

Letter of Indemnity

LETTER OF INDEMNITY

Complete every field before the letter is signed. Have an authorized signatory execute it, then ask the indemnified party to countersign. File the signed copy with its supporting documents.

Letter reference: _____ Date of this letter: _____ dd / mm / yyyy

1. INDEMNIFYING PARTY (THE INDEMNITOR)

The party accepting liability and giving the promise to pay. Use full legal names, not trading names or abbreviations.

Full legal name: _____ Company or registration number: _____

Registered address: _____

Contact name and role: _____ Email and telephone: _____

2. INDEMNIFIED PARTY (THE INDEMNITEE)

The party being protected, such as a carrier, bank, custodian or consignee. Record their title or role as well as their name.

Full legal name: _____ Title or role: _____

Registered address: _____

Contact name and role: _____ Email and telephone: _____

3. TRANSACTION DESCRIPTION

Identify the underlying transaction or event precisely. This is what stops an argument later about what the letter actually covers.

Reference number: _____ Transaction date: _____ dd / mm / yyyy

Goods, cargo or instrument: _____ Value and currency: _____

Full description of the transaction or event, including document numbers and dates

4. SCOPE OF INDEMNITY

State the exact loss, damage or liability covered, and the scenario that triggers it. Avoid open-ended wording such as "any and all losses".

Loss, damage or liability indemnified

Anything expressly excluded from this indemnity

5. MONETARY LIMIT AND DURATION

An unlimited indemnity carries more risk and may be challenged by a court. State a cap and an expiry date wherever you can.

Maximum liability: _____

Currency: _____

Indemnity effective from: _____ dd / mm / yyyy

Valid until: _____ dd / mm / yyyy

☐ No monetary cap agreed, so liability under this letter is unlimited

6. OPERATIVE INDEMNITY WORDING

Keep this wording in the signed letter. Fill in the blanks, then delete the bracketed guidance before the letter is issued.

We, _____ (indemnifying party named in section 1), hereby irrevocably and unconditionally indemnify and hold harmless _____ (indemnified party named in section 2) against all loss, damage, liability and expense, including legal fees, arising from or connected with the matter described in sections 3 and 4 of this letter.

This indemnity is limited to the maximum liability recorded in section 5. It takes effect on the date recorded there and provides no protection for any claim made after it expires.

The undersigned is authorized to execute this letter of indemnity on behalf of _____ and warrants that this letter is a binding obligation of that company.

This letter is governed by the law recorded in section 7. Any dispute arising under it is resolved in the courts named in that section.

7. GOVERNING LAW AND JURISDICTION

Name one governing law and one court. On an international transaction, this is what decides whether the letter can be enforced at all.

Governing law (country or state): _____

Courts for disputes: _____

Dispute resolution: _____

8. AUTHORITY OF THE SIGNATORY

A signature from someone without authority to bind the company makes the letter unenforceable. Record the evidence of authority here.

- ☐ Signatory is a director or another authorized officer
- ☐ Certified copy of the board resolution attached
- ☐ Power of attorney attached
- ☐ Financial standing of the indemnifying party checked

Evidence of authority reference: _____

Checked by: _____

9. FILING AND EXPIRY REMINDER

Store the signed letter with its supporting documents, and set a reminder before the indemnity expires. After expiry there is no recourse.

Stored in (file or system reference): _____

Expiry reminder set for: _____ dd / mm / yyyy Reminder owner: _____

The indemnifying party confirms that the details recorded above are correct, and that the scope of this indemnity has been read in full.

The signatory confirms authority to bind the company named in section 1. The indemnified party countersigns below to accept this indemnity.

EXECUTED BY

Indemnifying party: authorized signature and date
Name and position: _____

Indemnified party: countersignature and date
Name and position: _____