

**CONSULTANCY CONTRACT**

BETWEEN &lt;CLIENT &gt; AND &lt;CONSULTANCY &gt;

This document forms a binding contract between:

<Client> of <Client address>

and

<Consultancy> of <Consultancy address>

With regard to <Project title>

This agreement is dated <date>

**<PROJECT TITLE>*****The Project***

<Consultancy name> (the Consultancy) is hereby engaged to carry out the assignment described in the enclosed Terms of Reference (ToR). The assignment shall be carried out by <person / people > during the period of <date> to <date>. Change of personnel or use of sub-contractors may only take place upon the Client's prior written approval.

The Consultancy shall carry out the assignment with due diligence and efficiency, and contribute to a positive dialogue and good cooperation with any third parties involved. They shall notify the Client immediately in writing of any circumstances that may cause delays, prevent or in any way significantly influence the implementation of the assignment.

***Deliverables***

The Consultancy shall produce the following deliverables for the client:

- < deliverable > by <deadline>,
- < deliverable > by <deadline>,
- < deliverable > by <deadline>,
- < deliverable > by <deadline>,
- < deliverable > by <deadline>.

***Communication***

The Consultancy will organise meetings with <project sponsor> twice a week for the first and last month of the project and once a week during the rest of the project. The Consultancy will regularly communicate progress, risks, dependencies and any relevant changes to the project.

All changes to the project must be agreed with the project sponsor and, if deemed necessary by the sponsor, passed through the company's change management process.

### ***Corruption and Compliance***

The Consultancy shall:

- Refrain from any illegal or corrupt practices, refuse any offer, gift, payment or benefit of any kind, which would or could, either directly or indirectly, be construed as an illegal or corrupt practice,
- Will provide an honest, true and transparent set of accounts for expense purposes and declare any rewards, loyalty schemes or other benefits which are relevant to the project,
- Comply with the all regulations on data protection and not divulge any confidential information to third parties. The Consultancy will sign the Client's standard declaration to that effect,
- Comply with any other applicable laws and regulations, and take prompt corrective action with regard to any violation thereof brought to his attention. The Consultancy is responsible for fulfilling any legal requirements.
- Comply with the Institute of Business Consulting Code of Ethics.

### ***Payment***

The work shall be remunerated on an hourly basis at an hourly rate of <currency and rate> (exclusive of any value added tax) but will not exceed <payment limit> without express permission from the project sponsor and the project funder. The hourly rate includes the Consultancy's profit, expenses and social and administrative costs. <If applicable: The work shall not exceed <number> of hours>.

No further costs will be reimbursed under this Contract.

The Consultancy shall submit invoices to the Client by <name of division> <insert relevant milestones, alternatively frequency, e.g. quarterly in arrears>. Along with the invoices the Consultancy shall submit time sheets with a short description of work carried out, as well as receipts for any costs to be reimbursed by the Client.

Payments shall be made within 30 days to a bank account designated by the Consultancy upon approval of the invoice and provided that relevant work has been completed satisfactorily.

### ***Intellectual Property***

The Client shall be the sole owner of all work, materials and other results (deliverables) generated through the assignment, including the sole owner of any intellectual property right thereto. The Consultancy is not entitled, without the prior written approval of the Client, to use the Result. However, the Consultancy may refer to the Result in research carried out by himself.

The Consultancy undertakes to hold the Client harmless against any claims from third parties claiming to own (parts of) the Results.

### ***Liability***

The Client shall not be liable - financially or in other ways - to companies or individuals engaged by the Consultancy. Further, the Client shall not be liable to any third persons for any harm or loss incurred as a result of acts or omissions of the Consultancy or his contractors.

The Consultancy shall obtain and maintain adequate insurances in connection with the execution of the assignment.

### ***Breach of Contract***

Failure by the Consultancy to carry out the assignment in accordance with this Contract constitutes breach of contract. Without prejudice to any other legal remedies available, the Client shall be entitled to a compensation corresponding to actual or estimated costs by having any remaining work done by another consultancy, as well as to compensation of any foreseeable loss as a result of the breach.

<If a section on daily penalty is desired, this may be included: In case of delay, the Client may claim a penalty of <number> times the hourly rate for every commenced day up to a total penalty of <total amount>>.

Moreover, each party may terminate the Contract with immediate effect if the other party is in material breach of the Contract, or it is evident that such breach will occur. The Client may also terminate the Contract with immediate effect if the Consultancy becomes bankrupt or is deemed to be insolvent, or if the Consultancy in the judgement of the Client has been engaged in corruption, fraud or similar.

### ***Termination***

The Client may terminate the whole or parts of the Contract <insert if a notice period shall apply: upon <specify, e.g. 14> days notice> in which case the Consultancy shall exert his best efforts to bring the work to an end in a prompt, orderly and economical manner. The Consultancy shall deliver to the Client any plans, documents or other material generated during the course of the assignment. The Consultancy shall be entitled to remuneration for work carried out and reasonable reimbursement of costs incurred upon terminating the assignment.

### ***Settlement of Disputes***

Any dispute in connection with this Contract that cannot be solved amicably shall be referred to the competent <nationality> court and settled in accordance with <nationality> laws.

If the foregoing is acceptable, we suggest that this letter together with your written affirmation of acceptance shall constitute the contract between <Consultancy's name> and <Client's name>. Please state your affirmation by signing and returning the enclosed copy of this letter.

Yours faithfully

Client Name:

Consultant Name:

Organisation:

Organisation:

Address:

Address:

Date:

Date:

The terms and conditions of the Contract are accepted.

## TERMS OF REFERENCE

ToR must fit the individual assignment:

### *Background*

- Vision: what needs to be achieved for the business.
- Short description of the assignment and reasons for engaging the Consultancy
- Aims and objectives
- Reference documents describing the project
- Scope: division of work/responsibilities

### *Personnel*

- Consultancy details
- Key consultancy contacts for the assignment
- List of personnel and rates if not included in the contract
- Client stakeholders
- Roles and responsibilities

### *The Project*

- Key reference documents available to consultants
- Key elements of the work: deliverables and reports
- Dependencies and risks
- High level plans
- Change management process
- Responsibility for resources, equipment, information and delivery.

### *Schedule*

- Plans: timing, key deliverables and milestones.
- Performance metrics / benchmarks.

### *Budget*

- Budget limit
- Key payment milestones / triggers