

# Mutual Indemnification Clause Template

## **1. Mutual Indemnification**

Each party ("Indemnifying Party") agrees to indemnify, defend, and hold harmless the other party, its affiliates and their respective officers, directors, employees, and agents (collectively, the "Indemnified Parties") from and against any and all claims, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to: (a) any breach by the Indemnifying Party of its representations, warranties, or obligations under this Agreement; (b) gross negligence, willful misconduct, or violation of applicable law by the Indemnifying Party; or (c) any third-party claim resulting from the acts or omissions of the Indemnifying Party in connection with the performance of this Agreement.

## **2. Procedure**

The Indemnified Party shall promptly notify the Indemnifying Party in writing of any claim for which indemnification is sought. The Indemnifying Party shall have the right to assume the defense and settlement of such claim with counsel of its choosing, provided that it keeps the Indemnified Party reasonably informed and does not settle any claim without the Indemnified Party's prior written consent, such consent not to be unreasonably withheld. The Indemnified Party shall have the right to participate in the defense at its own expense.

## **3. Limitation**

The obligations under this Mutual Indemnification clause shall survive the termination or expiration of this Agreement.

### Important Notes:

- Mutual indemnification clauses allocate risk and protection equally to both parties.
- This clause may not cover all potential liabilities—review specific contract context and legal requirements.
- Consult with legal counsel to customize language for your jurisdiction and specific agreement.
- Clearly define terms such as "gross negligence," "willful misconduct," and "claims" within your contract.
- Consider insurance requirements and liability limits in conjunction with indemnification provisions.