



2011 SENATE BILL 562

March 15, 2012 – Introduced by Senator LASEE. Referred to Committee on Senate Organization.

1 **AN ACT to create** 895.449 of the statutes; **relating to:** indemnification
2 provisions in contracts for the sale of goods or services.

Analysis by the Legislative Reference Bureau

Current law generally affords parties to a contract freedom to determine the terms of the contract, and these contract terms are enforceable in court. However, there are exceptions. In commercial contracts, the obligations of good faith, diligence, reasonableness, and care established by law cannot be disclaimed by contract. In contracts for the sale of goods, if the court finds that any clause of the contract was unconscionable at the time it was made, the court may refuse to enforce the contract, enforce only the remainder of the contract without the unconscionable clause, or limit the application of the unconscionable clause to avoid any unconscionable result.

Under this bill, any provision in a contract for the sale of goods or services that indemnifies or holds harmless a party from or against liability for loss or damage resulting from that party's own negligence or intentional acts or omissions, or that requires another person to provide a defense to the party in connection with an assertion of liability for loss or damage resulting from that party's own negligence or intentional acts or omissions, is against public policy and void.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

