

DEED OF INDEMNITY

(Fiduciary Duties for Accounting Professionals)

THIS DEED OF INDEMNITY is made on this _____ day of _____, 20____

PARTIES

The Client:

Address: _____

The Accountant:

Address: _____

BACKGROUND

- A. The Accountant provides professional accounting, financial advisory, or fiduciary services to the Client pursuant to an engagement agreement dated _____.
- B. In performing these services, the Accountant may act in a fiduciary capacity, or be deemed to owe fiduciary duties to the Client under applicable law.
- C. The Client desires to indemnify and hold harmless the Accountant against certain liabilities that may arise from the performance of these fiduciary duties, subject to the terms and conditions set forth herein.

OPERATIVE PROVISIONS

1. Definitions & Interpretation

In this Deed, unless the context otherwise requires:

- **"Claim"** means any demand, action, suit, proceeding, claim, investigation, or judgment of any nature made or threatened by any third party or by the Client.
- **"Fiduciary Services"** means the professional services provided by the Accountant to the Client which involve a relationship of trust, confidence, or the management of assets, as defined in the engagement agreement.
- **"Liabilities"** means all losses, damages, liabilities, costs, charges, expenses (including reasonable legal fees and disbursements on a full indemnity basis), and disbursements.

2. Indemnity

1. Subject to Clause 3, the Client hereby irrevocably and unconditionally indemnifies and holds harmless the Accountant from and against any and all Liabilities and Claims incurred or suffered by the Accountant arising directly or indirectly out of, or in connection with, the performance of the Fiduciary Services.
2. This indemnity extends to any liability arising from an honest breach of fiduciary duty, conflict of interest, or duty of care, provided such breach was committed in good faith and in the reasonable belief that the action was in the best interest of the Client.

3. Exclusions and Limitations

The indemnity provided under Clause 2 shall not apply to the extent that any Liability or Claim is determined by a court of

competent jurisdiction to have resulted from:

- a. The Accountant's fraud, dishonesty, or willful misconduct;
- b. Gross negligence by the Accountant;
- c. Any material breach of this Deed or the engagement agreement by the Accountant; or
- d. Any criminal liability.

4. Notification and Conduct of Claims

1. The Accountant shall, as soon as reasonably practicable, notify the Client in writing of any Claim made or threatened against the Accountant which may give rise to a claim for indemnity under this Deed.
2. The Client shall be entitled, at its own expense, to participate in or conduct the defense of any such Claim. If the Client elects to assume the defense, it shall appoint legal counsel approved by the Accountant (such approval not to be unreasonably withheld).
3. The Accountant shall cooperate fully with the Client in the defense of any Claim and shall not settle or compromise any Claim without the prior written consent of the Client.

5. Governing Law and Jurisdiction

This Deed is governed by and shall be construed in accordance with the laws of _____. The parties irrevocably submit to the exclusive jurisdiction of the courts of _____.

IN WITNESS WHEREOF the parties hereto have executed this Instrument as a Deed on the date first written above.

Signed, Sealed, and Delivered

for and on behalf of the **Client**:

Signature

Name: _____

Title: _____

In the presence of:

Witness Signature: _____

Witness Name: _____

Signed, Sealed, and Delivered

for and on behalf of the **Accountant**:

Signature

Name: _____

Title: _____

In the presence of:

Witness Signature: _____

Witness Name: _____