

Hold Harmless

You may have a hold harmless provision in a contract presented to you. You may also choose to include a hold harmless provision in a contract you present to others.

Definition of a hold harmless agreement: A contractual agreement whereby one party assumes the liability inherent in a situation, thereby relieving the other party of responsibility.

Purpose of a hold harmless agreement: To save another party from all legal consequences or from the outlay of any money for defense costs, damages, etc.

Ultimately a hold harmless agreement transfers the risk from one party to another.

You should include a hold harmless provision in most contracts dealing with contractors or vendors.

Hold Harmless Sample

“To the fullest extent permitted by law, the (contractor/vendor) agrees to defend (including attorney’s fees), pay on behalf of, indemnify, and hold harmless the (entity), its elected and appointed officials, employees and volunteers and others working on behalf of the (entity) against any and all claims, demands, suits or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the (entity), its elected and appointed officials, employees, volunteers or others working on behalf of the (entity), by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract.”

-Sample taken from page 16, Risk Transfer Manual, published by C.M. Althoff Co. 1999.

Mutual Hold Harmless Sample

Each party shall defend any third party claim against the other party arising from the death of or physical injury to any person or damage to the indemnified party's property to the extent proximately caused by the negligence of the indemnifying party or its agents or employees, and indemnify and hold harmless the other party and its respective officers, directors and employees from and against damages, liabilities and reasonable costs and expenses, including reasonable legal fees incurred in connection therewith.