

Commercial Contract

LEGAL CONSULTANCY AGREEMENT



*Empowered lives.
Resilient nations.*



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

www.smeda.org.pk

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January 2013

Legal Consultancy Agreement

Pro-Gole (Right to do Business)

Legal Services, B&SDS

LEGAL SERVICES, SMEDA

The Legal Services (LS) department is a part of Business & Sector Development Services Division of the Small Medium Enterprises Development Authority and plays a key role in providing an overall facilitation and support to the small businesses. The LS believes that information dissemination among the small businesses on the existing legal & regulatory environment and business to business and business to client contracting is of paramount importance and plays a pivotal role in their sustainable development.

In order to facilitate small businesses, the LS, under the Pro-GOLE (Right to do business) project, a joint SMEDA-UNDP initiative for supporting the small businesses, has developed user-friendly contract templates.

Pro-GOLE, (Right to do Business)

The UNDP has partnered with the Small and Medium Enterprises Development Authority to initiate and execute the Pillar 4 (Right to do business) component of the UNDP PRO-GOLE project which seeks to enhance the legal awareness and mobility of marginalized/ informal businesses. Under the project legal services outreach shall be extended to small businesses including home based enterprises, small shopkeepers, growers, women entrepreneurs, hawking vendors etc. In addition, small business shall be mobilized to access legal services.

The Need for Commercial Contracts Templates

In an increasingly complex and competitive industry, it is vital that suppliers and purchasers are fully protected against legal and commercial risks. To counter such risks, a viable solution; available as- of the shelf commercial contract templates- will provide the users with first class ready to use support. With obligations properly set out and liabilities accurately defined, the users will be in a far better position to look after their rights and interests and move forward from their marginalized positions to being active players of the economy. The Legal Service Providers can equally take benefit of these templates for their professional and business development.

Disclaimer

The information contained in this template is meant to facilitate the businesses in documenting transactions with reference to service matters. However, SMEDA, UNDP or any of their employees or representatives accept no responsibility and expressly disclaim any and all liabilities for any and all losses/shortfalls caused by or motivated by recommendations from the information contained within this document. Although SMEDA's ambition is to provide accurate and reliable information; yet, the document is not an alternative to expert legal advice and should ideally be used in conjunction with the same. Any person using this document and or benefiting from the information contained herein shall do so at his/her own risk and costs and be deemed to have accepted this disclaimer.

All information contained in this document may be freely used provided that relevant acknowledgement is accurately quoted with each usage.

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F3. LEGAL CONSULTANCY AGREEMENT

THIS LEGAL CONSULTANCY AGREEMENT (hereinafter referred to as the "Agreement") is made at [insert place] this ____ (insert date) day of _____ (insert month), 20__ (insert year)

BY AND BETWEEN:

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address]
CNIC # [insert Number];

OR

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name];

(hereinafter referred to as the "Client", which expression shall, wherever the context so provides, include its heirs, assigns, nominees, agents and successors-in-interest)

AND

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address]
CNIC # [insert Number];

OR

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a sole proprietorship concern of Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through Mr/Mrs/Ms [insert Name] (hereinafter referred to as the "Legal Consultant", which expression shall, wherever the context so provides, include its assigns, nominees, agents and successors-in-interest)

(The Client and the Legal Consultant are hereinafter collectively referred to as the "Parties", and individually as the "Party".)

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WHEREAS the Client is engaged in the business of [insert description of Business], and requires the services of a legal consultant in connection with its afore-referred business.

AND WHEREAS the Legal Consultant is engaged in the business of providing legal consultancy services to its clients.

AND WHEREAS the Legal Consultant has represented to the Client that it possesses adequate skills, resources, personnel, and qualifications required to provide legal consultancy services to the Client, and based on these representations of the Client, the Business has agreed to accept the services offered by the Legal Consultant.

AND WHEREAS the Parties are now desirous of reducing the terms and conditions of the Contract into writing.

NOW THEREFORE in consideration of the mutual covenants and promises, the Parties to this Agreement have agreed to the following terms and conditions.

1. APPOINTMENTS

The Client hereby appoints the Legal Consultant for the provision of the Services, as described in Schedule 1 of this Agreement.

2. TERM OF AGREEMENT

This Agreement shall come into effect on the date of signing of this Agreement, and shall continue to be in effect for a period of [insert number] months, unless terminated by either Party in accordance with Clause 9 of this Agreement.

3. LEVEL OF EFFORT AND PAYMENTS

- (1) The Legal Consultant will provide legal counsels and professional staff time in support of the Client's team during the course of this Agreement.
- (2) The Legal Consultant will receive compensation/remuneration for this level of effort and for undertaking the assignments as set forth in Schedule II.
- (3) The Schedule of Payment annexed herewith can be altered/revised with the mutual consent of the Legal Consultant and the Client from time to time.

4. SCOPE OF BUSINESS

- (1) The Legal Consultant shall perform to the best of its abilities and knowledge and shall exhibit due diligence in the conduct of services described under the Scope of Work and Schedule I of this Agreement.

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- (2) The Legal Consultant shall comply with all the directions of the Client reasonably issued from time to time with respect to the services and the obligations of the Legal Consultant hereunder. The Legal Consultant shall comply with the directions of the Client as contained in any guidelines or communication that may reasonably be provided to the Legal Consultant by the Client pursuant to this Agreement.

5. SCOPE OF WORK

- (1) The Client has decided to entrust, assign, delegate the outsource services to the Legal Consultant and the Legal Consultant has agreed to provide the said services in respect of the List of Assignment and Scope of Work and Schedule of Payments as mentioned in Schedule I and II to this Agreement, respectively.
- (2) The Legal Consultant shall ensure to keep the documents of the Client in safe custody at all times. In case any documents are lost, the Legal Consultant would be solely responsible to compensate the Client.
- (3) The Legal Consultant would ensure to deliver the assigned tasks to the Client within the stipulated time, and shall not cause any undue delay in performing such tasks.

6. CODE OF CONDUCT

- (1) The Legal Consultant shall maintain the highest possible professional code of conduct in its dealings.
- (2) The Legal Consultant, its affiliates and employees shall be responsible for any loss, delay or inconvenience caused by an act, omission or negligence of the Legal Consultant and it shall indemnify the Client for the same. However, this clause is without prejudice to any other rights available to the Client.

7. QUALITY OF SERVICE

- (1) The quality of the Legal Consultant's Services under this Agreement shall be of the highest standard and shall be subject to regular review/audit by the Client whenever requested by the Client.
- (2) The Legal Consultant will receive guidelines from time to time from the Client with respect to the quality of Service.
- (3) The decision of the Client with respect to the quality of the Legal Consultant's Services shall be final.

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8. CONFIDENTIALITY

- (1) The Legal Consultant hereto agree that all the information, whether written or oral, including but not limited to all documents, data, information, instruction, procedures and notes exchanged or such confidential or proprietary information which the Client may disclose to the Legal Consultant, its partners, employees and personnel pursuant to the terms of this Agreement, or, if any, supplementary agreements and/or amendments thereto shall be received and held by the Legal Consultant, its partners, employees and personnel on strictly confidential basis, and shall be used solely for the purposes rendering Services under this Agreement, unless otherwise stated in this Agreement executed between the Client and the Legal Consultant and shall not be disclosed to any person or business entity whatsoever unless authorized by the Client.
- (2) The Legal Consultant also agrees to abide by the terms and conditions of the separate Confidentiality Agreement executed by the Parties.

9. TERMINATIONS

- (1) Either party can terminate this Agreement by giving a [insert number] days prior written notice to the other Party. However, during the Notice Period, the Parties shall be responsible for their respective obligations assigned under this Agreement.
- (2) The Confidentiality Agreement executed between the Parties shall remain binding on the Legal Consultant even after the termination of this Agreement.
- (3) The Client may terminate this Agreement with immediate effect, without any notice to the Legal Consultant, if the Legal Consultant or any of its officers commits default/negligence under this Agreement.

10. NON EXCLUSIVITY

The Legal Consultant's engagement by the Client under this Agreement is not exclusive, and the Client has the right to engage other legal consultants and concerns for the purpose or performing Services for the Client as outlined in this Agreement.

11. INDEMNITY

The Legal Consultant shall indemnify and hold the Client harmless from and against any cost, loss, legal proceedings, damages or expenses incurred by the Client as a result of a breach of the foregoing warranty or any of the terms of this Agreement.

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The Legal Consultant agrees to and assures that all of its Services and internal processes (including internal systems) are capable of functioning properly in accordance with the provisions and requirements, as provided in the agreement.

12. INDEPENDENT CONTRACTOR

The Legal Consultant is an independent contractor and nothing herein contained shall constitute or designate the Legal Consultant or any of its employees or agents as employees or agents of the Client.

13. FORCE MAJEURE

(1) Force Majeure shall mean any event that is beyond the reasonable control of a Party, or the effects of which adversely affect the performance by such Party of its obligations under this Agreement, including, but not limited to, acts of God, sabotage, insurrection, terrorism, riots, hostilities or war (whether declared or not), acts of the public enemy, civil disturbances, any kind of fire, explosion, flood or accidental damage, epidemics, landslides, washouts, lightening, storms, earthquakes, lockouts, blockades, shortage of labor or material, major equipment failure, or other causes beyond the control of the Party affected.

(2) Notwithstanding anything contained hereinabove, neither Party shall be liable to the other if it is unable to perform any of its obligations under this Agreement due to the occurrence of Force Majeure.

(3) The Party affected by the Force Majeure event shall be entitled to suspend performance of its obligations under the Agreement to the extent that such performance is impeded or made impossible by the events of Force Majeure.

(4) Each Party shall give a notice within [insert number] days of the occurrence of the event of Force Majeure and shall promptly thereafter consult the other Party for the purpose of finding a mutually acceptable solution to the Force Majeure event.

14. GOVERNING LAW AND EXCLUSIVE JURISDICTION

This Agreement in all respects be read and construed and shall operate as a contract, in conformity with the laws of Pakistan, and the courts at [insert place] shall have exclusive jurisdiction for adjudicating any dispute arising hereunder.

15. SETTLEMENT OF DISPUTE

Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Pakistan Arbitration Act, 1940, subject to the exclusive jurisdiction of the Courts of [insert place].

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16. **ASSIGNMENT**

Neither party hereto may assign, convey or otherwise transfer any of its rights, obligations, or interest herein without prior express written consent of the other party.

17. **MISCELLANEOUS**

(1) This Agreement represents the complete agreement between the Parties with regard to the subject matter and supersedes any prior understanding or agreements, oral or written.

(2) This Agreement may be amended or revised only by an instrument in writing signed by either the Parties or their duly authorized representatives.

(3) No provision hereof or breach of any provision may be waived except by a written waiver, signed by the waiving Party. No waiver of any right under or breach of this Agreement shall be construed to be a waiver of any other right or breach under the Agreement.

(4) Any provision of this Agreement which is prohibited or unenforceable under any law, rule or regulation applicable in Pakistan for the time being shall be ineffective only to the extent of such prohibition or lack of enforceability, and shall not invalidate the remaining provisions hereof.

IN WITNESS WHEREOF, the Parties have set their respective hands on this Agreement at the place, and on the date, mentioned hereinabove.

For and on behalf of
The Business

For and on behalf of
The Legal Consultant

WITNESS NO. 1

WITNESS NO. 2

Signature: _____

Signature: _____

Name: _____

Name: _____

Designation: _____

Designation: _____

Date: _____

Date: _____

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SCHEDULE I **SERVICES**

1. [Insert description of Services]
2. [Insert description of Services]
3. [Insert description of Services]

SCHEDULE II **PAYMENT/REMUNERATION**

- | | |
|------------------------------------|------------------|
| 1. [Insert Description of Service] | [Insert Payment] |
| 2. [Insert Description of Service] | [Insert Payment] |
| 3. [Insert Description of Service] | [Insert Payment] |