

ARKANSAS INSURANCE DEPARTMENT LEGAL DIVISION

1200 West Third Street Little Rock, AR 72201-1904 501-371-2820 FAX 501-371-2629

Bulletin 4-97

ACT 835 OF 1997

July 7, 1997

Act 835 of 1997 requires that notice be given to insureds if an insurer intends to require or specify the use of motor vehicle parts not made by the original vehicle manufacturer.

This Act becomes effective August 1, 1997, and will be applicable to new and renewal insurance contracts. Either an attached endorsement, inserted print or a sticker containing the required language may be used to fulfill this notice requirement.

The following information must be provided the insured in no smaller than 10 point type.

"IN THE REPAIR OF YOUR COVERED MOTOR VEHICLE UNDER THE PHYSICAL DAMAGE COVERAGE PROVISIONS OF THIS POLICY, WE MAY REQUIRE OR SPECIFY THE USE OF MOTOR VEHICLE PARTS NOT MADE BY THE ORIGIANL MANUFACTUER. THESE PARTS ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT, QUALITY, PERFORMANCE, AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS THEY REPLACE."

Insurers need only file the required language in one form – either the endorsement, sticker or policy language insert and then specify how notice to policyholders will be accomplished. The single page endorsement filing fee of \$25.00 will be applicable; however, the F-1 form will not be required.

Questions concerning this bulletin should be directed to Alexa Grissom or Carol Stiffler at 501-371-2800.

INSURANCE COMMISSIONER

Mike Pickens