

AMENDATORY ENDORSEMENT ARKANSAS

1. Under Co-Insurance Contract, the paragraph is deleted and replaced by the following:

It is expressly stipulated and made a condition of this policy that this Company shall not be liable for a greater proportion of any loss or damage to the property described than 100% of the actual cash value of said property at the time such loss or damage occurs. Therefore the amount of coverage should represent the value of insurable goods.

2. Under Subrogation, the paragraph is amended to include the following:

If you assign to us the rights of recovery and we recover from another party, we will fully compensate you for the loss sustained, before recovering for our loss.

3. Under If We Disagree, the paragraph is amended to include the following:

This provision is non-binding on both parties and will apply only if you and we voluntarily agree to appraisal.

4. Under Cancellation, the section is deleted and replaced by the following:

You may cancel this policy at any time. We have the same right.

To cancel, you must return the Declarations page to us or our agent. If you cannot return the Declarations page, you must tell us in writing the date which you want coverage to end. The date can't be before the date of the writing.

If you cancel your policy within thirty (30) days of receiving it, you will receive a full refund. Refunds after thirty (30) days will be figured by the short rate method, subject to a minimum premium of \$20.

If we cancel the policy, we will mail notice to you at your last known address at least seventy-five (75) days before your coverage will end. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date. Mailing the notice will be proof that you were notified. You will get a refund of any unused premium as promptly as possible. If we cancel, the refund will be pro rata. The termination of your coverage will be effective whether or not you have been paid the refund. If the company cancels your policy, it will not be subject to the minimum premium of \$20.

No policy which has been in effect for sixty (60) days shall be canceled by the insurer except for one of the following reasons:

- (a) Nonpayment of premium;
- (b) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, or in presenting a claim under the policy;
- (c) The occurrence of a material change in the risk which substantially increases any hazard insured against after the policy issuance;
- (d) Violation of any local fire, health, safety, building, or construction regulation or ordinances with respect to any insured property or the occupancy of the property, which substantially increases any hazard insured against under the policy;
- (e) Nonpayment of membership dues in those cases where our bylaws, agreements, or other legal instruments require payment as a condition of the issuance and maintenance of the policy; or
- (f) A material violation of a material provision of the policy.