

**ANNOUNCEMENT OF
PUNITIVE DAMAGES ADJUSTMENT
PURSUANT TO SECTION 16-55-208**

Dated as of January 1, 2009

The Administrative Office of the Courts announces the following:

1. Arkansas Code Annotated Section 16-55-208 provides:

16-55-208. Limitations on the amount of punitive damages.

(a) Except as provided in subsection (b) of this section, a punitive damages award for each plaintiff shall not be more than the greater of the following:

(1) Two hundred fifty thousand dollars (\$250,000); or

(2) Three (3) times the amount of compensatory damages awarded in the action, not to exceed one million dollars (\$1,000,000).

(b) Subsection (a) of this section shall not apply when the fact finder:

(1) Determines by clear and convincing evidence that, at the time of the injury, the defendant intentionally pursued a course of conduct for the purpose of causing injury or damage; and

(2) Determines that the defendant's conduct did, in fact, harm the plaintiff.

(c) As to the punitive damages limitations established in subsection (a) of this section, the fixed sums of two hundred fifty thousand dollars (\$250,000) set forth in subdivision (a)(1) of this section and one million dollars (\$1,000,000) set forth in subdivision (a)(2) of this section shall be adjusted as of January 1, 2006, and at three-year intervals thereafter, in accordance with the Consumer Price Index rate for the previous year as determined by the Administrative Office of the Courts.

[As of January 1, 2006, increase was 3.4%,
subdivision 16-55-208(a)(1) was \$258,500.00
and subdivision (a)(2) was \$1,034,000.00.]

2. The Administrative Office of the Courts has been advised by the Department of Finance and Administration that the Consumer Price Index, for purposes of the calculation to be made pursuant to Arkansas Code Annotated Section 16-55-208, increased by 3.8% for calendar year 2008 over calendar year 2007.

3. Accordingly, the adjustment as of January 1, 2009 for subdivision 16-55-208(a)(1) is \$268,323.00 and for subdivision (a)(2) is \$1,073,292.00.