

ACCOUNTANTS FIDUCIARY LIABILITY INDEMNITY AGREEMENT

This Fiduciary Liability Indemnity Agreement (the "Agreement") is entered into as of _____, 20_____, by and between:

Indemnitor:

Name/Entity: _____

Address: _____

And

Indemnitee (Accountant):

Name/Entity: _____

Address: _____

RECITALS

WHEREAS, the Indemnitee provides professional accounting, tax, advisory, or related fiduciary services to the Indemnitor;

WHEREAS, in the course of providing these professional services, the Indemnitee may act in a fiduciary capacity, or may be deemed to owe fiduciary duties to the Indemnitor, its affiliates, beneficiaries, or third parties under applicable law;

WHEREAS, the Indemnitor recognizes the inherent risks associated with the performance of such fiduciary duties and wishes to induce the Indemnitee to perform, or continue to perform, these services by providing indemnity against liabilities that may arise therefrom;

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

- A. **Scope of Indemnity:** Subject to the limitations set forth in Section 2, the Indemnitor agrees to defend, indemnify, and hold harmless the Indemnitee from and against any and all claims, demands, liabilities, losses, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees and legal costs) arising out of, relating to, or in connection with any actual or alleged breach of fiduciary duty, error, omission, or misstatement by the Indemnitee while performing professional services or acting in a fiduciary capacity for or on behalf of the Indemnitor.
- B. **Advancement of Costs:** The Indemnitor shall advance all reasonable legal fees, court costs, and associated litigation expenses incurred by the Indemnitee in defending any action, suit, or proceeding covered under this Agreement within _____ days of receiving written invoices and a written undertaking from the Indemnitee to repay such advanced amounts if it is ultimately determined that the Indemnitee is not entitled to indemnification.

2. LIMITATIONS AND EXCLUSIONS

The indemnification provided under Section 1 shall not apply if a court of competent jurisdiction renders a final, non-appealable judgment determining that the liability, loss, or damage resulted directly from the Indemnitee's:

- a. Willful misconduct or intentional dishonesty;
- b. Gross negligence;
- c. Fraudulent or criminal acts; or
- d. Direct receipt of personal, unlawful monetary gain or profit.

3. NOTICE AND CONTROL OF DEFENSE

- A. **Notice:** The Indemnitee shall promptly notify the Indemnitor in writing of any claim, threat of claim, or commencement of any

action for which indemnification may be sought under this Agreement. Failure to give prompt notice shall not relieve the Indemnitor of its obligations except to the extent the Indemnitor is materially prejudiced by such failure.

- B. **Defense:** The Indemnitor shall have the right to assume the defense of any such claim or action with legal counsel reasonably acceptable to the Indemnatee. The Indemnatee shall cooperate fully in the defense of any such action. The Indemnitor shall not settle any claim without the prior written consent of the Indemnatee, which consent shall not be unreasonably withheld, conditioned, or delayed.

4. TERM AND TERMINATION

This Agreement shall remain in full force and effect during the period of the Indemnatee's engagement by the Indemnitor and shall survive the termination of any service agreement or relationship indefinitely with respect to any acts or omissions occurring prior to such termination.

5. 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 law principles. Any legal action arising under this Agreement shall be brought exclusively in the courts located in _____.

6. MISCELLANEOUS

- A. **Entire Agreement:** This Agreement constitutes the entire understanding between the parties regarding fiduciary liability indemnification and supersedes all prior agreements or understandings, written or oral.
- B. **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 be affected or impaired.
- C. **Amendments:** This Agreement may only be amended, modified, or supplemented by a written instrument signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Fiduciary Liability Indemnity Agreement as of the date first written above.

INDEMNITOR:

By: _____
Name: _____
Title: _____
Date: _____

INDEMNITEE (ACCOUNTANT):

By: _____
Name: _____
Title: _____
Date: _____