during the Policy term, and is subject to underwriting approval and Policy terms
- Send request, along with IP to be added to the Policy, in writing, to IPISC

- IPISC is the Program Manager for S&P 'A+' or A.M. Best 'A' rated Carrier
- Limits available up to \$500K (USD)
- Co-pay is 10%
- SIR is 2% of Policy limit (minimum)
- Policy terms available up to 3 years
- Worldwide coverage available
- MPIP coverage of 10% of policy limits included with the InventPro™ Abatement Insurance Policy

For further information, please contact:

Kristy Hodik
Hobson Insurance

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Required Endorsements

Choice of Counsel Endorsement: This endorsement relinquishes the Named Insured's right to choose counsel, and the Company shall choose litigation counsel. Selected counsel will have first-chair, Federal court, IP trial experience involving the respective IP case, i.e. Patent or Trademark, as well as agree to the Company's litigation management and billing guidelines.

Economic Benefit Relief Endorsement: This endorsement waives the Company's right to seek recovery of the first \$50K of the non-monetary, realized, Economic Benefit by the Named Insured.

Claims

- Claim authorization relies upon the condition of receiving a Favorable Infringement Opinion from outside counsel, chosen from a list of Panel Counsel provided by the Company, regarding IP Infringement. Upon compliance with the Policy terms, Claim authorization is determined.
- As a precursor to a Claim, Early Intervention Services are available to the Named Insured (limited to 5 per policy term).

Partial List of Exclusions

- Software and/or Website Patents; but, coverage is available through other IPISC Abatement insurance products
- Pre-existing acts of alleged infringement, known or unknown to the Applicant
- Expenses incurred prior to the initiation of the Civil Proceeding underlying Covered Litigation
- Willful and/or Criminal Acts of the Named Insured giving rise to the Infringement
- Any loss, cost or expenses arising from a declaratory judgment of any nature
- Litigation not specifically included in the Policy

Please consult a copy of the specimen Policy for all terms and conditions. This material in no way changes the terms or effect of the Policy language nor is it meant to replace the Policy language.