

NEVADA

In light of Nevada Revised Statutes Section 40.693 we recommend the following indemnification provision for residential construction contracts:

"To the fullest extent permitted by law, CONTRACTOR/VENDOR shall indemnify, defend, and hold harmless PROPERTY OWNER, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorneys' fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with CONTRACTOR/VENDOR's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in the agreement, except (1) where caused by Indemnified Parties' negligence, whether active or passive, intentional act or omission; and (2) to the extent it requires CONTRACTOR/VENDOR to indemnify, defend or otherwise hold harmless Indemnified Parties from any liability, claim, action or cause of action resulting from a constructional defect arising out of, related to or connected with that portion of the CONTRACTOR/VENDOR's work which has been altered or modified by another trade or Indemnified Parties. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to PARTIES.

The indemnification obligations of CONTRACTOR/VENDOR under this Agreement shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which CONTRACTOR/VENDOR is required to carry under this Agreement. Indemnified Parties' right to indemnification from CONTRACTOR/VENDOR under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by CONTRACTOR/VENDOR under this Agreement.

CONTRACTOR/VENDOR's duty to defend the Indemnified Parties is entirely separate from, independent of, and free-standing from CONTRACTOR/VENDOR's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of CONTRACTOR/VENDOR's liability, breach of this Agreement or other obligation, or CONTRACTOR/VENDOR's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from CONTRACTOR/VENDOR's performance of the Work. Such defense obligation shall arise immediately upon presentation of a claim by any

Person which arises out of or is connected to the Work performed by CONTRACTOR/VENDOR or any of its Agents and written notice of such claim being tendered to CONTRACTOR/VENDOR."

For every contract other than a residential construction contract, we recommend the following, broader, indemnification provision:

"To the fullest extent permitted by law, CONTRACTOR/VENDOR shall indemnify, defend, and hold harmless PROPERTY OWNER, and its agents, affiliates, employees, managers, officers, other contractors, heirs and assigns (hereinafter "Indemnified Parties") from and against any and all liability, claims, damage, costs, expenses, awards, fines, judgments, and attorneys' fees (including, without limitation, expert witness fees and other litigation expenses) of every nature arising out of or in connection with CONTRACTOR/VENDOR's performance of work hereunder, or work of its agents, employees, subcontractors and/or independent contractors, or their failure to comply with any of its obligations contained in the agreement, whether or not caused in whole or in part by Indemnified Parties' active or passive negligence, intentional act or omission. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to PARTIES.

The indemnification obligations of CONTRACTOR/VENDOR under this Agreement shall not be limited by the amounts or types of insurance (or the deductibles or self-insured retention amounts of such insurance) which CONTRACTOR/VENDOR is required to carry under this Agreement. Indemnified Parties' right to indemnification from CONTRACTOR/VENDOR under this section shall be independent of Indemnified Parties' rights under the insurance to be provided by CONTRACTOR/VENDOR under this Agreement.

CONTRACTOR/VENDOR's duty to defend the Indemnified Parties is entirely separate from, independent of, and free-standing from CONTRACTOR/VENDOR's duty to indemnify the Indemnified Parties, including, without limitation, the defense of the Indemnified Parties against claims for which the Indemnified Parties (or any of them) may be strictly liable and applies whether the issue of CONTRACTOR/VENDOR's liability, breach of this Agreement or other obligation, or CONTRACTOR/VENDOR's responsibility has been determined and whether the Indemnified Parties (or any of them) have paid any sums or incurred any detriment, arising out of or resulting directly or indirectly from CONTRACTOR/VENDOR's performance of the Work. Such defense obligation shall arise immediately upon presentation of a claim by any Person which arises out of or is connected to the Work performed by CONTRACTOR/VENDOR or any of its Agents and written notice of such claim being tendered to CONTRACTOR/VENDOR."