

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Amend the Laws Governing Indemnification Agreements

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 10 MRSA c. 201-B is enacted to read:

CHAPTER 201-B

indemnification in contracts

§ 1120-A. Indemnification agreements against public policy

1. Indemnification void and unenforceable. A provision, clause, covenant or agreement contained in, collateral to or affecting a contract that purports to indemnify or hold harmless, or both, the promisee from or against claims or liabilities arising out of any intentional act or omission of the promisee or promisor, or the agents, servants, employees or independent contractors of the promisee or promisor, is against public policy and is void and unenforceable.

2. Additional insured not prohibited. This section does not prohibit an agreement or requirement in a contract from including the promisee as an additional insured in an insurance contract.

3. Exceptions. This section does not affect the validity of an insurance contract for workers' compensation or any other insurance contract or agreement issued by a licensed insurer.

4. Application. This section applies to contracts entered into or renewed on or after January 1, 2008.

SUMMARY

This bill prohibits certain indemnification agreements in contracts, but only when the agreement would indemnify or hold harmless, or both, the promisee from and against liability arising out of any intentional act or omission by the promisee or promisor, or the agents, servants, employees or independent contractors of the promisee or promisor. This bill does not affect workers' compensation or other insurance contracts. The parties are not prohibited from agreeing that the promisee must be included as an additional insured in an insurance contract. This bill applies to all contracts entered into or renewed on or after January 1, 2008.