

INTELLECTUAL PROPERTY INFRINGEMENT ABATEMENT INSURANCE

© (1991 - 2000) Intellectual Property Insurance Services Corporation

This policy applies only to those CLAIMS for reimbursement that are first made by the Named Insured to the Company during the POLICY PERIOD for LITIGATION EXPENSE for AUTHORIZED LITIGATION. The Limit of Liability applies only to LITIGATION EXPENSE. Please review the coverage afforded under this insurance policy carefully and discuss the coverage hereunder with your insurance agent or broker. Words and phrases appearing in capital letters have special meaning; these same words and phrases when appearing in lower case have their ordinary and customary meaning; please refer to the DEFINITIONS, SECTION II, below. Please also read the Terms, Conditions, and Exclusions of this Policy carefully and discuss its coverage with your professional advisor.

I. INSURING AGREEMENTS

A. Insurance Coverage.

1. In consideration of the statements made in the application, which is hereby incorporated by reference and made a part of this policy, and of the payment of the premium specified in Item 3b. of the Declarations, the Company will indemnify the Named Insured for LITIGATION EXPENSE incurred by the Named Insured arising out of AUTHORIZED LITIGATION.
2. The alleged INFRINGING acts complained of must first begin during the policy period. Specifically, it is a condition of coverage herein that with respect to AUTHORIZED LITIGATION the INFRINGEMENT, or the manufacture, use, sale, offer for sale or the development to the point of being ready for sale by a person other than the Named Insured or a Licensee of the process, machine, manufacture, or composition of matter or articles defined by the INSURED INTELLECTUAL PROPERTY (or in the case of a Licensee if covered by endorsement hereto, the ACT OF BREACH), must first begin during the POLICY PERIOD or during a previous POLICY PERIOD(s) insured by Company, continuously without any interruption from the time the insurance is first in force, to the present POLICY PERIOD, provided the INSURED INTELLECTUAL PROPERTY under which INFRINGEMENT is being asserted is and has been listed in Item 3 of the Declarations of all such earlier policy(ies) back to a point in time prior to the date the INFRINGEMENT or the manufacture, use, sale, offer for sale, development to the point of being ready for sale began or became established or achieved.

B. Losses Payable.

Subject to the Self-Insured Retentions (SIR), copayments, and exclusions as well as the Limits of Liability shown in Item 4 of the Declarations, the Company will indemnify the Named Insured for the following:

1. LITIGATION EXPENSE incurred on or after the date of initiation of AUTHORIZED LITIGATION to stop INFRINGEMENT of an INSURED INTELLECTUAL PROPERTY;
2. LITIGATION EXPENSES incurred in defending any INVALIDITY COUNTERCLAIMS arising out of AUTHORIZED LITIGATION and
3. LITIGATION EXPENSES incurred in defending any Declaratory Judgment actions seeking to have an INSURED INTELLECTUAL PROPERTY declared invalid, but only if one or more of the parties seeking invalidity can also be charged with INFRINGEMENT of the INSURED INTELLECTUAL PROPERTY sought to be invalidated.

Nothing herein, however, shall increase the liability of the Company beyond the amount shown in Item 4 of the Declarations regardless of the number of INFRINGEMENTS, the number of Named Insureds, the number of Declaratory Judgment actions, the number of INVALIDITY COUNTERCLAIMS, or the amount of LITIGATION EXPENSES. The Limit of Liability shown in Item 4 of the Declarations is the maximum amount the Company will pay for all LITIGATION EXPENSES on all CLAIMS presented during the POLICY PERIOD.

With respect to AUTHORIZED LITIGATION, if a Self-Insured Retention amount is stated in the Declarations, it must be paid by the Named Insured for covered LITIGATION EXPENSES prior to any payments being made by the Company.

C. Territory.

This policy shall only apply to INFRINGEMENT occurring in the United States of America, its territories, or possessions.

D. Co-payment.

The Named Insured shall be responsible to pay the coinsurance percentage shown in Item 4 of the Declarations on all LITIGATION EXPENSE payable until the Company has reached the Limits of Liability shown in Item 4 on the Declarations including LITIGATION EXPENSE for any INVALIDITY COUNTERCLAIM and for Declaratory Judgment Actions except LITIGATION EXPENSE incurred in connection with an arbitration before a Board of Arbitrators, in which case, one hundred percent (100%) of all LITIGATION EXPENSES in such arbitration will be covered including LITIGATION EXPENSES for INVALIDITY COUNTERCLAIM and/or LITIGATION EXPENSES for award of declaratory relief.

E. Who Is An Insured.

If the Named Insured designated in Item 1 of the Declarations is:

1. an individual or individuals, then such person(s) is/are a Named Insured(s) only with respect to **INSURED INTELLECTUAL PROPERTY** for which the individual(s) is/are the Owner or Exclusive Licensee or has an insurable interest by way of contractual obligation to enforce the **INSURED INTELLECTUAL PROPERTY**;
2. a partnership, then each partner is a Named Insured, but only with respect to **INSURED INTELLECTUAL PROPERTY** for which the partnership is the Owner or Exclusive Licensee or has an insurable interest by way of contractual obligation to enforce the **INSURED INTELLECTUAL PROPERTY**;
3. a joint venture, then each venturer is a Named Insured, but only with respect to **INSURED INTELLECTUAL PROPERTY** for which the joint venture is the Owner or Exclusive Licensee or has an insurable interest by way of contractual obligation to enforce the **INSURED INTELLECTUAL PROPERTY**;
4. a corporation, then the corporation is a Named Insured, but only with respect to **INSURED INTELLECTUAL PROPERTY** for which the corporation is the Owner or Exclusive Licensee or has an insurable interest by way of contractual obligation to enforce the **INSURED INTELLECTUAL PROPERTY**; or
5. any legal representative or trustee of a Named Insured described in Items 1 through 4 above, in the event of the Named Insured's incompetency, insolvency, or bankruptcy, is a Named Insured but only with respect to **INSURED INTELLECTUAL PROPERTY** for which the legal representative or trustee is authorized to act on behalf of the Named Insured and such legal representative or trustee shall have no other rights under this policy than had the Named Insured for which it is acting as legal representative or trustee.

No person or entity is a Named Insured under this policy with respect to the conduct of any current or past partnership or joint venture that is not named in Item 1 of the Declarations of this policy.

F. Pre-Existing Infringement.

1. By its terms, this Policy will not respond to **CLAIMS** alleging **INFRINGEMENT** of any party's products or activities, (hereinafter "Such Party") if Such Party has put those products or activities into **COMMERCIAL USE vis-à-vis COMMERCIAL ACTIVITY** and such COMMERCIAL ACTIVITY began prior to the Effective Date of this Policy or, where applicable, any previous continuous Policy(s). If Such Party subsequently offers a new product with respect to which a **CLAIM** is made, this Policy, or any continuous Policy, will not respond unless all COMMERCIAL ACTIVITY in relation to any other previous products or activities which are the same

as or similar to or related to such new product has ceased for at least ninety (90) days prior to the new product being put into COMMERCIAL USE.

2. If at any time it is discovered that INFRINGEMENT or the manufacture, use, sale, offer for sale or development to the point of being ready for sale of any process, machine, manufacture, or composition of matter or articles defined by the INSURED INTELLECTUAL PROPERTY actually began or was established or achieved by any party (hereinafter "Such Party") prior to the inception date of the present POLICY PERIOD, or in the case of multiple renewals prior to any previous continuous POLICY PERIOD(s) insured by the Company in which the Intellectual Property under which INFRINGEMENT is being asserted was listed in Item 3 of the Declarations thereof or in the case of AFTER-ACQUIRED INTELLECTUAL PROPERTY and NEWLY FILED PATENTS prior to the date of its creation or acquisition, then upon such a discovery the prior authorization shall be automatically revoked and the policy shall no longer cover the AUTHORIZED LITIGATION if previously authorized and the Company will not AUTHORIZE LITIGATION under this policy to enable the Named Insured to pursue INFRINGEMENT of the INSURED INTELLECTUAL PROPERTY against the following specifically excluded parties:

- a. Such Party or any of its officers, directors, employees, licensees, assigns, leasees, transferees, agents, sales agents, or distributors; or
- b. any of its affiliates, subsidiaries, or successors in interest; or
- c. any purchaser or licensee, in whole or in part, of any right or interest in any product, plan, technology, or design, sold by or licensed out by any party identified in a. or b. above, if such product, plan, technology or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or
- d. any seller or licensor, in whole or in part, of any right or interest in any product, plan, technology, or design, sold by or licensed in or acquired by any party identified in a. or b. above, if such product, plan, technology or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or
- e. any subsequent transferee or licensee of any party identified in c. or d. Above but only with respect to a product, plan, technology or design referred to in c. or d. above; or
- f. any entity which is supported, capitalized, financed, or given any economic advantage by Such Party.

In addition, the Named Insured shall return all LITIGATION EXPENSE paid by the Company; however, the above notwithstanding, the Company may at its sole option elect to continue to indemnify the Named Insured for LITIGATION EXPENSES arising out of the previously AUTHORIZED LITIGATION.

II. DEFINITIONS

A. **POLICY PERIOD.** As used in this policy, POLICY PERIOD shall mean:

The period from the Inception Date shown in Item 2 of the Declarations to the Expiration Date shown in that Item or, if applicable, the date any policy cancellation is effective.

B. INSURED INTELLECTUAL PROPERTY As used in this policy, INSURED INTELLECTUAL PROPERTY shall mean those of the following which are enumerated in Item 3 of the Declarations:

Patent(s), Trademark(s), and Copyright(s), existing applications therefor and/or any NEWLY FILED PATENTS, and upon notification to the Company and Company's approval and issuance of an Endorsement any AFTER ACQUIRED INTELLECTUAL PROPERTY, all of which the Named Insured represents to the best of its knowledge and belief were legally and/or are being legally procured and as to which the Named Insured warrants it has no knowledge of any facts or circumstances adversely affecting their validity.

Except for NEWLY FILED PATENTS, if designated in Item 5 in the Declarations, and except for amendments of patent applications during prosecution (and continuations whereunder the parent application is abandoned), no revisions, modifications, continuations, continuations-in-part, divisions, extensions, renewals, reissues, or the like of any patent, trademark, copyright, and/or application therefor is included in INSURED INTELLECTUAL PROPERTY unless specifically enumerated in Item 3 of the Declarations or unless AFTER ACQUIRED INTELLECTUAL PROPERTY is included by endorsement during the present POLICY PERIOD, to Item 3. of the Declarations.

C. AFTER-ACQUIRED INTELLECTUAL PROPERTY

Shall mean:

Patents or patent applications which in the present POLICY PERIOD were acquired through purchase, assignment, license, trade, barter, merger, acquisition, default or the like.

D. NEWLY FILED PATENTS

Shall mean:

Patent applications, which in the present POLICY PERIOD, but only in the present POLICY PERIOD were originated through the filing of an application for letters patent in the United States Patent & Trademark Office and/or as a patent convention or treaty application.

E. CIVIL PROCEEDING As used in this policy, CIVIL PROCEEDING shall mean:

Any legal proceeding, suit, cause of action, or binding arbitration proceeding brought to stop alleged INFRINGEMENT of an INSURED INTELLECTUAL PROPERTY.

F. INFRINGE(MENT) As used in this policy, INFRINGEMENT shall mean:
The actual or alleged valuable invasion of the rights of the Named Insured which are secured by the INSURED INTELLECTUAL PROPERTY. INFRINGE-MENT shall include contributory infringement and inducement to infringe.

G. AUTHORIZED LITIGATION As used in this policy, AUTHORIZED LITIGATION shall mean:

A CIVIL PROCEEDING or any part thereof authorized by the Company during the POLICY PERIOD and commenced by the Named Insured provided such commencement occurs not more than ninety (90) days after the authorization by the Company, pursuant to all terms, conditions, warranties, and limitations of this policy before an Arbitration Panel or in a United States Federal District Court or United States appellate court alleging INFRINGEMENT of the INSURED INTELLECTUAL PROPERTY by one or more parties.

Authorization to appeal is required to be obtained by Named Insured if the Named Insured does not prevail in the AUTHORIZED LITIGATION and wishes to appeal such decision. However, authorization is not required to be obtained again by the Named Insured if the Named Insured is the prevailing party in the AUTHORIZED LITIGATION and the opposing party appeals such decision.

H. INVALIDITY COUNTERCLAIM As used in this policy, INVALIDITY COUNTERCLAIM shall mean:

Any legal proceeding brought against the Named Insured in the course of and as part of AUTHORIZED LITIGATION which seeks invalidation of one or more of the rights secured by the INSURED INTELLECTUAL PROPERTY which is the subject of the AUTHORIZED LITIGATION.

I. LITIGATION EXPENSE As used in this policy, LITIGATION EXPENSE shall mean:

Reasonable and customary attorney's fees, costs, and disbursements, including, but not limited to, court costs, costs of depositions, transcripts, and fees and expenses of expert witnesses, but only to the extent that those fees, disbursements, and costs arise out of an AUTHORIZED LITIGATION. The cost of the defense of INVALIDITY COUNTERCLAIMS against the Named Insured shall be included as LITIGATION EXPENSE, but only to the extent that those costs are a direct consequence of an AUTHORIZED LITIGATION and the INVALIDITY COUNTERCLAIM is one wherein invalidation of one or more of the rights under the INSURED INTELLECTUAL PROPERTY which is the subject of the AUTHORIZED LITIGATION is sought. The cost of the defense of a Declaratory Judgment action seeking to have an INSURED INTELLECTUAL PROPERTY declared invalid shall be included as LITIGATION EXPENSE but only if one or more of the parties so

seeking invalidity can also be charged with INFRINGEMENT of the INSURED INTELLECTUAL PROPERTY sought to be invalidated.

In the event that INSURED INTELLECTUAL PROPERTY and Uninsured Intellectual Property are included in the same lawsuit, LITIGATION EXPENSE shall be the pro rata share of attorneys fees, costs, and disbursements, including but not limited to, court costs, costs of depositions, transcripts, and fees and expenses of expert witnesses, but only to the extent that those fees, disbursements, and costs arise out of the lawsuit. The pro rata share shall be determined by multiplying the fraction of INSURED INTELLECTUAL PROPERTY to the total Intellectual Property involved in the lawsuit by the LITIGATION EXPENSE. LITIGATION EXPENSE shall in addition be determined pro rata based upon the number of counts of the complaint which alleges INFRINGEMENT versus total counts of the complaint and pro rata based upon the number of defendants charged with INFRINGEMENT versus the total number of defendants. In the event that more than one of the above pro rata determination bases apply, then LITIGATION EXPENSE shall be determined by multiplying the pro rata amounts together and then multiplying the LITIGATION EXPENSE by the resultant product.

- J. CLAIM** As used in this policy, CLAIM shall mean:
A demand on the Company by the Named Insured to have a CIVIL PROCEEDING, or any part thereof deemed an AUTHORIZED LITIGATION. In making such a demand, the Named Insured shall provide to the Company all information necessary to make a decision concerning authorization by completing a claim form provided to the Named Insured by the Company. CLAIM does not refer to the actual CIVIL PROCEEDING brought by Named Insured. AUTHORIZED LITIGATION arising out of the same act or a duplication of an act or out of a series of interrelated acts shall be considered as giving rise to a single CLAIM covered by a single policy irrespective of the number of CIVIL PROCEEDING(S), Plaintiffs, Defendants, or the number of patents or the year or policy under which the acts are made.
- K. ECONOMIC BENEFIT** As used in this policy, ECONOMIC BENEFIT shall mean:
The greater of the cash value, the present value, or the fair market value of all consideration received in satisfaction of a judgment, settlement, or compromise of AUTHORIZED LITIGATION including but not limited to securities, property (real, personal, tangible, or intangible), and all other property, or legal or financial rights of whatever nature including but not limited to those which may result in the potential for increased market share. Where a value cannot be objectively measured, ECONOMIC BENEFIT shall be presumed to be 1.25 times the Company's total indemnification payments with respect to the AUTHORIZED LITIGATION.
- L. ACT OF BREACH** As used in this policy, ACT OF BREACH shall mean:

Failure to perform, violation of the terms of, or the abandonment of any contract, license, agreement, or oral, written or implied commitment.

- M.** **COMMERCIAL ACTIVITY** or **COMMERCIAL USE** means the manufacture, use, sale, offer for sale, development to the point of being ready for sale, or, licensing of a product, machine or composition of matter, or, the use or licensing of a process or method in the design, testing, production or providing of a product, machine composition of matter or service, so long as such manufacture, use, development to the point of being ready for sale or licensing is in connection with an actual or intended sale, offer for sale or other commercial purpose whether or not the subject matter at issue is accessible to or otherwise known to the public. Moreover, if the subject matter of the manufacture, sale, offer for sale, licensing or commercial transfer or use is the subject of a pre-marketing regulatory review (such as FDA approvals) during which the safety or efficacy of the subject matter is sought to be established, it shall be deemed in **COMMERCIAL USE** during such regulatory review. Also, activities performed by a non-profit research laboratory or non-profit entity such as a university research center or a hospital, for which the public is the ultimate or intended beneficiary or consumer, shall be considered to be **COMMERCIAL USE**.

III. CONDITIONS

A. Authorization of Litigation

1. As a condition precedent to the Company's consideration of the Named Insured's **CLAIM**, the Named Insured shall:
 - a. submit to the Company in writing during the **POLICY PERIOD** a **CLAIM**, on forms provided by the Company. The **CLAIM** shall include a brief statement of the nature of the proposed action and the expected result; an explanation of how and when **INFRINGEMENT** was first discovered; information as to when the **INFRINGEMENT** first began irrespective of when the **INFRINGEMENT** was discovered; and a projection quantifying the negative impact to the Named Insured of **INFRINGEMENT** for the remaining life of the **INSURED INTELLECTUAL PROPERTY(S)**.
 - b. supply to the Company, no later than sixty (60) days from the date of the initial **CLAIM**, or any extension of time granted in writing by the Company the following:
 - i. a current letter written to the standards of the profession by an independent outside patent counsel (the "Independent Counsel") who is admitted to the Patent Bar. The Independent Counsel cannot also be selected as the litigation counsel and cannot have participated in the prosecution of the **INSURED INTELLECTUAL PROPERTY**. Named Insured's selection of the Independent Counsel is subject to, however,

the written consent of the Company. Such consent shall not be unreasonably withheld. In such instances where the Company does not consent to the Named Insured's selection of Independent Counsel, or where the Company deems it otherwise necessary, for whatever reason, the Company will provide Named Insured a list of Panel Counsel, from which Named Insured may select to provide the letter required herein. The Company's list of Panel Counsel will consist of patent counsel whose selection has been based upon their expertise, reasonable fees and high ethical standards. The letter should set forth the relevant claim or claims of the INSURED INTELLECTUAL PROPERTY alleged to be the subject of INFRINGEMENT and rendering an opinion, based upon a search of the prior art in the U.S. Patent & Trademark Office, favorable to the Named Insured concerning the validity of the INSURED INTELLECTUAL PROPERTY and the existence of INFRINGEMENT thereof. Such opinion shall also disclose and detail pertinent art discovered subsequent to the grant of the INSURED INTELLECTUAL PROPERTY including but not limited to art discovered in any post-grant procedures, litigation, or foreign prosecution, and rendering its opinion that no legal impediment exists which would result in an unsuccessful prosecution of the suit;

- ii. a description of the Named Insured's own mark, publication, article, machine, manufacture, composition of matter, process, and/or use, covered by the INSURED INTELLECTUAL PROPERTY if any, and the manner in which markings were applied;
- iii. a description of the mark, publication, article, machine, manufacture composition of matter, process, and/or use, sale, or offer for sale considered to constitute INFRINGEMENT;
- iv. identification of the infringing parties, together with all information the Named Insured may have concerning such parties and a credit report, if available;
- v. a list of Federal District court(s) having jurisdiction over defendants;
- vi. the Named Insured's preference for litigation counsel;
- vii. a budget projection for LITIGATION EXPENSE including but not limited to proposed attorney's fee arrangements and estimated costs and expenses including expert witnesses, collection of evidence and items of proof, depositions, interrogatories, and discovery;
- viii. a statement of any other relevant facts and circumstances, including but not limited to confirmation that the U.S. Patent Office maintenance fees have been or will be paid; and
- ix. a photostatic copy of the completed prosecution file maintained by the U.S. Patent and Trademark Office or by the Library of Congress, and any summary or brief history of such file prepared by or on behalf of the Named Insured.

2. If the above-required materials are not received within sixty (60) days from the date of the initial CLAIM, or any extension of time granted in writing by the Company, then the CLAIM is considered closed without notice required to the Named Insured by the Company.
3. The Company shall promptly acknowledge receipt of all material submitted under Article III CONDITIONS, Section A., Paragraph 1. The Company will, as soon as practicable, after receipt of such material required accept coverage, deny coverage, or reserve its rights with respect to coverage, in writing to the Named Insured. The Company's written approval must be obtained with regard to the selection of litigation counsel, and the budget for LITIGATION EXPENSE.
4. The Named Insured must notify the infringing party(s) within sixty (60) days of the authorization of AUTHORIZED LITIGATION that the intellectual property being enforced is Insured Intellectual Property.
5. The Company reserves the right to investigate the facts and circumstances surrounding the Named Insured's CLAIM prior to and after authorization has been given by the Company. If AUTHORIZED LITIGATION has commenced, the Company reserves the right to investigate further the facts and circumstances surrounding the Named Insured's CLAIM, but only with the knowledge of the Named Insured and its litigation counsel.

B. Cooperation of Insured

Throughout the course of any AUTHORIZED LITIGATION, the Named Insured shall fully cooperate with the Company by providing full and complete information concerning the conduct of AUTHORIZED LITIGATION including the selection and briefing of counsel, review of all attorney bills, choice of forum, the general and specific conduct of AUTHORIZED LITIGATION, and any settlement negotiations. The Named Insured or its counsel shall provide periodic written litigation reports to the Company every ninety (90) days or as developments occur and shall cooperate with the Company in providing other documents and material as the Company may request from time to time.

C. Arbitration

1. Any dispute, except for issues of the validity of the INSURED INTELLECTUAL PROPERTY or the INFRINGEMENT thereof between the Named Insured and the Company arising out of this policy shall be promptly referred to arbitration for final determination.
2. Matters referred to arbitration under this policy shall be heard by a panel of three (3) arbitrators, which shall be selected as follows: The Company and the Named Insured shall each select one arbitrator, and the two arbitrators together shall select the third arbitrator. For any dispute arising out of Article III, Sections A or B, the

third arbitrator shall be admitted to practice before the U.S. Patent and Trademark Office.

3. The decision in writing of the arbitrators when filed with the parties shall be final and binding on both parties. Judgment upon the arbitration award may be entered in any court having jurisdiction.
4. The cost for arbitration shall be shared equally between the Named Insured and the Company.

D. Economic Benefit

1. In the event that any AUTHORIZED LITIGATION results in the Named Insured receiving an ECONOMIC BENEFIT, such recovery shall be shared between the Company and the Named Insured pro rata in proportion to their respective contributions to LITIGATION EXPENSE as described below. If there is an award of court costs and/or attorneys' fees, such award shall be shared between the Company and the Named Insured pro rata in proportion to their respective contributions to LITIGATION EXPENSE.
 - a. If there is a monetary settlement or an award of money damages, then there is ECONOMIC BENEFIT and a pro rata sharing of those monies shall occur with the Company being limited to receiving an amount not greater than 1.25 times the amount it has contributed to LITIGATION EXPENSE.
 - b. If there is an injunction, court order, or settlement agreement prohibiting the accused infringer from continuing the INFRINGEMENT or a settlement including cross-licensing, then there is ECONOMIC BENEFIT. Since the amount of such benefit is difficult or impossible to ascertain, the ECONOMIC BENEFIT shall be presumed to be 1.25 times the amount expended by the Company in LITIGATION EXPENSE.
 - c. In the event there is a monetary settlement or an award of monetary damages and an injunction or court order in favor of the Named Insured or settlement agreement prohibiting the accused infringer from continuing the INFRINGEMENT and the Company's pro rata share of the monetary settlement or award including award for court costs and/or attorney's fees, if any, is not sufficient for the Company to realize full recovery of its share of LITIGATION EXPENSE, then as to the remainder of the LITIGATION EXPENSE not recovered from the monetary settlement or award, there is sufficient ECONOMIC BENEFIT from the injunction, court order, or settlement agreement having issued to require compensation to the Company by the Named Insured of the balance of its contribution to LITIGATION EXPENSE.
2. In no event shall the Company be entitled to recover an ECONOMIC BENEFIT together with its share of costs and fees greater than 1.25 times its

indemnification with respect to the AUTHORIZED LITIGATION. In the event the ECONOMIC BENEFIT is determined under 1b. or 1c. of this Section D, then the most the Company shall recover is the amount it paid as indemnification for LITIGATION EXPENSE.

3. There would be no ECONOMIC BENEFIT in the following situations and the Company would not be entitled to recovery of LITIGATION EXPENSES:
 - a. In the event that the AUTHORIZED LITIGATION is lost.
 - b. In the event that the Named Insured decides to abandon the AUTHORIZED LITIGATION.
4. The Named Insured shall always receive the balance of any ECONOMIC BENEFIT after the Company has recovered its pro rata share concurrently with the Named Insured receiving its pro rata share.
5. Any ECONOMIC BENEFIT received by the Company shall go to reinstate the policy limits by the amount received but not to exceed the policy's original limits.

E. Fraud or Inequitable Conduct

In the event of a judgment, award, or decree with a finding of intentional fraud or other inequitable conduct by the Named Insured which renders the INSURED INTELLECTUAL PROPERTY invalid or unenforceable, then in such event the Company shall be relieved from making any further reimbursements of LITIGATION EXPENSE, and all previous reimbursements of LITIGATION EXPENSE made by the Company shall be immediately returned by the Named Insured. If, however, such finding of fraud or inequitable conduct is subsequently reversed on appeal, the policy shall indemnify any unpaid LITIGATION EXPENSE and return that amount, if any, that the Named Insured has returned to the Company as if coverage had been continuous.

F. Termination of Coverage

1. Cancellation by Named Insured:

This policy may be canceled by the Named Insured at any time upon prior written notice to the Company stating the effective date thereafter of cancellation and return of the policy to the Company.
2. Cancellation by Company:

This policy may be canceled by the Company at any time for non-payment of premium, or fraud or misrepresentation, by the Named Insured. The Company shall give written notice to the Named Insured at the address provided in Item 1 of the Declarations not less than ten (10) days prior to the effective date of such cancellation, in the event of cancellation for non-payment of premium and not less than two (2) days prior written notice of cancellation for fraud or misrepresentation.
3. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be

made as soon as practicable. If the Company cancels the policy, earned premium shall be computed pro rata. If the Named_Insured cancels the policy, earned premium shall be computed in accordance with customary short rate table and procedures.

4. In the event that this policy is canceled in accordance with any of the foregoing provisions of this Paragraph F, such cancellation shall terminate Company's obligation to indemnify the Named Insured for LITIGATION EXPENSE incurred, or to be incurred, in respect of any CLAIM which has been made or notified or any AUTHORIZED LITIGATION which is proceeding under the policy at the time of cancellation; however, such cancellation shall not affect the Company's right to recovery of reimbursed LITIGATION EXPENSE, as provided in this policy.
5. In the event this policy expires after running its full term, such expiration shall not terminate the Company's obligation to indemnify the Named Insured for LITIGATION EXPENSE incurred thereafter with respect to any AUTHORIZED LITIGATION which is proceeding under the policy at the time of expiration; moreover, such expiration shall not effect the Company's right to recovery of reimbursed LITIGATION EXPENSE, awarded thereafter as provided herein.

G. Minimum Earned Premium

1. The minimum earned premium for this policy is twenty percent (20%) of the premium stated in Item 3 of the Declarations and is not subject to short rate or pro rata adjustment in the event of cancellation by the Named Insured. In the case of multiple year policies, the minimum earned premium is twenty percent (20%) of the first year's premium.
2. Consistent with III.F.2. "Cancellation by Company", for nonpayment of premium after the effective date of this policy shall be deemed a request by the Named Insured for cancellation of this policy, thereby activating the foregoing minimum earned premium provision.

H. Extended Reporting After Termination

1. If the policy is not renewed as of the Expiration Date shown on the Declarations page, the Company will accept CLAIMS submitted to it within sixty (60) days following the expiration of the POLICY PERIOD, provided that Named Insured first gains knowledge of the infringement no earlier than ninety (90) days prior to the Policy Expiration Date and that such knowledge was not available to the Named Insured at any earlier date.
2. If this policy is canceled for any reason other than nonpayment of premium or fraud or misrepresentation, the Named Insured may submit a CLAIM within ten (10) days of the effective date of cancellation. If this policy is canceled for nonpayment of premium, fraud or misrepresentation no CLAIMS may be made after the effective date of cancellation.

I. General Conditions

1. Neither may this policy nor the benefits hereunder be transferred, sold, or assigned by the Named Insured without the written consent of the Company.
2. The provisions of this policy are severable, and the voiding of any provision by operation of law shall not void the entire policy, but only such provision or provisions.

IV. EXCLUSIONS

- A.** The Company shall not be liable for or make any payments under this policy for any loss, damages, costs, expenses, LITIGATION EXPENSE or other amounts of any kind whatsoever for which any Insured may be held responsible except for reimbursement for LITIGATION EXPENSE solely with respect to AUTHORIZED LITIGATION.
- B.** The Company shall not be liable for or make any payments under this policy for any loss, damages, costs, expenses, LITIGATION EXPENSE or other amounts of any kind whatsoever which are:
 1. incurred by the Named Insured prior to the date of initiation of the CIVIL PROCEEDING underlying the AUTHORIZED LITIGATION.
 2. incurred by the Named Insured for salaries, expenses and/or fees of its officers, staff, in-house attorneys, directors, and employees.
 3. arising from any willful acts of the Named Insured giving rise to INFRINGEMENT of INSURED INTELLECTUAL PROPERTY.
 4. arising from INFRINGEMENT where the Named Insured has knowledge prior to the Inception Date of this [P]policy or other reasonable cause to suspect a third party is making, using, selling or offering for sale or has developed to the point of being ready for sale product(s) or services which would or could result in such third party being charged with INFRINGEMENT.
 5. arising from Declaratory Actions of any nature if the Named Insured is a Plaintiff or related to a Plaintiff in the same way that the entities described in Article I. Section F. Paragraphs a-f are related to "Such Party".

6. arising from any Administrative Proceeding of any nature including but not limited to International Trade Commission Proceedings.
 7. based upon, involving or arising out of the conduct of an individual, who is an Insured or a partner, officer, director, employee, or stockholder of an Insured or Named Insured.
 8. arising from any criminal or civil proceeding or part thereof by or against a Named Insured other than AUTHORIZED LITIGATION.
 9. based upon or arising out of any circumstances or activities likely to give rise to a CLAIM that a Named Insured has knowledge of at a time prior to the Inception Date of this policy. This exclusion includes, but is not limited to, any prior civil proceeding or possible civil proceeding or circumstance whether or not referenced in the Named Insured's Application for this policy. If, on the initial Inception Date of this policy, the Named Insured had/has any knowledge of any event or circumstance whether or not referenced in the Application for this Insurance which he knows or could reasonably believe may result in a CIVIL PROCEEDING, LITIGATION EXPENSE incurred in such CIVIL PROCEEDING will not be reimbursed by this policy irrespective of when such civil proceeding is actually initiated.
 10. including but not limited to those arising from INFRINGEMENT by virtue of the Named Insured's ACT OF BREACH of or termination of any contract, license, agreement or oral, written or implied commitment..
 11. arising from any claim made by any Named Insured under this policy against any other Named Insured under this policy.
 12. arising from or in connection with any lawsuit filed prior to the effective date of this policy irrespective of its current status at the time the insured applies for this policy or at the time the Named Insured seeks to make a CLAIM.
- C. If the Named Insured is an Individual, partnership, joint venture, or closely held corporation, or any other closely held business entity, any loss, cost, or expenses arising from INFRINGEMENT vis-a-vis product(s) or processes which are the same as or similar to product(s) or processes produced or used within the three (3) years preceding the Inception Date of this policy by any former employer or employee of: i) such individual; or, ii) any officer, director, employee, or shareholder of such partnership, joint venture, or closely held corporation.

- D.** Unless a special Licensee Endorsement is attached to this policy, this policy cannot be used to enforce INSURED INTELLECTUAL PROPERTY against any entity who on the Inception Date of this policy or on the Inception Date(s) of any previous continuous policy with this Company or any predecessor company, was, is, or hereafter becomes a Licensee of such INSURED INTELLECTUAL PROPERTY and then because of an ACT OF BREACH is no longer licensed (i.e. becomes a former licensee). Such former licensee(s) shall be deemed to have been excluded from coverage as of the Inception Date of this policy. Excluded parties shall include:
1. Licensee or any of its officers, directors, employees, licensees, assigns, leasees, transferees, agents, sales agents, or distributors; or
 2. any of its affiliates, subsidiaries, or successors in interest; or,
 3. any purchaser or licensee, in whole or in part, of any right or interest in any product, plan, technology, or design, sold by or licensed out by any party identified in 1. or 2. above, if such product, plan, technology or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or,
 4. any seller or licensor, in whole or in part, of any right or interest in any product, plan, technology, or design, sold by or licensed in or acquired by any party identified in 1. or 2. above, if such product, plan, technology or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or,
 5. any subsequent transferee or licensee of any party identified in 3. or 4. Above but only with respect to a product, plan, technology or design referred to in 3. or 4. above; or
 6. any entity which is supported, capitalized, financed, or given any economic advantage by Licensee.
- E.** In no event shall this policy indemnify the Named Insured for any loss, cost, or expenses incurred in or arising out of the pursuit or defense of any allegations of anti-trust or anti-competitive conduct or any liability as described in A above arising out of such conduct.
- F.** Fraud or material misrepresentation by the Named Insured;
- G.** Disapproval by the Company of the litigation counsel or the budget for LITIGATION EXPENSE. In the event of such disapproval, the choice of counsel and/or the budget may be submitted to arbitration as provided in Article III. CONDITIONS, Section C. Arbitration. The decision of the arbitrators as to appropriateness of counsel and/or reasonableness of the budget shall be binding on both parties; or

H. the CLAIM is not covered by the terms and conditions of this policy.

Endorsement No.: NIP 843-03

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This Endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. _____
NIP - _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

PATENT APPLICATIONS

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below.

In the event one or more patent applications are listed on the Declarations of the Policy or are Newly Filed Patents as defined in the Definitions Section of the Policy, each thereby constituting an Insured Patent Application, the following shall apply:

1. This Endorsement protects the Named Insured against the risk of potential uninsurability of Patent Application(s) (hereinafter "Insured Application(s)") as specified in Item 3 of the Declarations upon issuance of a patent thereon because of third party activities (i.e. making, manufacture, substantial completion and display, use, sale or offer for sale of products falling within the scope of the claims or the practicing of a claimed process before issuance of such patent thereon).
2. Subject to the Named Insured's compliance with all of the terms and conditions of this Endorsement and of the Policy, and in consideration of the payment of the Policy premium shown on the Declarations, Company warrants the coverage of LITIGATION EXPENSE under the Policy, as of noon, Standard Time, at Named Insured's address on the day following issue by the United States Patent Office (hereinafter "USPTO") of each and every Letters Patent, which is a direct result of the prosecution of the Insured Application(s). Such Letters Patent shall automatically become Insured Patent(s) under the Policy pursuant to the preceding sentence and such above referenced third party activities shall be available as the basis for a CLAIM, provided such activities actually began subsequent to the effective date of the present POLICY PERIOD or any previous continuous POLICY PERIOD(s) insured by the Company in which the Insured Application(s) was listed on the Declarations thereof. Except for amendments (and continuations whereunder the parent application is abandoned) during the prosecution of the Insured Application(s), any revisions, modifications, other continuations, continuations-in-part, divisions, extensions, renewals, reissues and the like, of the Insured Application(s) are specifically excluded from the coverage of this Endorsement.

In the case of Insured Application(s) in countries foreign to the United States of America, the term "United States Patent Office (USPTO)" shall mean the patent office having jurisdiction and authority to issue patents in each country corresponding to the country of an Insured Application.

3. Termination of coverage under this Endorsement can be effected for Insured Application(s) in the same manner as termination of coverage under the Policy is effected, but this Endorsement automatically terminates upon termination of the Policy.
4. Refund of Policy premiums shall be made to Named Insured as follows:
 - A. Fifty percent of that portion of the Policy premium attributable to an Insured Application hereunder upon termination or nonrenewal where the USPTO does not issue, for whatever reason, except continued prosecution thereof, Letters Patent during the term of infringement abatement coverage. This refund does not apply if "Newly Filed Patents" coverage is included on the Policy Declarations Page.
 - B. Any refund will be made according to the Policy terms for termination of the Policy with all Insured Patents which are included in the Policy at the time of termination being considered as having been included as of the date of issue of the Policy.
 - C. No refund will be made on Insured Applications vis -a-vis countries where a patent application is enforceable against an accused INFRINGER.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-09

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

DECREASED POLICY LIMITS

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below.

Declarations - Item 4. Limits of Liability is amended as follows:

LITIGATION EXPENSE per CLAIM..... \$
LITIGATION EXPENSE Policy Aggregate..... \$
Coinsurance Percentage/Self-Insured Retention.... 20%/ \$ 0

If a CLAIM is filed under this Policy prior to the Effective Date of this Endorsement, then any AUTHORIZED LITIGATION thereon shall carry the Limits of Liability shown in Item 4. of the Declarations in force prior to the effective date of this Endorsement. A CLAIM filed after the Effective Date of this Endorsement under this Policy or any continuous renewal thereof which is based upon acts which occurred prior to or after the Effective Date of this Endorsement shall be subject to the Limits of Liability listed above.

All other terms and conditions of the policy remain unchanged.

Accepted and Agreed To:

Authorized Signature of Insured

Authorized Representative of Insurance Company

Endorsement No.: NIP 843-09-A

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

DECREASED POLICY LIMITS UPON RENEWAL

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below.

A CLAIM filed after the Effective Date of this Endorsement under this Policy or any continuous renewal thereof which is based upon acts which occurred prior to or after the Effective Date of this Endorsement shall be subject to the Limits of Liability listed in Item 4. of the Declarations of this Policy.

All other terms and conditions of the policy remain unchanged.

Accepted and Agreed To:

Authorized Signature of Insured

Authorized Representative of Insurance Company

Endorsement No.: NIP 843-07

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

ECONOMIC BENEFIT RELIEF

In consideration of the premium paid, it is understood and agreed that the policy is amended as set forth below:

In the event this Endorsement is listed on the Declarations and payment of the premium for this Endorsement has been made, then with respect to paragraphs 2, and 3 of of Section C of Article III, this Endorsement changes the Policy to the effect that although ECONOMIC BENEFIT will be deemed to have been received by the Named Insured over and above any monetary settlement or award of monetary damages under the circumstances described in said paragraphs, the Company will be entitled to recovery of LITIGATION EXPENSE in proportion to its respective contribution thereto under said circumstances, but with the provision that with respect to LITIGATION EXPENSES in subparagraph 2 and with respect to the remainder of the LITIGATION EXPENSE not recovered from a monetary settlement or award in paragraph 3., then the Company will recover only that portion of the remaining balance of LITIGATION EXPENSE which exceeds \$250,000.

The Economic Benefit Relief provided hereby only applies to AUTHORIZED LITIGATION wherein the underlying Pre-existing Acts now accused of infringing INSURED INTELLECTUAL PROPERTY first began after the effective date of this Endorsement.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-07

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

ECONOMIC BENEFIT RELIEF

In consideration of the premium paid, it is understood and agreed that the policy is amended as set forth below:

In the event this Endorsement is listed on the Declarations and payment of the premium for this Endorsement has been made, then with respect to paragraphs 2, and 3 of of Section C of Article III, this Endorsement changes the Policy to the effect that although ECONOMIC BENEFIT will be deemed to have been received by the Named Insured over and above any monetary settlement or award of monetary damages under the circumstances described in said paragraphs, the Company will be entitled to recovery of LITIGATION EXPENSE in proportion to its respective contribution thereto under said circumstances, but with the provision that with respect to LITIGATION EXPENSES in subparagraph 2 and with respect to the remainder of the LITIGATION EXPENSE not recovered from a monetary settlement or award in paragraph 3., then the Company will recover only that portion of the remaining balance of LITIGATION EXPENSE which exceeds \$250,000.

The Economic Benefit Relief provided hereby only applies to AUTHORIZED LITIGATION wherein the underlying Pre-existing Acts now accused of infringing INSURED INTELLECTUAL PROPERTY first began after the effective date of this Endorsement.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-05

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

EXCLUSIONARY ENDORSEMENT FOR COMPANIES

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

The Company will not AUTHORIZE LITIGATION under this Policy to the Named Insured for INFRINGEMENT or alleged INFRINGEMENT of the INSURED INTELLECTUAL PROPERTY by:

1. _____ or any of its officers, directors, employees, licensees, assignees, leasees, transferees, agents, sales agents, or distributors; or
2. by any of _____ affiliates, subsidiaries, or successors in interest; or,
3. by any purchaser or licensee, in whole or in part, of any right or interest in any product, plan, technology, or design, sold by or licensed out by any party identified in 1. or 2. above, if such product, plan, technology, or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or
4. by any seller or licensor, in whole or in part, of any right or interest in any product, plan, technology, or design, licensed in or acquired by any party identified in 1. or 2. above, if such product, plan, technology or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or
5. any subsequent transferee or licensee of any party identified in 3. or 4. above, but only with respect to a product, plan, technology or design referred to in 3. or 4. above; or
6. by any entity which is supported, capitalized, financed, or given any economic advantage by _____

All other terms and conditions of the policy remain unchanged.

Insured's Authorized Representative

Authorized Representative of Insurance Co.

Endorsement No.: NIP 843-06

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

EXCLUSIONARY ENDORSEMENT FOR INDIVIDUALS

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

The Company will not AUTHORIZE LITIGATION under this Policy for infringement or alleged infringement of the INSURED INTELLECTUAL PROPERTY by:

1. _____ or by any company which he/she owns or controls; or
2. _____ any of his/her employees, licensees, assignees, lessees, transferees, agents, sales agents, or distributors; or
3. _____ by any of his/her company's affiliates, subsidiaries, or successors in interest; or,
4. _____ by any purchaser or licensee, in whole or in part, of any right or interest in any product, plan, technology, or design, sold by or licensed out by any party identified in 1., 2., or 3. above, if such product, plan, technology or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or
5. _____ by any seller or licensor, in whole or in part, of any right or interest in any product, plan, technology, or design, licensed in or acquired by any party identified in 1., 2., or 3. above, if such product, plan, technology, or design has any connection whatsoever to said INSURED INTELLECTUAL PROPERTY; or
6. _____ any subsequent transferee or licensee of any party identified in 4. or 5. above, but only with respect to a product, plan, technology, or design referred to in 4. or 5. above; or
7. _____ by any entity which is supported, capitalized, financed, or given any economic advantage by _____

All other terms and conditions of this policy remain unchanged.

Understood, accepted and agreed to

Authorized Signature of Insured

Authorized Representative of Insurance Company

Endorsement No.: NIP 843-08

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. _____
NIP - _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

INCREASED POLICY LIMITS

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below.

Declarations - Item 4. Limits of Liability is amended as follows:

LITIGATION EXPENSE per CLAIM..... \$ _____
LITIGATION EXPENSE Policy Aggregate..... \$ _____
Coinsurance Percentage/Self-Insured Retention..... 20%/

If INFRINGEMENT(S) began prior to the effective date of this Endorsement, then, any AUTHORIZED LITIGATION thereon, whether brought under this Policy or a continuous renewal thereof, shall be subject to the Limits of Liability shown in Item 4. of the Declarations in force at the time said INFRINGEMENT(S) began. Only INFRINGEMENT(S) which begin after the effective date of this Endorsement shall be subject to the Limits of Liability listed above.

All other terms and conditions of the Policy remain unchanged.

Accepted & Agreed To:

Authorized Signature of Named Insured

Authorized Representative of Insurance Company

Endorsement No.: NIP 843-08-A

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. _____
NIP - _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

INCREASED POLICY LIMITS UPON RENEWAL

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below.

If INFRINGEMENT(S) began prior to the effective date of this Endorsement, then, any AUTHORIZED LITIGATION thereon, whether brought under this Policy or a continuous renewal thereof, shall be subject to the Limits of Liability shown in Item 4. of the Declarations in force at the time said INFRINGEMENT(S) began. Only INFRINGEMENT(S) which begin after the effective date of this Endorsement and during the term of its Policy shall be subject to the Limits of Liability listed in Item 4. of the Declarations of this Policy.

All other terms and conditions of the Policy remain unchanged.

Accepted & Agreed To:

Authorized Signature of Named Insured

Authorized Representative of Insurance Company

Endorsement No.: NIP 843-01

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP** – _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

LICENSEE COVERAGE
(ALL LICENSEES)

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

In the event this Endorsement is listed on the Declarations attached to and made a part of this Policy and payment of the premium for this Endorsement has been made, then with respect to Section D. of Article IV., this Endorsement changes the Policy to the effect that parties who are or who become Licensee(s) on or after the effective date of this Endorsement may be sued by the Named Insured in AUTHORIZED LITIGATION provided their License Agreement has been subsequently terminated by such Licensee(s) or by Named Insured because of a material breach thereof.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-01

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

LICENSEE COVERAGE
(ADDED)

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

In the event this Endorsement is listed on the Declarations Page attached to and made a part of this Policy and payment of the premium for this Endorsement has been made, then with respect to Section D. of Article IV., this Endorsement shall, and does change the Policy to the effect that parties who become Licensee(s) within thirty (30) days prior to the Effective Date of this Endorsement or within thirty (30) days thereafter and are noticed to the Company in writing may be defendant(s) in AUTHORIZED LITIGATION provided their License Agreement has been subsequently terminated by such Licensee(s) or by Named Insured because of a material breach thereof. Parties who are Licensee(s) other than those described above are not included in this coverage and are subject to the Exclusions in Section D., Article IV.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-14

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. _____
NIP - _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Selected Intellectual Property Infringement Abatement Insurance

RETROACTIVE DATE COVERAGE

Subject to the payment of premium and the terms, conditions, exclusions, co-payment and limits, the Policy is amended as follows:

1. Solely for the purpose of this endorsement only and not otherwise for the Policy, Article I. INSURING AGREEMENTS A.2. is deleted in its entirety and replaced with the following:
 2. The alleged acts of INFRINGEMENT complained of must first begin during the policy period. Specifically, it is a condition of coverage herein that with respect to AUTHORIZED LITIGATION the INFRINGEMENT, or the making, use, sale, offer for sale or the substantial completion and display by a person other than the Named Insured or a Licensee of the WORK OF AUTHORSHIP, word, slogan, symbol, design, process, machine, manufacture, or composition of matter or articles defined by the INSURED INTELLECTUAL PROPERTY (or in the case of a Licensee if covered by endorsement hereto, the ACT OF BREACH), must first begin during the POLICY PERIOD or during a previous POLICY PERIOD(s) insured by Company, or its predecessor, THE RELIANCE INSURANCE COMPANY, continuously without any interruption from the time the insurance is first in force, to the present POLICY PERIOD, provided the INSURED INTELLECTUAL PROPERTY under which INFRINGEMENT is being asserted is and has been listed in Item 3 of the Declarations of all such earlier policy(ies) back to a point in time prior to the date the INFRINGEMENT or the making, manufacture, use, sale, offer for sale, substantial completion and display began or became established or achieved.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-02

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

RE-EXAMINATION & REISSUE PROCEEDINGS

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

I. The provision of IV. B.6. of this Policy notwithstanding, this Endorsement, if identified on the Declarations as being included in this Policy changes the Policy as follows:

- A. If, as a consequence of AUTHORIZED LITIGATION, the Named Insured elects, during the pendency of such AUTHORIZED LITIGATION, to seek reissue of an Insured Patent involved in such AUTHORIZED LITIGATION for purposes of better enabling Named Insured to stop the alleged INFRINGEMENT, the costs and expenses incurred by NAMED INSURED in seeking such reissue patent will be deemed included in the definition of LITIGATION EXPENSES. If a reissue patent is granted it shall thereafter be deemed INSURED INTELLECTUAL PROPERTY as if it had been listed on the Declarations on the effective date of this Policy.

- B. If, during the course of AUTHORIZED LITIGATION, a Defendant accused of INFRINGEMENT causes an Insured Patent involved in such AUTHORIZED LITIGATION to be re-examined by the United States Patent & Trademark Office, the costs and expenses incurred by Named Insured in such Re-examination Proceeding will be deemed included in the definition of LITIGATION EXPENSES, since it will be deemed that successful defense/prosecution of such Re-examination Proceeding will better enable Named Insured to stop alleged INFRINGEMENT.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-20

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

INSURANCE POLICY RENEWAL

In the event the Policy to which this Endorsement is attached is a renewal of a previous policy, then the following conditions shall apply:

- 1. AUTHORIZED LITIGATION which is proceeding under the previous Policy is excluded from coverage under this Policy.**
- 2. CIVIL PROCEEDING(S) involving the same or substantially related facts as alleged in any previous AUTHORIZED LITIGATION if brought against the same or related parties as under the previous Policy is excluded from coverage under this Policy.**
- 3. CLAIMS tendered to the Company under the previous Policy are excluded from coverage under this Policy unless Company has indicated otherwise in writing specifically identifying the possible infringer(s) to which the carried forward CLAIM relates.**
- 4. All rights to make a CLAIM under the previous Policy shall terminate as of the termination date set forth on the Declarations page of said previous Policy and the Company will not accept any such CLAIM submitted to it thereafter.**
- 5. If in the event there is no further renewal of this renewal Policy, the Company will accept CLAIM(S) for a period of sixty (60) days after the expiration date of this renewal Policy provided that Named Insured first gains knowledge of the making, substantial completion and display, using, selling or offering for sale of the WORK OF AUTHORSHIP, word, slogan, symbol, design, process, machine, manufacture, composition of matter or articles defined by the INSURED INTELLECTUAL PROPERTY no earlier than ninety (90) days prior to the expiration of this Policy and further provided there has been no cancellation or termination of this Policy by either Named Insured or the Company but rather this Policy has expired.**

Authorized Representative

Endorsement No.: NIP 843-04

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:
Intellectual Property Infringement Abatement Insurance

TERRITORY

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

In the event foreign INSURED INTELLECTUAL PROPERTY or applications are listed on the Declarations Page attached hereto and made a part hereof, then the definition of TERRITORY shall be changed by this Endorsement to include those courts and/or administrative tribunals in which patent suits are heard in each country corresponding to the country of the INSURED INTELLECTUAL PROPERTY or Application.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-10

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP-** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

TRADEMARK APPLICATIONS

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

In the event one or more trademark applications are listed on the Declarations, each thereby constituting an Insured Trademark Application, the following shall apply:

1. This Endorsement protects the NAMED INSURED against the risk of potential uninsurability of those marks reduced to writing as a U.S. Trademark Application(s) (hereinafter "Insured Application(s)") as specified in Item 3(a) of the Declarations such uninsurability resulting from the unauthorized use of such marks by third parties, during the effective term of the Policy.
2. Subject to the NAMED INSURED's compliance with all of the terms and conditions of this Endorsement and of the Policy, and in consideration of the payment of the Policy premium shown on the Declarations, the Company warrants the coverage of LITIGATION EXPENSE under the Policy, as of noon, Standard Time, at NAMED INSURED's address on the day following registration by the United States Patent & Trademark Office (hereinafter "USPTO") of each and every trademark which is registered on the Principal Trademark Register pursuant to 15 USC 1051(a)) or its subsequent replacement statute as the direct result of the prosecution of the Insured Application(s). Such Trademark shall automatically become Insured Trademark(s) under the Policy pursuant to the preceding sentence. Re-filings, divisional, continuations-in-part, applications and the like, of the Insured Application(s) are specifically excluded from the coverage of this Endorsement. See the "Trademark Endorsement" attached to this Policy for other limitations on coverage under this Policy.
3. Termination of coverage under this Endorsement can be effected for Insured Application(s) in the same manner as termination of coverage under the Policy is effected, but this Endorsement automatically terminates upon termination of the Policy.
4. In the event of termination of coverage under this endorsement, refund of Policy premiums shall be made to NAMED INSURED as follows:
 - A. One-half of that portion of the Policy premium attributable to an Insured Application hereunder upon termination or nonrenewal where the USPTO does not issue, for whatever reason, except for continued prosecution thereof, a Trademark during the term of infringement abatement coverage;
 - B. Any refund will be made according to the Policy terms for termination of the Policy with all Insured Trademarks which are included in the Policy at the time of termination being considered as having been included as of the date of issue of the Policy.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-11

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP - _____** issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

TRADEMARK ENDORSEMENT (Standard Form)

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

If the Declarations lists a Trademark - Standard Form Endorsement, the following shall apply:

1. The term "Trademark" shall mean a Federally Registered Mark(s) and include any valid trademark, service mark, collective mark or certification mark which is registered on the Principal Trademark Register pursuant to 15 USC 1051(a) or its subsequent replacement statute and which is identified by registration number on the Declarations Page. The term "Trademark" (i.e. Federally Registered Mark) shall not include any mark registered on the Supplemental Register pursuant to 15 USC 1091 or its subsequent replacement statute.
2. With respect to Trademarks, the Company will indemnify the NAMED INSURED only for LITIGATION EXPENSES due to actual INFRINGEMENT or claimed INFRINGEMENT of the Federally Registered Mark which is claimed to be a violation of 15 USC 1114 or its subsequent replacement statute.
3. Coverage under this Policy for Trademarks, shall **not** extend to any other loss resulting from actual INFRINGEMENT, claimed INFRINGEMENT, or wrongful use, of the Federally Registered Mark which is claimed to be in violation of, without limitation, any of the following:
 - A. Intent-to-Use Application. Any rights or benefits accorded a person who, pursuant to 15 USC 1051(b) or its subsequent replacement statute (intent-to-use application), has received a Notice of Allowance, but whose mark has not been registered on the Principal Register pursuant to 15 USC 1051(d) or its subsequent replacement statute.
 - B. Section 43 - False Designation of Origin and False Description. Any rights or benefits pursuant to 15 USC 1125(a) or its subsequent replacement statute, including false designation of origin, false description or unfair competition.
 - C. State Statutory Law or Common Law. Any rights or benefits pursuant to any State statutory law or common law prohibiting trademark or trade name infringement, trademark dilution, false designation of origin, false description, unfair competition, passing off, unfair business practices, false advertising, trademark counterfeiting, deceptive trade practices, trade disparagement, trade liable, false light violation, franchise or business opportunity violations, misappropriation of actual or prospective economic advantage, use of similar or like domain names, or internet traffic diversion activity.
 - D. Trade Dress. Any rights accrued or alleged to have accrued by virtue of the insured Trademarks constituting trade dress.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

Endorsement No.: NIP 843-12

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement, effective _____ at 12:01 a.m., standard time, forms a part of Policy No. **NIP -** _____ issued to _____ by Nutmeg Insurance Company.

This endorsement modifies insurance provided under the following:

Intellectual Property Infringement Abatement Insurance

TRADEMARK ENDORSEMENT - (Broad Form)

In consideration of the premium paid, it is understood and agreed that the Policy is amended as set forth below:

If the Declarations lists a Trademark - Broad Form Endorsement, the following shall apply:

1. The term "Trademark(s)" shall mean a word, slogan, design or other symbol used to identify and distinguish goods or services and which qualifies for legal status, under state or federal law, as a trademark, service mark, collective mark, certification mark or trade dress and which is identified on the Declarations page. Federally Registered Mark(s) is any Trademark which is registered on the Principal Trademark Register pursuant to 15 USC 1051(a) or its subsequent replacement statute and which is identified by registration number on the Declarations Page. Federally Registered Marks shall also include any Trademark registered on the Supplemental Register pursuant to 15 USC 1091 or its subsequent replacement statute.
2. With respect to Federally Registered Marks, the company will indemnify the Named Insured only for LITIGATION EXPENSES due to actual INFRINGEMENT, or claimed INFRINGEMENT, of the Federally Registered Mark which is claimed to be a violation of 15 USC 1114 or its subsequent replacement statute.
3. With respect to other unregistered Trademarks (i.e., Trademarks not registered pursuant to 15 USC 1051(a) or 1091 or their subsequent replacement statutes), the Company will indemnify the Named Insured only for LITIGATION EXPENSES due to actual INFRINGEMENT, or claimed INFRINGEMENT, of such unregistered Trademark which is claimed to be in violation of the following:
 - A. Intent-to-Use Applications. Any rights or benefits accorded a person who, pursuant to 15 USC 1051(b) or its subsequent replacement statute (intent-to-use application), has received a Notice of Allowance and such intent-to-use application has not been abandoned, but whose Trademark has not yet been registered on the Principal Register pursuant to 15 USC 1051(d) or its subsequent replacement statute.
 - B. Section 43 - False Designation of Origin and False Description. Any rights or benefits accorded such unregistered Trademark pursuant to 15 USC 1125(a) or its subsequent replacement statute, including false designation of origin or false description.
 - C. State Statutory Law or Common Law. Any rights or benefits accorded such unregistered Trademark exclusively pursuant to any State statutory law or common law prohibiting trademark or trade name infringement, trademark dilution, false designation of origin, false description, passing off or trademark counterfeiting, use of similar or like domain names, or internet traffic diversion activities.
4. Coverage under this policy for Trademarks shall **not** extend to any other loss, cost or expense, including but not limited to, LITIGATION EXPENSES, resulting from claimed unfair competition, unfair business practices, false advertising, deceptive trade practices, trade disparagement, trade liable, false light violation, franchise or business opportunity violations, misappropriation of actual or prospective economic advantage, violation of Goodwill, infringement of the right of publicity, misappropriation of valuable business values, "bait and switch" selling tactics, false representations and false advertising, theft of trade secrets, filing a frivolous lawsuit or administrative challenge as an aggressive competitive weapon, sending cease and desist letters to customers of a competitor charging trademark infringement without having a reasonable basis for belief that there was infringement, an unreasonable rejection of goods shipped under contract, and/or physically obstructing entrance to a competitor's place of business and harassing its customers.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative