Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1	State of Arkansas	As Engrossed: H1/30/07			
2	86th General Assembly	A Bill			
3	Regular Session, 2007		HOUSE BILL	1209	
4					
5	By: Representatives Hyde, E. Brown, Burkes, George, Glidewell, King, Pierce, J. Roebuck, Webb				
6	By: Senator Salmon				
7					
8					
9	For An Act To Be Entitled				
10	AN ACT TO PROMOTE INSURANCE COVERAGE; TO PROTECT				
11	BUSINESS FROM INSURANCE POLICY LIMITATIONS; AND				
12	FOR OTHER	PURPOSES.			
13					
14	Subtitle				
15	TO PROMOTE INSURANCE COVERAGE AND TO				
16	PROTECT BUSINESS FROM INSURANCE POLICY				
17	LIMITAT	CIONS.			
18					
19					
20	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:				
21					
22	SECTION 1. Arkansas Code Title 4, Chapter 56, is amended to add an				
23	additional section to read as follows:				
24	4-56-104. Hold harmless clause.				
25	(a) As used in th	is section:			
26	(1) "Agreem	ent" means the bargain of the p	arties in fact, as		
27	found in their language or inferred from other circumstances, including				
28	course of performance, course of dealing, or usage of trade as provided in §				
29	<u>4-1-303; and</u>				
30	<u>(2) "Contra</u>	ct" means the total legal oblig	ation that results	,	
31	from the parties' agreement as supplemented by any other applicable laws.				
32	(b) Except as provided in subsections (c) and (d) of this section, an				
33	agreement or contract is unenforceable as against public policy if the				
34	agreement or contract requires a party to the contract or agreement or that				
35	party's surety or insurer to indemnify, insure, defend, or hold harmless				
36	another party against liability for:				

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1	(1) Damage from death or bodily injury to a person arising out			
2	of the negligence or fault of the indemnitee, its agent, representative,			
3	subcontractor, or supplier; or			
4	(2) Damage to property arising out of the negligence or fault o			
5	the indemnitee, its agent, representative, subcontractor, or supplier.			
6	(c) A contract or an agreement to exempt, limit, or release one (1) or			
7	more parties to a contract or an agreement from liability for negligence or			
8	fault before the negligence occurs in an amount greater than the amount			
9	represented by the degree or percentage of negligence or fault attributable			
10	to the indemnitor, its agent, representative, subcontractor or supplier is			
11	unenforceable as against public policy.			
12	(d) A provision or understanding in an agreement or contract that			
13	attempts to circumvent this section by making the agreement or contract			
14	subject to the laws of another state is unenforceable as against public			
15	policy.			
16	(e) An agreement provision or contract provision shall not limit the			
17	duty of care that one (1) party to a contract or agreement has to the other			
18	party to the agreement or contract.			
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20	/s/ Hyde			
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