

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

ARKANSAS AMENDATORY ENDORSEMENT TO POLICY TERMS AND CONDITIONS

This endorsement modifies insurance provided under the following:

<Product Name>

1. The term "**Optional Extension Period**," whenever it appears in Clause **IX. NOTIFICATION B.** shall be deemed to include "Automatic Extension Period".
2. The first sentence of Clause **X. GENERAL CONDITIONS C. Cancellation/Nonrenewal 2.** is amended to the extent necessary to require that a copy of notice of cancellation by the Underwriters will be provided to any lienholder or loss payee named in this Policy.
3. Clause **XI. OPTIONAL EXTENSION PERIOD A.** is deleted and replaced with the following:

If the Underwriters or the **Named Insured** cancels or nonrenews this Policy, then the **Named Insured** shall have an automatic sixty (60) day extension of the coverage granted hereunder, but only with respect to any **Wrongful Act**, or **Employment Event** if the Employment Event Clause is purchased, committed before the effective date of cancellation or nonrenewal. This period shall be referred to herein as the "Automatic Extension Period." The Automatic Extension Period shall run concurrently with the sixty (60) days after the end of the **Policy Period** allowed for the reporting of **Claims** under Clause **IX. NOTIFICATION A.**

If the Underwriters or the **Named Insured** cancels or nonrenews this Policy, then the **Named Insured** shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.a. of the Declarations of the total premium for this Policy, to an extension of the coverage granted by this Policy with respect to any **Claim** first made during the period of time set forth in Item 7.b. of the Declarations after the end of the Automatic Extension Period, but only with respect to any **Wrongful Act**, or **Employment Event** if the Employment Event Clause is purchased, committed before the effective date of cancellation or nonrenewal. The premium for the **Optional Extension Period**, if purchased, shall be based upon the rates and rating rules in effect at the inception of the **Policy Period**.

The Underwriters will provide written notice to the **Named Insured** and its agent advising of the availability of, the premium for, and the importance of purchasing the **Optional Extension Period**.

4. Clause **XI. OPTIONAL EXTENSION PERIOD D.** is deleted and replaced with the following:
 - D. The Limit of Liability applicable to the Automatic Extension Period shall be part of, and not in addition to, the Limit of Liability for the immediately preceding **Policy Period**. However, the Limit of Liability for the **Optional Extension Period** shall not be less than the greater of the amount of coverage remaining in the expiring Policy aggregate or fifty percent (50%) of this Policy's Limit of Liability at the beginning of the **Policy Period**.
5. The second paragraph of Clause **XII. ASSISTANCE, COOPERATION AND SUBROGATION** is amended to add the following:

Provided, however, the Underwriters shall have no right to subrogation unless the **Insured** has been fully compensated for its **Loss** under this Policy.

6. Clause **XIV. ENTIRE AGREEMENT** is amended to add the following:

Notwithstanding anything to the contrary in this Policy, including the Declarations, written notice of **Claim** given by or on behalf of the **Named Insured** to an authorized agent of the Underwriters with specific information to identify the **Named Insured** is deemed notice of **Claim** to the Underwriters.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of this Policy or any endorsement to this Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of this state.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative