

# CORPORATE ACCOUNTING ERROR INDEMNIFICATION AND RELEASE AGREEMENT

This Corporate Accounting Error Indemnification and Release Agreement (the "Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between:

**Indemnitor:** \_\_\_\_\_, with a principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Indemnifying Party"),

and

**Indemnitee:** \_\_\_\_\_, with a principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Company").

## RECITALS

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WHEREAS, the Indemnifying Party performed certain accounting, bookkeeping, or tax preparation services for the Company pursuant to a prior service agreement dated \_\_\_\_\_, 20\_\_\_\_\_;

WHEREAS, it has been identified that certain accounting errors, omissions, or miscalculations occurred during the performance of those services, specifically described as: \_\_\_\_\_ (the "Accounting Error"); and

WHEREAS, the Accounting Error resulted in, or may result in, financial discrepancies, tax penalties, interest, or other liabilities for the Company; and

WHEREAS, the Indemnifying Party agrees to indemnify, defend, and hold harmless the Company from any liabilities arising directly from the Accounting Error, and the Company agrees to release the Indemnifying Party from further liability subject to the terms and conditions 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. INDEMNIFICATION

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The Indemnifying Party hereby agrees to indemnify, defend, and hold harmless the Company, its officers, directors, employees, and agents from and against any and all claims, liabilities, losses, damages, fines, penalties, interest, and expenses (including reasonable attorneys' fees and professional costs) arising directly out of, or resulting from, the Accounting Error. The maximum liability of the Indemnifying Party under this Agreement shall be capped at \_\_\_\_\_.

### 2. PAYMENT TERMS

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The Indemnifying Party shall pay to the Company, or directly to the relevant taxing or regulatory authority on behalf of the Company, the sum of \_\_\_\_\_ within \_\_\_\_\_ days of the execution of this Agreement, representing the agreed-upon rectification cost for the Accounting Error.

### 3. RELEASE OF CLAIMS

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Subject to the Indemnifying Party fulfilling its obligations under Sections 1 and 2 of this Agreement, the Company hereby fully, finally, and forever releases, acquits, and discharges the Indemnifying Party from any and all claims, demands, actions, or causes of action, whether known or unknown, arising solely out of the specific Accounting Error described herein.

**4. NO ADMISSION OF LIABILITY**

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The execution of this Agreement and the performance of the obligations hereunder shall not be construed as an admission of liability or wrongdoing by either Party, except as specifically set forth herein regarding the obligation to indemnify.

**5. GOVERNING LAW AND JURISDICTION**

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

**6. ENTIRE AGREEMENT**

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This Agreement constitutes the entire understanding between the Parties concerning the subject matter hereof and supersedes all prior discussions, agreements, or representations, whether oral or written, relating to the Accounting Error.

IN WITNESS WHEREOF, the Parties hereto have executed this Corporate Accounting Error Indemnification and Release Agreement as of the date first written above.

**INDEMNIFYING PARTY:**

**COMPANY:**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_