THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS UNINSURED AND UNDERINSURED MOTORISTS COVERAGE

For a covered “auto” licensed or principally garaged in, or “garage operations” conducted in, Arkansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

<table>
<thead>
<tr>
<th>Endorsement effective</th>
<th>Countersigned by</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Authorized Representative)</td>
</tr>
</tbody>
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SCHEDULE

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Limit</th>
<th>Type of Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured Motorists Coverage</td>
<td>$</td>
<td>Each “Accident”</td>
</tr>
<tr>
<td>“Bodily Injury”</td>
<td></td>
<td></td>
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</tbody>
</table>

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The definitions of “uninsured motor vehicle” and “underinsured motor vehicle” apply unless an “x” is entered below:

☐ If an “x” is entered in this box, only the definition of “uninsured motor vehicle” applies.

A. COVERAGE

1. We will pay all sums the “insured” is legally entitled to recover as compensatory damages from the owner or driver of an “uninsured motor vehicle” or an “underinsured motor vehicle”. The damages must result from “bodily injury” sustained by the “insured” caused by an “accident”. The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the “uninsured motor vehicle” or the “underinsured motor vehicle”.

2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered “auto” is principally garaged, we will pay only after all liability bonds or policies have been exhausted by judgments or payments.

3. Any judgment for damages arising out of a “suit” brought without our written consent is not binding on us.

B. WHO IS AN INSURED

1. You.

2. If you are an individual, any “family member”.

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3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

4. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. EXCLUSIONS

This insurance does not apply to any of the following:

1. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of an "underinsured motor vehicle".

2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

3. "Bodily injury" under Uninsured Motorists Coverage, if that "bodily injury" is sustained by:
   a. You while "occupying" or when struck by any vehicle owned by you that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form.
   b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
   c. Any "family member" while "occupying" or when struck by any vehicle owned by you that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

4. "Bodily injury" under Underinsured Motorists Coverage, if that "bodily injury" is sustained by:
   a. You while "occupying" or when struck by any vehicle owned by you that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form.
   b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form.
   c. Any "family member" while "occupying" or when struck by any vehicle owned by you that is insured for Underinsured Motorists Coverage on a primary basis under any other coverage Form or policy.

5. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

6. Punitive or exemplary damages that are imposed by a court of law to:
   a. Punish a wrongdoer; and
   b. Defer others from similar conduct.

D. LIMIT OF INSURANCE

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the LIMIT OF INSURANCE for UNINSURED AND UNDERINSURED MOTORISTS COVERAGE shown in the Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Part.

   We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

   We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. CHANGES IN CONDITIONS

The CONDITIONS are changes for UNINSURED AND UNDERINSURED MOTORISTS COVERAGE as follows:

1. OTHER INSURANCE in the Business Auto and Garage Coverage Forms and OTHER INSURANCE - PRIMARY AND EXCESS INSURANCE PROVISIONS in the Truckers and Motor Carrier Coverage Forms is replaced by the following:

   If there is other applicable insurance available under one or more policies or provisions of coverage:
   a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
   b. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible uninsured or underinsured motorists insurance providing coverage on a primary basis.
c. If the coverage under this coverage form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved, and

b. Promptly send us copies of the legal papers if a "suit" is brought.

c. A person seeking Underinsured Motorists Coverage must also promptly notify us, in writing by certified mail-return receipt requested, of a tentative settlement between the "insured" and the insurer of the "underinsured motor vehicle" and allow us 30 days to advance payment to that "insured" in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such "underinsured motor vehicle".

Written notice of a tentative settlement must include:

(1) Written documentation of monetary losses incurred, including copies of all medical bills;

(2) Written authorization or a court order authorizing us to obtain medical reports from all employers and medical providers; and

(3) Written confirmation from the insurer of the "underinsured motor vehicle" of the Liability Coverage limits of the owner or operator of the "underinsured motor vehicle".

3. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is changed by adding the following:

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

Our rights do not apply under this provision with respect to Underinsured Motorists Coverage if we:

a. Have been given prompt written notice by certified mail-return receipt requested of a tentative settlement between an "insured" and the insurer of an "underinsured motor vehicle"; and

b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and

b. We also have a right to recover the advanced payment.

4. The following Condition is added:

ARBITRATION

a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. However, arbitration will take place only if both we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. Any decision of the arbitrators will not be binding on either party.
F. ADDITIONAL DEFINITIONS

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Uninsured motor vehicle" means a land motor vehicle or trailer:
   a. For which no liability bond or policy at the time of an "accident provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
   b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
   c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying.

However, "uninsured motor vehicle" does not include any vehicle:

(1) Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and can not provide the amounts required by that motor vehicle law;

(2) Owned by a governmental unit or agency; or

(3) Designed for use mainly off public roads while not on public roads.

4. "Underinsured motor vehicle" means a land motor vehicle or trailer for which the sum of all liability bonds or policies at the time of an "accident" provides a limit that is less than the amount an "insured" is legally entitled to recover as damages caused by the "accident";

However, "underinsured motor vehicle" does not include any vehicle:

a. Owned or operated by a self-insurer under any applicable motor vehicle law;

b. Owned by a governmental unit or agency; or

c. Designed for use mainly off public roads while not on public roads.