RPX | Insurance Services™

Patent Insurance
Claims How-to Guide

RPX Patent Litigation Insurance offers companies unique protection—unavailable from other providers—combining traditional claims-paying policies with litigation prevention and low-cost litigation resolution services.

Pre-litigation Support

What happens if an RPX Insured receives a communication that could lead to a claim?

RPX works closely with Insureds to understand and manage their patent risk before litigation occurs. When an Insured receives a communication, the process to the right is followed.

Form Submission $\rightarrow$

- Insured completes *Notice of Incident* form
- Any questions can be addressed to *riskmitigation@rpxinsurance.com*

RPXIS Investigation $\rightarrow$

RPXIS conducts incident investigation, leveraging its proprietary patent market and litigation data

Results Review $\rightarrow$

RPXIS provides results of investigation and discusses with Insured

Ongoing Incident Monitoring

RPXIS monitors and stays in communication with Insured

Claims Management Support

What happens if an RPX Insured is sued for patent infringement?

RPXIS initiates its comprehensive claim management process aimed at assisting the Insured to quickly and cost-effectively resolve the litigation. The process to the right is followed.

Claim Acceptance $\rightarrow$

- Insured completes *Notice of Incident* form
- Any questions can be addressed to *claims@rpxinsurance.com*
- Incident investigation
- Accept/deny within one week

Counsel Selection $\rightarrow$

- RPXIS supports and manages counsel selection process
- Counsel selected by Insured and approved by RPXIS
- RPXIS Panel Counsel, a select group of law firms that have been pre-vetted and offer best-in-class support at discounted rates, are available to represent the Insured
- Counsel agrees to budget and RPXIS best practices

Expense Approval $\rightarrow$

- Litigation expenses submitted monthly
- RPXIS analyzes against budget, policy, best practices, and provides report to Insured
- Approved litigation expenses applied to retentions
- Reimbursements processed monthly

Settlement Agreement and Payment Approval

- Settlement amount and draft agreement submitted to RPXIS
- RPXIS reviews, approves, and processes the settlement for application to retention and if applicable, reimbursement

How Claim Reimbursement Works

RPX Insureds will be reimbursed for approved legal and settlement costs on covered claims once the applicable self-insured retentions (SIRs) and copay are satisfied.

Reimbursement Example

Company XYZ had a $1M RPX Patent Litigation Insurance policy with a $500K per claim reimbursement limit, a $100K minimum SIR, and a $50K per claim SIR. They experienced three covered claims on the policy. Company XYZ was represented by RPXIS Panel Counsel.

	Claim 1	Claim 2	Claim 3
Total Claim Cost (Legal and settlement)	$80,000	$200,000	$700,000
Minimum SIR: $100,000	Not Satisfied	Satisfied	Satisfied
Per Claim SIR: $50,000	N/A	$50,000	$50,000
Total Subject to Reimbursement	**$0**	**$150,000**	**$650,000**
Company XYZ Copay: 20%	N/A	$30,000	$130,000
Per Claim Reimbursement Limit: $500,000	N/A	N/A	Limit Reached
Amount Reimbursed by RPXIS	$0	$120,000	$500,000
Total Company XYZ Spend	**$80,000**	**$80,000**	**$200,000**
	Claim 1 resolved for less than the minimum SIR; therefore, neither legal nor settlement costs were eligible for reimbursement. When the minimum SIR is not satisfied, the per claim SIR is not applicable.	The first claim accrued $80,000 toward the minimum SIR. Claim 2 satisfied the remaining $20,000 to meet the minimum SIR of $100,000, as well as the per claim SIR. Therefore, a portion of the legal and settlement costs were eligible for reimbursement.	Claim 3 satisfied all applicable SIRs. Due to the $500K per claim limit, Company XYZ was reimbursed $500K.