

# ACCOUNTANT HOLD HARMLESS AND MALPRACTICE INDEMNITY AGREEMENT

This Accountant Hold Harmless and Malpractice Indemnity Agreement (the "Agreement") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between:

**Client:** \_\_\_\_\_, residing at/having its principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Client"),

and

**Accountant:** \_\_\_\_\_, residing at/having its principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Accountant").

The Client and the Accountant may collectively be referred to as the "Parties" or individually as a "Party."

## **RECITALS**

WHEREAS, the Accountant provides professional accounting, tax preparation, bookkeeping, and/or financial consulting services;

WHEREAS, the Client wishes to engage the Accountant to perform professional services as described in the engagement letter or agreement dated \_\_\_\_\_ (the "Services"); and

WHEREAS, as a condition of performing the Services, the Parties agree to allocate certain risks and liabilities under the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **1. SCOPE OF SERVICES**

The Accountant shall perform the professional services strictly in accordance with the specific engagement agreement dated \_\_\_\_\_. The Client agrees to provide all necessary, accurate, and complete financial records, documents, and information required for the performance of the Services in a timely manner.

### **2. ACCURACY OF INFORMATION & RELIANCE**

The Accountant shall rely upon the accuracy and completeness of the financial records, information, representations, and documents supplied by the Client, its officers, employees, or agents, without independent verification. The Accountant shall not be liable for any errors, omissions, or inaccuracies in the work product resulting from inaccurate, falsified, incomplete, or misleading information provided by the Client.

### **3. INDEMNIFICATION AND HOLD HARMLESS**

The Client agrees to defend, indemnify, and hold harmless the Accountant, its partners, officers, employees, agents, and affiliates (collectively, the "Indemnified Parties") from and against any and all claims, liabilities, losses, damages, costs, and expenses (including, but not limited to, reasonable attorneys' fees, expert witness fees, and court costs) arising out of or in connection with:

- (a) Any material misrepresentation, omission, or fraudulent act committed by the Client, its management, employees, or agents;
- (b) Any third-party claims brought against the Accountant relating to the Services, except to the extent such claims are determined by a court of competent jurisdiction to have resulted directly from the gross negligence or willful misconduct of the Accountant;
- (c) Penalties, interest, or additional taxes assessed by any tax authority resulting from information provided by the Client that was inaccurate, incomplete, or provided past the regulatory deadlines.

### **4. LIMITATION OF MALPRACTICE LIABILITY**

Except in cases of proven gross negligence, fraud, or intentional misconduct, the total liability of the Accountant to the Client for any and all claims, losses, damages, or professional malpractice arising out of or related to this Agreement or the Services shall be limited to an amount not to exceed the total fees actually paid by the Client to the Accountant for the specific portion of the Services giving rise to the liability.

**5. EXCLUSION OF CONSEQUENTIAL DAMAGES**

In no event shall either Party be liable to the other Party for any indirect, special, incidental, punitive, or consequential damages, including but not limited to loss of profits, loss of data, loss of goodwill, or business interruption, arising out of or in connection with this Agreement, even if advised of the possibility of such damages.

**6. NOTICE OF CLAIM**

The Client shall notify the Accountant in writing of any potential claim, error, or dispute arising out of the Services within \_\_\_\_\_ days of discovering the factual basis for such claim. Failure to provide such notice within the specified period shall constitute an absolute waiver of any claim by the Client for such error or dispute.

**7. GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of \_\_\_\_\_, without regard to its conflict of laws principles. Any legal action or proceeding arising under this Agreement shall be brought exclusively in the courts located in \_\_\_\_\_.

**8. SEVERABILITY**

If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**9. ENTIRE AGREEMENT**

This Agreement constitutes the entire understanding between the Parties regarding the subject matter hereof and supersedes all prior agreements, representations, or understandings, whether oral or written, regarding professional indemnity and liability allocation for the Services.

IN WITNESS WHEREOF, the Parties hereto have executed this Accountant Hold Harmless and Malpractice Indemnity Agreement as of the date first written above.

**CLIENT:**

**ACCOUNTANT:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title (if applicable)

\_\_\_\_\_  
Title (if applicable)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date