

General indemnity in respect of

This precedent has been authored for LexisNexis

This precedent is part of a LexisNexis suite of

This precedent is current to **April 2017**.

Introductory note

This precedent is an example of a deed of indemnity where an indemnity is granted by the indemnifier

What is an indemnity?

An indemnity is a promise by one party to reimburse or indemnify another party for loss or damage incurred by another party usually as a result of a contract. For example, many building contracts between a builder and the Owner contain clauses where the builder indemnifies the Owner against the Owner for damage or injury caused by the builder.

In Australia, there is a statutory requirement for a deed of indemnity to be enforceable it should be in writing. See [Laws of Australia — 220 — Guarantees and Indemnities](#).

Codes and legislation which may impact on indemnities

In Australia indemnities certain legislation and regulations may impact on the enforcement of an indemnity where the indemnifier is a regulated entity. It is important when drafting an indemnity to consider the legislation and codes which may impact on the indemnity.

The following are examples of industry codes of practice which may impact on an indemnity:

- **The Australian Bankers' Association Code (The Code):** In the case of indemnity for compliance with the Banking Code of Practice, the Code enforces the indemnity. The Code sets out the standards of banking practice and is adopted by business customers, prospective customers and business customers. If a bank adopts the code, the bank is bound by the code. The current version has been adopted by the Banking Code of Practice.
- **National Credit Code (NCC) and the National Consumer Act 2010 (Cth):** The NCC enforces the indemnity where the terms of the indemnity are consistent with the NCC. The NCC is part of the National Consumer Act 2010 (Cth) and is enforceable under the Competition and Consumer Act 2010 (Cth).

General indemnity in respect of specific

This deed of indemnity is made on [date]

between

[name of party] [ACN/ABN (if a company)] of [

and

[name of party] [ACN/ABN (if a company)] of [

OPERATIVE PROVISIONS

1 Definitions

In this document:

Applicable Interest Rate means [insert

Business Day means a day which is not a public holiday at the [insert location].

Indemnified Event means [insert details]

Indemnified Payment means any amount payable in respect of an Indemnified Event.

2 Indemnity

2.1 Indemnity

The Indemnifier unconditionally and irrevocably agrees to indemnify the Indemnified Party from and against all demands, claims, suits, actions, damages, losses, costs and expenses made or brought against or suffered or incurred by the Indemnified Party:

- (a) the Indemnified Event or as a direct or indirect result of the Indemnified Event made in respect of the Indemnified Party;
- (b) Indemnified Payments.

2.2 Payments on demand under indemnity

- (a) The Indemnifier must pay to the Indemnified Party the amount payable to the Indemnified Party under clause 2.1(a) and (b) on demand;
- (b) The Indemnified Party may make such demand at any time.

3 Preservation of Indemnified Party

3.1 Continuing obligation

- (a) This document is a continuing indemnity agreement.