## 2021 contract clause: from a MN general contractor to a MN subcontractor

To the fullest extent permitted by law, the Subcontractor agrees to indemnify and save harmless the Contractor, its agents and employees from all Claims arising out of the Contractor's vicarious liability, warranty liability, strict liability or other such similar liability for the Subcontractor's acts or omissions. Notwithstanding the Subcontractor's foregoing indemnity obligation, the Subcontractor agrees that upon the Contractor's request the Subcontractor shall defend the Contractor from and against all Claims, including, without limiting the generality of the foregoing, Claims for which the Contractor may be, or may be claimed to be, liable, whether or not the allegations are meritorious, employing legal counsel acceptable to the Contractor in the Contractor's sole discretion, and at the Subcontractor's sole cost and expense, including, without limitation, reimbursement of all costs, attorneys' fees and expert fees incurred by the Contractor in defending such Claims.

<u>Key</u>:

- Green highlighting: Enforceable indemnity obligation, limited to Subcontractor's fault or negligence.
- Yellow Highlighting: Separate & enforceable defense obligation. Broader than indemnity and includes claims when the General Contractor is <u>solely</u> at fault, and the subcontractor is <u>not</u>.

## If HF803/SF1025 becomes law, Example 1 (above) could be modified to be legal & fair

"To the fullest extent permitted by law, the Subcontractor agrees to indemnify<u>, defend</u>, and save harmless the Contractor, its agents and employees from all Claims arising out of the Contractor's vicarious liability, warranty liability, strict liability or other such similar liability for the Subcontractor's acts or omissions."

• Owner/GC's can still require coverage if a Sub's at fault, just not if it's the Owner/GC's fault.