

Who's On The Hook? Make Sure Your Indemnity Agreement Is Enforceable

What happens when “you decide to just include standard boilerplate language where both parties agree to indemnify each other for any negligence committed by the indemnifying party? After all, the intent is for the other party to indemnify you if they breach any applicable duty stemming from this agreement,” discusses Andy Nikolopoulos in ***Fox Rothschild's Lone Star Bench & Bar***.

“Although the inclusion of such mutual indemnity provisions is the norm rather than the exception, the protection you think you bargained for will likely be unavailable to you if you find yourself sued as a result of the actions of the other party. For example, if you are a contractor who is sued due to the negligence of a subcontractor, your first inclination will be to demand that the subcontractor indemnify and defend you in the lawsuit based on the indemnity provision in your contract. However, if your indemnity provision consists only of rinse and repeat ‘standard’ language, you may be out of luck in seeking recourse from the subcontractor.”

Read the article.